

# SA's top 5 consumer trends and what they mean for your business



28 Jul 2022

The customer of today has a number of concerns. Trust, values, and integrity issues are of the utmost significance in a world that is always evolving. But how does this affect the way they interact with your company?



Source: Pexels

The <u>State of the Connected Customer</u> report by Salesforce reveals what makes 650 South African respondents tick. So, let's examine the five trends that matter most to South African customers.

### 1. A trust-based economy is moving to the forefront

It's been a bumpy ride over the past few years. From the global pandemic to extreme weather caused by climate change, trust in the government is spiralling. But 94% of respondents in South Africa said trust becomes even more important in uncertain times. That means customers are increasingly looking to businesses to do the right thing and build great experiences based on trust.

With only 37% of respondents agreeing they generally trust, there's work to be done. While most people reported they 'completely' or 'mostly' trust companies to act with integrity, the trust section of the survey indicates uncertainty for customers.

In other areas of the survey, a markedly larger proportion of customers provided a definitive yes or no response. When asked about trust, approximately 50% of customers were reluctant to commit to saying they completely trust companies.

So, what are the five top ways you can build trust?

- 84% want to see greater transparency and better communication.
- 76% want to be treated as a person, not a number.
- 76% want greater assurance that you're using their data responsibly, and 85% think this is more important than ever.
- 76% expect issues to be resolved quickly and proactively with great communication throughout.
- •72% want a consistent experience across all touchpoints.

When it comes to building trust as an organisation, customers are more likely to engage with companies who actively demonstrate good values and prioritise health and safety.



5 digital innovation trends enabling better customer journeys
Leon Jacobs 12 Jul 2022

## 2. Building brand loyalty matters more than ever

The world is now our oyster, thanks to digitisation. While this is great news for consumers, it also means that developing brand loyalty is more crucial than ever - and customer relationships can be influenced by unexpected factors.

While it's not surprising that 84% of buyers think about how you treat customers:

- 70% want to know you treat employees well.
- 61% are looking at how you respond to racial injustice.
- 50% will be scrutinising your environmental practices.
- 47% consider action on economic injustice important.
- 41% rate you on how involved you are in the community.

To determine how you meet these requirements, 95% of respondents want you to clearly articulate your beliefs, and 79% have abandoned a business in favour of one that better fits with their values. However, South African consumers also switch brands for better deals, higher quality, and superior customer service.

Introducing a loyalty programme is an effective model to reward existing customers and attract new ones. Customers like companies who make it simple to redeem, such as by applying rewards immediately, as well as those who provide

personalised deals and enable customers to use loyalty points across numerous brands.

As always, knowing your customer is key.

#### 3. Balancing personalisation with privacy concerns

Today, personalisation goes well beyond communications. Customers expect that you will anticipate their expectations and desires at every touchpoint.

Digital channels continue to dominate customer engagement. They expect consistent, personalised experiences across multiple channels. In fact, 94% say customer experience is just as important as products or services – but only 63% agree that companies provide consistent, omnichannel experiences.

While two-thirds of customers are happy to swap personal information for a more tailored experience, an overwhelming majority feel more data is collected than needed, companies aren't transparent about how they're using it – and 67% don't think they benefit from sharing their data.

To make customers feel more at ease, it's important to communicate clearly about why you're capturing personal data and how it will be used – remember, only 24% of consumers feel confident that companies will fully respect their privacy.

Going back to that 76% of customers who want to be treated as a person, not a number: the appetite for personalisation is there, but only 44% feel like companies treat them as an individual.



#BizTrends2022: Why retail has changed forever John Watling 6 Jan 2022

<

## 4. Fine line between promise of a better life and distrust in technology

Artificial intelligence has been a game-changer in terms of freeing people's time, but although 75% of respondents in South Africa are receptive to the idea, 86% believe it has the potential to be a force for both good and bad.

Less than half of customers understand the role of artificial intelligence in business. To make them feel more at ease, respondents want:

- Greater control over how it's used and the opportunity to provide feedback.
- · Access to the research behind the tech.
- Input from human rights and ethics experts.
- · Inclusion of more diverse data sets.

Happily, customers are more willing to trust technology when it comes to order tracking and contactless payments, and 60% expect augmented or virtual reality to be used more in the future.

Helping customers understand the role technology already plays in streamlining and automating their experience is key to reassuring them about its potential to make life better in the future.

## 5. Customers increasingly expect a joined-up experience

Giving customers a consistent experience across departments isn't just a nice-to-have: 92% of respondents expect it, and it has a direct correlation to loyalty.

However, only 14% of customers feel like companies have a consistent voice across departments, with more than half reporting it doesn't feel like sales, service, and marketing teams share information to give the customer a seamless experience.

Crucially, 84% of respondents revealed that a lack of consistency across touchpoints makes them lose trust in a company, and 58% lose faith when they receive irrelevant communications that don't match their experience.

So, how is South Africa measuring up when it comes to demonstrating consistency across touchpoints?

- 25% of customers completely trust businesses.
- 58% of customers somewhat trust businesses.
- 15% of customers mostly distrust businesses.
- 2% of customers completely distrust businesses.

Your biggest takeaway here? Make sure you're rewarding your customers with a great, joined-up experience in exchange for their data.

#### ABOUT ZUKO MDWABA

Zuko Mdw aba is Area Vice President at Salesforce South Africa.

- Planning guide for retailers ahead of the 2022 holiday shopping season 7 Sep 2022

- SA's top 5 consumer trends and what they mean for your business 28 Jul 2022
   Consumers plan to shop more on social media over next 3 years 5 Jul 2022
   3 ways retailers can retain customers amid a global buying slump 27 May 2022

View my profile and articles...

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