

Business Opportunity Breakthrough!

How real-life customer insights
can secure your future.

Thriveable**Biz**

Scene-Setter

Q. Which new customer segment is now worth \$382 billion globally?

A big number and a big question!

Hint: it's to do with our future challenge beyond Covid-19, and an opportunity for any size business, in just about any category.

And a great example of how a deeper understanding your customers' WHY opens the gate to new opportunity & revenue paths.

So often we only look at the WHAT of our customers behaviour. Like their purchasing patterns - seeing them as transactions. Not as flesh & blood humans, just numbers on a spreadsheet.

Which is all essential data for a business to function. But the problem with this unbalanced view of customers is that it usually reinforces the status quo. Especially when backed by feedback questions like How Satisfied Are You? which tell you nothing about what's really going on in people's hearts & minds.

OR if you're operating off assumptions that worked for you in the pre-pandemic past, they could be well past their use-by in the new environment.

“

Assumptions are made, and most assumptions are wrong.

Albert Einstein

”

A. The global Spending-Power of those most engaged with Sustainable Issues in FMCG (Fast Moving Consumer Goods) is \$382 billion (Source: Kantar #WhoCaresWhoDoes 2020 research study).

Where Do We Get the Insights?

There's a large amount of up-to-date, publicly available, free information ... IF you know where to look.

Much of it is produced by the major consulting & market research companies. Especially since the lockdowns, because of the demand from business for knowledge on how to adapt to the new world.

Since the info is often global, or from very large markets like the US, the relevance to our own region of NZ/Australia will vary. But human motivations tend to be universal in our hyper-connected world, and we find that sooner or later most trends will land here.

There's no one cast-iron rule book for business given the unpredictability of Delta and the complex management of the vaccination and restrictions, so keeping up with the latest trends is vital.

What we want to do most of all in this presentation is to spark your thinking on how to sense-check these kinds of insights against your own situation.

For example, we really like the McKinsey & Company website which delivers regularly updated studies on a wide variety of industries, such as Retail, and reports like this one on the Seven Imperatives for Rethinking Retail.

Closer to home PWC-NZ published this in August 2020 on Rebuilding NZ Retail and later this Reinventing NZ CEO Survey of the challenges and opportunities ahead in our near future.

And we highly recommend the Stuff Prosper site for the latest advice, trends, and inspiration for Small businesses. We periodically have articles published there, so it must be good 😊

Our focus for today's exercise of turning insights into opportunities is also from March. Is a research study by Colmar Brunton (Kantar) on the topic of Better Futures 2021 it monitors "the issues NZers care most deeply about" and is freely available.

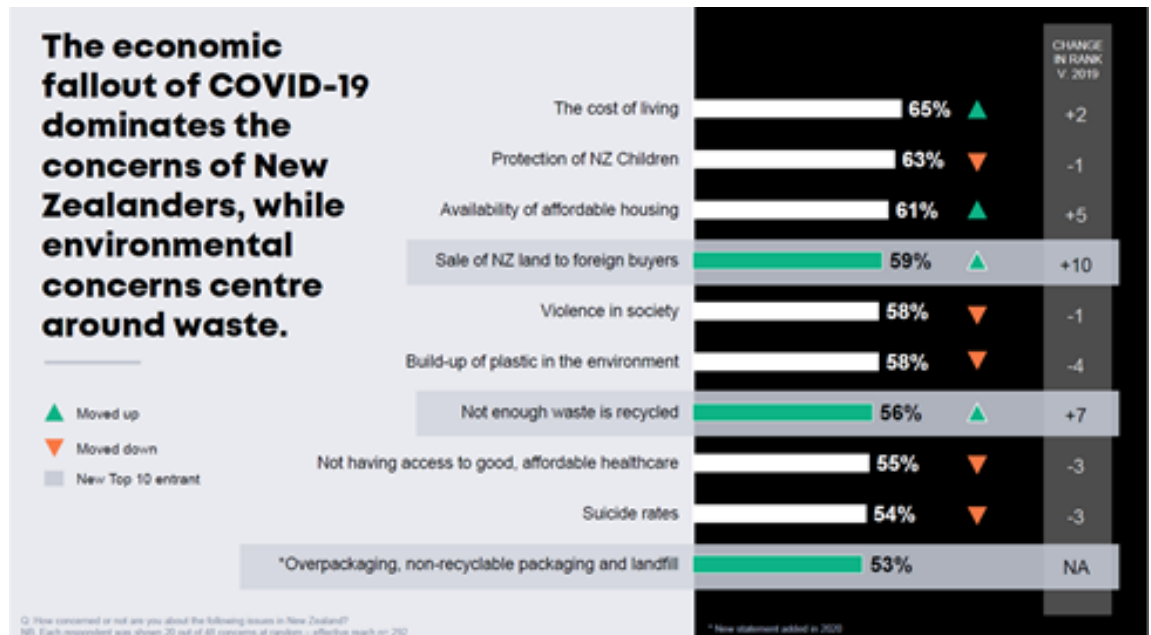
Note: while there is not a direct equivalent in Australia, the NZ study is linked to-Kantar's Australian report on the motivations behind sustainability.

And this Consumer Sentiment Report infographic which states that 37% of Australian consumers want brands to tackle plastic pollution in packing & products... 2 in 5 want to be offered more sustainable/durable products... one-third want products/services that help adapt to the 'new normal'.



Insights Revealed

Here's their snapshot of the Top 10 Concerns of Heartland NZ ...with Year-On-Year trends.



So it's a mixture of economic, social, healthcare, and environmental issues, with Cost of Living remaining #1, and up 2 points.

No surprises about affordable housing jumping up 5 points in the over-heated market.

But where are the business opportunities? Some of these are heavyweight social & mental health themes more suited for government to address.

To cut to the chase, what we see with the three Sustainability issues is strongly reflected in other reports, like the NZ, Australian, and other global examples we mentioned earlier.

For example, in the Rebuilding NZ Retail report, PWC advise that developing new, sustainable products & services is part of a broader Healthy Living theme.

And 55% of the NZ CEOs they interviewed for Reinventing NZ said that *“reducing climate change & environmental damage”* is a priority for business to help deliver – one of the top 3 responses. BTW *“good health and wellbeing of the workforce”* was #1 on 60%, so health is in the mix. Which makes sense as a bigger Wellbeing picture.

In the US McKinsey’s Seven Imperatives for Rethinking Retail #4 is *“Take a Stand or Take a Seat”* – saying that *“consumers are finally voting with their wallets for sustainability and broader purpose”*.

A couple more insights in that report... 33% of consumers stopped using a brand based on its societal actions, 80% of Gen Z refuse to buy goods from companies involved in societal scandals.

With evidence of people being more willing to pay more for products that meet their values and have less negative impact on the environment.

Plus more and more large institutional investors are including ESG (Environmental, Social, Governance) factors in their retail investment criteria.

So it’s game on!

Key Breakthrough Questions

When you come across stories about customer trends, whether in your news scrolling, blog reading, or podcast listening, here are 3 questions to ask yourself ... to start connecting the dots on a new opportunity.

Tip: when you're watching live TV, even if it's just during the evening prime-time news, don't mentally switch out during the ads. Do some research! Pull apart what the big brands are tapping into, that they've identified in consumer hearts & minds, that's driving the creative. Because it's been sourced from high-priced research, not just out of thin air. Analyse any ad you come across in any medium! Often the message will be about their customer... not directly about the product.

1. What problem are customers experiencing that needs a solution?

You may have heard the Jobs-To-Be-Done story about how people only buy a drill because they need a hole, to make an improvement in their life and feel better.

So ultimately the transaction is for an emotional reason ... not because they're a drill-geek!

Walk in your customers' shoes – what's the real reason for the trend?

2. What Superpower do I have to solve that problem?

You know your craft and skills intimately, and most likely with years of knowledge & experience behind them.

So thinking beyond your existing product/service, which of your capabilities can you adapt to seize the opportunity?

3. Who could I collaborate with?

You're not on your own!

A silver lining in the black cloud of the pandemic, is the new spirit of cooperation for the greater good of our society.

This extends into the business world, where there's great potential to combine your Superpower with some else's complementary skills to come up with a creative solution.

Today's Exercise

Key insights from the Top 10 Concerns of Heartland NZ and the Australian Consumer Sentiment Report can be summarised as...

- The cost of living
- Not enough waste is being recycled, plastics are building up
- Over-packaging
- Where do my products come from?
- Help me adapt to the 'new normal'

Other studies have clearly shown that while people often have good intentions about being more sustainable, many have a big gap with actual behaviour – **saying they don't know HOW to do it.**

We also know that the pandemic has brought people's focus on the Home including the themes of Family & Relationships, Financial, Work, Mental & Physical Wellbeing, Community, Sustainability.

And that **Uncertainty** is a primal ongoing emotion, along with **Trust**. Which is all fertile, real-life information about customers, to work with in finding opportunities.

Ask the 3 Key Breakthrough Questions to leverage those insights, as they apply to your business...

1. What problem are customers experiencing that needs a solution?

They're stressing about tight budgets, while keeping the family mentally & physically well and wanting to look after the environment. It's all connected, especially as health is the headline day-in, day-out, both locally and globally – has been for over two years now, and will continue long into the future.

A healthy, sustainable society means a healthy family, and they will gravitate to everyday products/services that can support that. It might be a new way of life and new purchasing habits.

But only at an affordable price-point, and are given information on easy, practical ways to use your offering more sustainably.

2. What Superpower do I have to solve that problem?

Many businesses are becoming more sustainable whether by choice, or from outside influences such as regulation shifting the way they operate.

The new [Climate Action Toolbox](#) is gathering case studies on how companies are adapting their systems. But there's as much mention of how that impacts customers, so they in turn can make changes for the better.

As businesses learn how to take climate action, they could also share practical knowledge with their customers, which would address **Uncertainty** and create a stronger bond of **Trust**.

3. Who could I collaborate with?

There's a large possibility this will involve technology as people have been conditioned in the last year to replacing physical interaction with online for both safety and convenience.

Digital can be a steep and expensive learning curve. So working with others as some form of cooperative can share the load, while demonstrating to customers that you're turning words into action to their benefit.

Ideation Tips

- One of the most common and powerful ways to come up with new ideas, is Combination
- Clashing together what seem like unrelated elements to create a new concept, that may seem weird at first, but makes sense in practice.

Successful needs-based innovation is usually obvious AFTER it happens. Our challenge is to uncover the obvious BEFORE it is.

- It can be as simple as making lists in two columns of 10 items each, relating to the issues.
Then trying out different combinations of the two.

For example ...

HOME-PROBLEMS	SUPERPOWERS
1 <i>Budget</i>	1 <i>Wellness</i>
2 <i>Healthy Meal-Planning</i>	2 <i>Mechanical/Trade</i>
3 <i>Work From Home</i>	3 <i>Sports/Fitness</i>
4 <i>Relationships</i>	4 <i>Bulk Food</i>
5 <i>No Time</i>	5 <i>Recycled Clothing</i>
6 <i>Renovations</i>	6 <i>Technology</i>
7 <i>Multi-generations</i>	7 <i>Gardening</i>
8 <i>Crowded space</i>	8 <i>Teaching</i>
9 <i>Health Protection</i>	9 <i>Chef</i>
10 <i>Recycling/Reduce Waste</i>	10 <i>Financial Services</i>

- Here some of the Combination-Solutions are obvious...
E.g. if you're in financial services you can help with budgeting, but also incorporate learning how to implement more sustainable cost-management measures. Which might also be a Technology solution.
- But how about...
Wellness programs specifically for Working from Home and Zoom-Fatigue, as well as general Health Protection & prevention. Gardening to help Relationships, Healthy Food-Planning, No Time.

Teaching household seniors how to help the young generation with their studies and life/career preparation. Using Mechanical/Trade and/or Technology skills to provide home waste-reduction methods.

Also how to make best use of a crowded space in renovations.
- How can you form a Community around your Superpower, whether physical or online/virtual, or a combination of both? Which could also unearth potential collaborators.

The Wrap

- People are more open to change, and innovative solutions.
 - This also goes with a trend towards The New You.
 - Where people want to break free with a fresh start, after a grueling time of reevaluation.
 - At the same time, it's essential to provide Certainty in your relationship with customers, when so much is still uncertain - and work on building the **Trust** that people are seeking in their life.
 - Opportunities can be found in the tiniest insights into everyday life.
 - That will help secure your future by asking the 3 Key Breakthrough Questions...
1. What problem are customers experiencing that needs a solution?
 2. What Superpower do I have to solve that problem?
 3. Who could I collaborate with?

Want to Learn More?

How do you know if your new idea will fly?

Check out our online course FastTrack: Bright Idea to Business Case. 7 Steps in 7 Days, with interactive PDF workbook and Video lessons, you can use over & over again.

As our gift for signing up for this Handbook we've put together a special offer. [You can check it out here!](#)

