

## 2016: Year of the consumer snitch



1 Dec 2015

Never waste a good crisis - this advice to business leaders was bandied about during the global financial meltdown and subsequent recession. Well, another crisis is on the way and winners and losers across our economy will be determined by whoever seizes or wastes the opportunity.



© Dmitriy Shironosov - 123RF.com

Losing will really hurt because 2016 will be the year of the consumer snitch. Whistle-blowers and those driven to Net-wide belly-aching (often with good reason) will ensure service-challenged businesses are publicly pilloried.

US companies are already trying to work out responses to 'the connected customer'. South African retailers and service companies face a similar challenge.

One response is hypocrisy.

According to a survey by Gartner IT researchers, 'people' are top priority for business yet most investment is in technology - suggesting we'll get customer service lip service while firms continually dehumanise customer interaction. After all, one big international trend is self-service systems.

Yet consumers long for a nice, comforting 'hug' from businesses they trust. Here's why:

- South Africans are being battered by harsh realities. Some can't keep their jobs. Most can't keep up with inflation, and drought-driven food hikes will soon make things worse. In this environment, consumers won't meekly accept shoddy service.
- 2015 was notable for consumer rebellion. Locally, customers not only challenged business, they also had a go at the
  government. Banners went up at busy intersections, boycotts were organised and traditional and social media
  exploded with complaints. Internationally, some executives were fired. Some were jailed. In the US, CEOs were called
  to account by Congress and paraded before the media.
- 'Name and shame' is in and next year will be all the rage, driven by the consumer snitch, assisted by insiders who will blow the whistle on bosses they see as mean-spirited cost-cutters and job destroyers. Unethical company behaviour and excessive profits will be slated. This seemingly toxic environment is a great opportunity for businesses that 'hug' their people and customers.
- Customers will choose firms that deserve their money and foster customisation, personalisation and exclusivity while treating customers as individuals.
- Companies that succeed against the 2016 odds will make customers' lives easier; not only during the transaction but afterwards.
- Even functions that are not a business' direct responsibility will be scrutinised for customer-friendly improvements.
- Losers will talk the talk about "integrated, seamless service". Winners will outlaw pillar-to-post buck-passing across departments and train staff to provide solutions there and then.
- Greater flexibility will be demanded. Enthusiastic marketers may have sold a pensioner a 12-month contract at big margins, but try insisting on your 'pound of flesh' in the social media era. Reputational damage could be huge.

So show give and take.

Consumers will drive this message home by adopting flexible, helpful solutions. Recent examples include Uber and the app developed locally by FitKey that allows customers to attend any health club in a specified area for a nominal fee per booked class.

These trends will gather momentum, driven by Generation Z - kids who clue in their parents to techie options that save time and money. Smart business will hug these youngsters, too.

It's another opportunity, but only for business owners and managers who refuse to waste a good crisis.

## ABOUT AKI KALLIATAKIS

Aki Kalliatakis is the Managing Partner of The Leadership LaunchPad, a business focused on customer loyalty and radical marketing. Contact him on +27 (0)83 379 3466, +27 (0)11 640-3958 or customer@icon.co.za. Follow @akikalliatakis on Twitter.

There will always be someone who rains on your parade - 29 May 2017

How to deal with pets in your shop - 1 Jul 2016

SA retailers: incredulous, insane and in deep trouble - 22 Jun 2016

2016: Year of the consumer snitch - 1 Dec 2015

Between 'Y' and 'Z' is a new generation that will reshape customer service - 28 Oct 2015

View my profile and articles...