

Three things you have to know about your customers in 2018

By Brandon de Kock 8 Jan 2018

At WhyFive, we are in the business of trying to understand consumers - wealthy ones in particular - the 10 million South Africans who have the luxury of living in 'middle-class-and-up households, living life rather than simply struggling to survive. Not surprisingly, most of our clients are brand owners who need to know more about their particular customers - what drives them and what touches their hearts.



Brandon de Kock, director of storytelling for WhyFive Insights.

But if we've learned anything over the past six years conducting our annual BrandMapp survey, it's that there are clear super-trends that determine what people need, what they think and how they are likely to behave. Here then are our 'big three' undercurrents all marketers and brand owners should bear in mind when trying to guess what to do next!

1. They expect rewards: A loyalty program isn't a nice-to-have, it's a hygiene factor

There's currently noise in the retail sector about loyal customers being of far less value than large volumes of occasional users – but that's not the loyalty we're talking about here. Thanks to the likes of Pick 'n Pay Smart Shopper and Clicks Clubcard (which both show more than 60% usage among middle-class-and-up South Africans), a 'thank you' of some sort is simply expected by today's consumer.

Right now, with affluent consumers being members of an average of almost five different loyalty programs, the idea of 'reward' has fundamentally changed consumer expectations across the board, whether they're stamping a card every time they buy an ice-cream or tapping in to more substantive Vitality-like programs.

So if you're in business and haven't yet found ways of rewarding your customers for sticking with you, now's a good time. It doesn't have to be financial, or tangible - it could be emotional or social or simply an unexpected birthday wish - but in an increasingly impersonal, commodity-driven world, a virtual hug for a regular customer could be all your business needs to elevate itself above the mediocrity of the modern marketplace.

2. 'Mobile' isn't a device they use: It's a state of mind.

For years, we've been told that mobile devices are changing everything and will continue to change everything. But we're only starting to understand what 'everything' is. We believe it has less to do with behaviour and more with 'state of mind'. The lesson for marketers is to make sure that you do things that people actually want – and remember you are 100% accountable in real time: truth is but a hand-held Google search away.

Uber is the poster-child of such thinking and it's changed the expectations of wealthy consumers. A quarter of the middle class regularly use Uber and almost 40% of the very wealthy – and it's only been around for three and a half years!

When you put the idea of 'always connected via mobile' at the centre of just about everything you do, you start to tap the heartbeat of the modern consumer.

Consider this: as the 'slasher' economy evolves, where everyone's doing two or more things to make a living, the mobile is the primary enabler. You can connect, conduct and converse on multiple levels simultaneously, from anywhere you like. In the mobile era, if you've got a phone, you've got a clone.

3. They are voracious content consumers: BUT if you are not 100% relevant, you are irrelevant

Are people buying fewer magazines and newspapers than before? Yes. Are they reading less? No. Ironically, there's evidence that people are reading more than ever before. Reading ranks third overall in things they are interested in, after movies and music and over travel and dining out. Half of them read magazine and blog content online, 75% still read newspapers, 85% still read magazines – and 85% buy printed books, half of whom do so more than four times a year.

The point is, it's reading habits that have changed, not reading per se. People will readily read a magazine at the dentist, but actually parting with cash for something that's got pages of irrelevant content in between the stuff that really interests you just isn't a bargain.

Crucially, half of those who don't buy mags anymore say they get the content they need online. That's important because this isn't hard news we're talking about that is far better suited to the digital world: it's quality, 'interest-specific' content.

So what's the attraction online? Simple: it's a zero-wastage environment where you only get what you search for. Relevance is everything. That's why 65% of these people enjoy reading community newspapers - and why 50% of them subscribe to more than three email newsletters. What used to be spam is now the most relevant content you can get.

Put these pieces together and you begin to understand why we talk about a 'new consumer DNA'. Change may be a constant, but the nature of the changes we are currently experiencing, in terms of their influence and impact on consumer behavior, is undoubtedly more profound than ever before.

Marketers who win in the near future will be those who see these shifts not as threats or obstacles, but rather as challenges and opportunities.

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