

# Innovation is understanding consumers

 By [Mbali Ndandani](#)

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Innovation is the elusive glass slipper that every Cinderella seeks. Every business, entrepreneur and man on the street wants to find the next "big thing" that will change their industry forever.

But what is this "big thing"? Companies set up entire innovation centres full of people whose job it is to find that one idea able to propel the organisation into a new dimension - and that's quite a task to put on a small group of individuals.

Is it really that complicated? I'd like to venture a crazy thought - that innovation is simply: understanding consumers.

## Soul searching 101

A question every business needs to ask itself continually is whether it is still RELEVANT to the consumer. It's often difficult to have to admit that some products and even your brand's positioning may not be what consumers need, but it's the first step towards relevance and making an impact. *Is your business offering what they need today?* Not yesterday and actually not even tomorrow, but right at this moment. Operating in a vacuum wherein as a business you assume you know may leave you holding the steering wheel, but the car has reached the other side of town.

## Don't sell ice to Eskimos

Ask consumers what they need, and they will tell you and invest in some good consumer research. (Note, I say *consumer* research - not *customer* research). Begin to understand why some people go to your competitor and not to you, and why others don't even see the value of your offering period.

## Gold star deservers

In looking at some examples of businesses that have been able to get this right, I looked for home-grown examples to show how simple this innovation thing can be.

### 1. Shoprite Checkers

In 1998, the Shoprite Checkers group launched [Money Market](#), which over the years has become a one stop shop which allowed customers to pay their bills, send money to their loved ones while buying their bread and milk. *Shoprite Checkers understood the consumers' need for convenience*, of a time-saving solution to running errands. The results? Shoprite Checkers has been able to not only meet the needs of existing customers, but has attracted a new group of buyers who might not have ordinarily been customers. Money Market now handles over 21 million transactions per month. The retailer has reinvented itself as a business and is now not just a grocery store, but a fully -fledged financial institution which even offers funeral cover.

### 2. Mr Price

Mr Prices' "[Project Limited Editions](#)" may have gone unnoticed by many, but their customers have definitely seen the difference. This initiative sees Mr Price identify up-and-coming fashion design talent, and make designs by these young entrepreneurs available in some of their stores for a limited time. How is this innovation? *Mr Price realised the ambitions of their customers who wanted to wear exclusive designer gear, but couldn't afford Mango, Zara and the likes*. The solution they came up with was an initiative which is supporting fashion enterprise development as well as offering designer wear at a fraction of what it would cost customers at even the cheapest boutique.

These are just two examples of how a business is able to reinvent itself not by obsessively trying to be the next Apple, but by looking at its customers and consumers and asking them - *what do you need, what are your hopes?*

## ABOUT MBALI NDANDANI

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