

2013 at a glance: Five crucial consumer trends business leaders should know

By *David Mattin and Saint-Francis Tohlang

8 Jan 2013

LONDON, UK / JOHANNESBURG, SA: Turbulent times were predicted on the back end of 2012. The ANC Mangaung conference precipitated very little stormy seas other than an anti-climactic conclusion. The Mayan apocalypse materialised into nothing but an ordinary day. In fact with so many forecasts for change and a chasm of chaos, one may tend to be a bit sceptical with further predictions of change.



However, with a remapped global economy, new consumer mindsets when it comes to brand behaviour and relationships, new technologies, and old technologies applied in new ways, 2013 will usher in a perfect storm of necessity *and* opportunity when it comes to inspiring change in your business.

So here's an overview of six crucial consumer trends that should be on your radar this year. Run with them, make the most of 2013, and let them propel change for your business.

1. Emerging

We've all watched developed markets catering to emerging ones, and emerging markets increasingly catering to developed ones. Now, get ready for an explosion in products and services *from* emerging markets for emerging markets. Think Chinese and Brazilian brands selling to the middle classes here in South Africa, or in Turkey or India, and vice versa.

The motivation isn't hard to discern: the IMF says 2013 is a tipping point year for the global economy, in which for the first time the combined GDPs of the emerging markets (US\$44.1trn [trillion]) will exceed that of developed markets (US\$42.7trn).

There are numerous examples in action that evidence this trend, as there is a readiness for emerging markets to provide expertise to similar markets based on their understanding of local trends and sensibilities. Observe the increasing pattern in African products specifically aimed at other African markets, such as the <u>X-Netphone</u> is a Cameroonian phone tailored to suit the African consumer.

2. Mobile moments

Wondering where mobile will head next? In 2013, consumers will look to their mobile devices to help them maximise every moment.

Consumers are already pushing mobile obsession to near-insane degrees. A survey of US adult smartphone owners found that 63% of women and 73% of men can't go an hour without checking their phone (Harris Interactive, June 2012). Now, hectic, urban lifestyles mean that no amount of (micro) time will be too fleeting to cram in *more* content, connection, consumption or simply more fun.

The examples here are endless. Banks have embraced the mobile revolution better than most, but other companies, such as Cape Town's Taxi Rank are also jumping in. Consumers can simply enter their pick-up and drop-off destinations to compare estimated quotes from multiple taxi companies. Once they select a quote, the taxi company then sends a text message confirming the pick-up time and cost. Taxi Rank's mobile site can automatically pinpoint your location if your phone supports browser-based geo-location, so there's no need to provide a pick-up point.

3. Celebration nation

In 2013, global cultural capital will continue to be reshaped just as dynamically as its financial equivalent. One result? Across the next 12 months, emerging markets will proudly export and flaunt their national and cultural heritage, and South Africa is no different. Symbols, lifestyles and traditions that were previously downplayed, if not denied, are being reinvented to become a source of pride for domestic consumers, and of interest to global consumers.

The South African fashion industry leads the way in exporting our local flavour in garments. There is however another individual showcasing our cultural heritage in the depths of China. South African Grant Horsfield has established a little bit of South Africa in Moganshan, China with his <u>Naked Stables Private Reserve</u>. The location takes much of its inspiration from private game reserves in South Africa with a classical South African rondavel style in design and a feature that allows guests to enjoy a braai on Saturdays or a spitbraai on a Sunday.

4. Data mining

If data is the new valuable resource, in 2013 expect consumers to start demanding their share of this value.

So far, the 'big data' discussion has centred on the value of data to businesses. Now, however, increasingly savvy consumers will start to reverse the flow, seeking to profit from their lifestyle data, and turning to brands that use this data to offer advice proactively on how to save money and/or optimise behaviour.

Movenban, is one start-up leading the way. This online bank, which launched in October 2012, shapes the service it offers customers around a CRED score calculated via day-to-day transactions and online social influence, among other factors.

Another example here in South Africa is Christo Davel's company; <u>22Seven</u>, which collates information from ones bank accounts and credit cards to actively provide consumers with financial advice that fits their needs.

5. Demanding brands

We've all heard the mantra that business should bow to consumers' wishes. Well, in 2013, watch out for daring brands that are embarking on the much-needed journey towards a more sustainable and socially responsible future demanding that consumers roll their sleeves up and contribute too.

This could be with temporary initiatives, such as the <u>Orange RockCorps</u> gig program, which gives exclusive concert tickets to young people once they have performed community service.

However, if you want to take DEMANDING BRANDS further, consider making meaningful demands on an ongoing basis. That's what India's Tata Docomo is doing with their global blood donor social network <u>The Bloodline Club</u>. Once registered

users give their blood type; if a member has an urgent need for blood they contact Tata Docomo on Facebook, and the brand will message matching members asking them to give blood.

For more on these trends, check out 10 Crucial Consumer Trends for 2013, available now on trendwatching.com.

* David Mattin is a lead strategist at global trend forecasting firm trendwatching.com where he is responsible for trend thinking across the company's free and premium content. trendwatching.com is an independent and opinionated trend firm that scans the globe for the most promising consumer trends, insights and related hands-on business ideas. Saint-Francis Tohlang is an independent insight consultant and trend analyst. He provides South African trend observations to trendwatching.com, as well as insight observations to stakeholders such as Flux Trends, HDI Youth Marketeers, Lovelife, and Savino Del Bene. He holds an MA in Media from UCT and continues to research in the areas of media markets and strategies, consumer culture and popular subcultures.

For more, visit: https://www.bizcommunity.com