It is no longer business as usual

By Dave Nemeth

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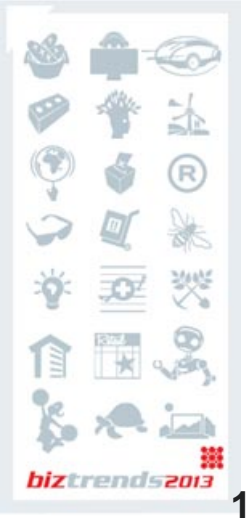
No matter how slow off the mark, we have all come to the realisation that, no matter what line of business we are in, drastic measures are needed in order for us to not only increase market share but also to survive.



We had hoped that we were not as affected as our international counterparts were in this horrendous economic downturn (call it what you will) but, in many instances, businesses are only feeling the effects recently.

We now see our country plagued by a host of other negative economic factors, with growth in economic investment under serious pressure since the Marikana episode, and the rand falling to an uncomfortable level - putting even further pressure on the economy.

It is not, however, all doom and gloom and for those who are embracing innovation and prepared to experiment with new ideas, a lot of opportunity awaits to reconnect with consumers and rise above the negative economic factors. The areas that I predict will be trending over the next year are:

1. Modular retail

With pop-up shops being a buzzword internationally for many years, we start to see this being embraced by South Africans on a larger scale across a multitude of sectors. This includes creative and innovative food stalls, from upmarket coffee to gourmet sandwiches; these have the flexibility to be in one area today and another tomorrow.

With increasing pressure on landlords having empty spaces and zero rentals for long periods of time, they will be forced into thinking differently and re-evaluating their business models to allow for either short-term leasing or profit-share options.

This "modular" retail model will allow brands that were purely online to be able to offer a tactile offering to consumers. This could include brands such as Groupon or Zando having a "semi-permanent" presence in malls while physical stores are racing to have a virtual presence.

2. Creative corporates

The race is on for creative and innovative thinking across all types of businesses, and corporations will begin to see the importance of including a qualified creative on their exco board, regardless of sector.

There is a new realisation of the importance of design thinking in business at all levels and a graduate designer can offer as much of a value-add as an MBA graduate. This may take a little longer here in SA but I do believe we will see a creative director sitting next the financial director, even in an insurance company or financial institution, in the not too distant future.

3. Storytelling

With such a huge choice of products and services available, the ones that tell the best story are the ones that will have greater sales and longevity. The entire value-add proposition now needs to include intrinsics such as: how it was made, where it was made and who made it.

Consumers continue to buy with a conscience. Unfortunately, along with this - similar to greenwashing - we will see companies exaggerating these properties, and full transparency will be key. So-called 'benefit brands' are already making a big impression on American consumers.

4. Trackable social initiatives

It is no longer good enough for companies to simply state their social initiatives; consumers have been bombarded by these for many years and this will no longer lead to loyalty.

Consumers want to be able to see and monitor on an ongoing basis where and how and even on whom these funds are being spent. Consumers will want to see updated information and visuals, via websites and social media, on the development of these causes.

5. 'Usperiences'

Regardless of product or service, consumers remain in need of unique experiences, being it gaming applications to sell a product to multilinked value-add services which offer VIP functions , events and even parties for members.

'Great value' products and offerings unrelated to the specific service or product is another way in which to cleverly attract a greater awareness and following.

Brick and mortar retail stores also have to provide so much more than in the past, with these spaces having to become theatrical wonderlands, instead of spaces filled with product.

6. Artisanship

From craft beer to handcrafted, dovetailed furniture, the revolt against mass production and cheap Chinese imports continues, with more and more consumers wanting quality products made by real people, be it for uniqueness or longevity.

The key is to achieve this without completely 'out-pricing' a product or service.

7. Humourism

Whether it's staff dressed in crazy outfits or oversized scatter cushions with funny phrases, consumers and manufacturers start taking themselves a little less seriously and we start to see humour as a new way to connect while bringing a little more light heartedness into our hectic techno, info overloaded lives.

We see this trend affect everything from packaging and labelling, all the way through to the actual product design, and even in items such as sex toys.

Lego has cleverly increased sales by expanding its range into functional items such as lamps, torches and even clothing, with some of these products aimed to appeal to adults.

8. Retro, retro, retro

Regardless of age, we have this newfound appreciation for stuff from the past. even though we still embrace technology. We see this retro influence in everything - from designer furniture to the rebirth of digital watches.

Internationally, there has been a revival and increase in sales of vinyl records (unfortunately, still only internationally

as local stores seem to be too slow on this opportunity), with the majority of new releases being in this format and including a code for a free digital download for the iPod.

Graphic labelling, print and packaging continue to take influence from the past. A great success story is that of the new Fiat 500, which has successfully put Fiat back on the map through offering a great product combining age-old styling with modern technology.

There is currently also a huge music revival, what with the likes of David Bowie, Adam Ant, Depeche Mode, Nick Cave and the Bad Seeds, and even Suede and Johnny Marr from the Smiths bringing out brand new albums.

[*And, as I called it last year: Star Wars will never, ever, ever die - Biz Trends Report editor*]

9. Multiplatform advertising campaigns

Regardless of the power of social media platforms, forward-thinking campaigns will use multiple formats, linking them through consumer interaction in a fun and game-like manner.

This will include a single campaign using Instagram, TV and print and radio to interact with the consumer and, through digital platforms such as internet, have the consumer interact back with the brand.

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ABOUT DAVE NEMETH

A leading blue chip international company recently identified Dave as one of the top creative influencers in the country. Dave Nemeth is a qualified designer who has held a variety of senior as well as executive positions with some of the countries leading retail groups, spanning a career of twenty years. Email Dave at daven@worldonline.co.za, follow @davenemeth on Twitter and connect on Facebook.

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