

The **2021** iLEAD *et al* Q1 FORESIGHTS **REPORT**

| *The Pulse of Digital*

iLEADTM *et al.*



Goodbye 2020

(thankfully!)
and **Hello 2021**

2020 is finally behind us! And as 2021 continues to inspire us with a renewed sense of hope, we nonetheless understand that there has been a fundamental shift in the way we live our lives and go about doing business.

The new normal is here to stay, and while we embrace fresh business models and gear up for the volatile dynamics of the stop-start economy, we can all also look forward to getting back to what matters most in life – deepening our relationships with the people we cherish and rely on.



More than ever,

we are responsible for our employees, our customers, our communities, and for our society at large. Additionally, and lest we forget, we are also responsible for our beautiful and vulnerable natural world.

To meet the challenges we face in a post-2020 world, it is vital to understand the importance of being:

take the lead



less Reactive
and more *Resilient*



less Rigid
and more *Agile*



less Interrupted
and more *Interconnected*



less Indifferent
and more *Empathetic*

It's now time to take the lead by active listening, by adapting to the unforeseen swiftly and effectively, and by innovating rather than by simply pursuing well-trodden paths.

Three computer mice are arranged horizontally on a vibrant green background. The central mouse is white, while the two flanking mice are a matching shade of green. A white cord extends from the top of the white mouse, curving upwards and to the left. The background features faint, concentric white circles that create a subtle ripple effect.

Helping Our Customers Find Opportunity

At **iLEAD *et al.***, we know that the manner in which businesses respond to the needs of their customers during a time of crisis will have long-lasting impacts on brand reputation and crucial customer relationships.

Having kept our fingers on the pulse of the rapidly advancing digital marketing landscape over the past 10 months, we also know that the only businesses that will thrive in 2021 are those that have taken the time to understand the layout of the new playing field.

In this foresights report, we hope to provide you with an overview of some of the digital landscape's Must-Knows.

Must-Know #1:

The New Digital Reality

COVID-19 has accelerated global digitisation at an unprecedented pace. We have both witnessed and participated in a 10 month transformation that would, under normal circumstances, take 5 years to complete.

This is no exaggeration. Absolutely everything we do has been digitally transformed. From our health and education, to the way we spend time with loved ones and engage with our friends and family, to how we dress, shop, cook, work, and do business – nothing has escaped the touch of the digital world.

global
digitisation

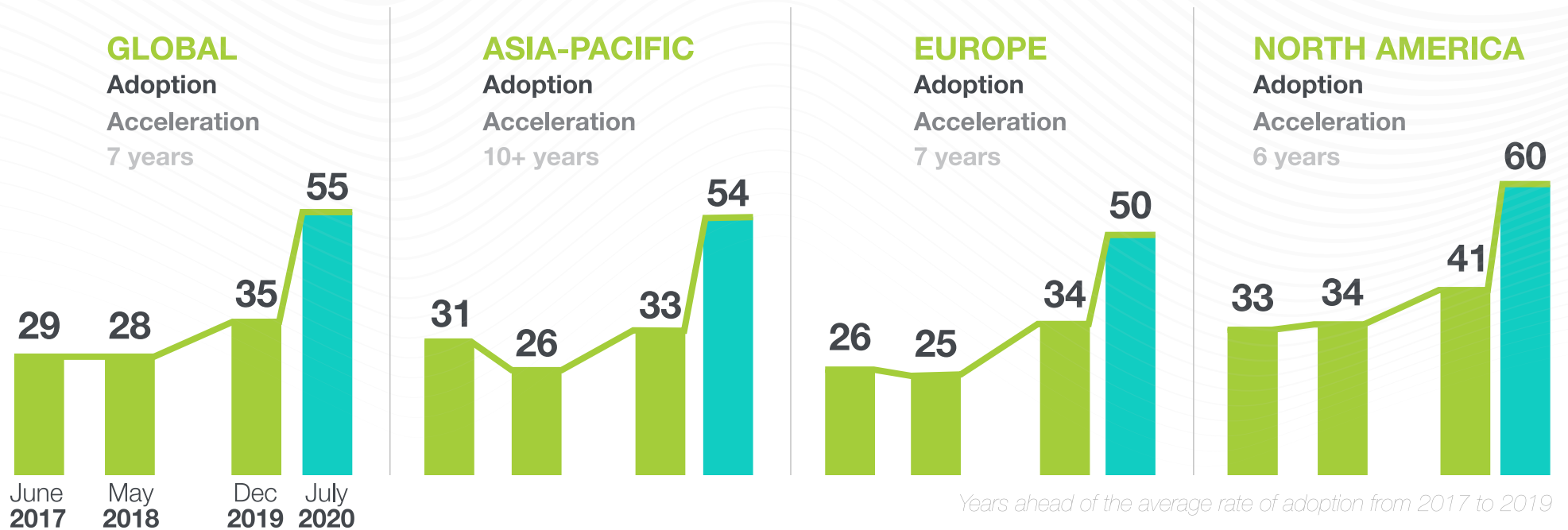


Accordingly, forecasts predict –

with good reason – that digital will be the key channel for building brand presence and generating revenue throughout 2021. Across business areas, the largest leap in digitization is the share of offerings that are digital in nature.

Average share of products and/or services that are partially or fully digitized, %

● Precrisis ● COVID-19 crisis



The question then becomes: With everyone going digital, how do you differentiate yourself from the crowd and stay ahead of the curve?

Must-Know #2:

Adopt an Audience-First Approach

The answer lies in knowing and responding to your audience. In addition to traditional customer profiles, a new dimension of segmentation can be factored into any marketing strategy: that is, how the pandemic has affected your customers at an individual level.

Customers may be classed as:

1 Highly affected – this group has experienced the negative economic or health related impacts of COVID-19 either directly or through close family members. For them, the world will never be the same.

2 Concerned – this group is concerned about the world around them, about the health of their near and dear, about the economic and financial impact of the pandemic, about societal issues, and about climate change. This class of customer strongly believes that businesses have a higher purpose.

3 Eager – fast paced and deeply entrenched in the digital world prior to the pandemic, they are on the lookout for new experiences. Ever connected, for them quality and speed are decisive factors in choosing and engaging with the world around them.

4 Intra-Active – this group is characterised by their entrepreneurial mindset, and have used the pandemic to uplift their lives or to shift their careers. Self-sufficient, they aim to create a positive impact both for themselves and for those around them.



Brands that understand

and care about their customers and their various “personality and actuation types” are responding appropriately to their audiences when they set up considered, human-centred communications that:

- Help customers re-establish the lost ***sense of control over their lives,***
- ***Build trust*** by reducing risk and uncertainty,
- ***Create real value*** in every interaction,
- Provide ***relevant and authentic interactions,***
- ***Ensure quality experiences*** across all touchpoints, and
- Deliver ***customised services*** to the different customer types as necessary.

Must-Know #3:

How to **Manage** Customer Relationships

in an Accelerated **Digital** and **Mobile-First** Environment

#3.1 The Future is Already Here, and It's All About Access and Mobility

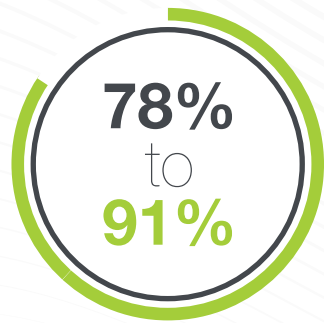
It should come as little surprise that with the limitation of our physical movement, our demand for online access from all devices has only grown.

According to GfK's Consumer Panel, lockdown has further accelerated digital-device penetration. This acceleration means that an increased number of consumers have transitioned to the online environment.

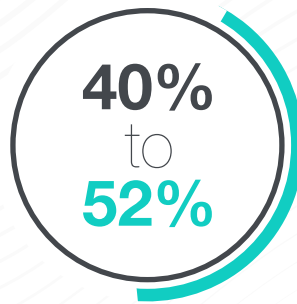


It is the implications

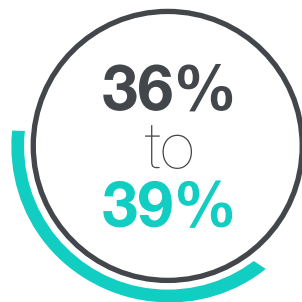
of this for mobile that are most important. The growth in South Africa (2019 to 2020) demonstrates that smartphone penetration is all but universal:



for smartphones



for laptops



for tablets



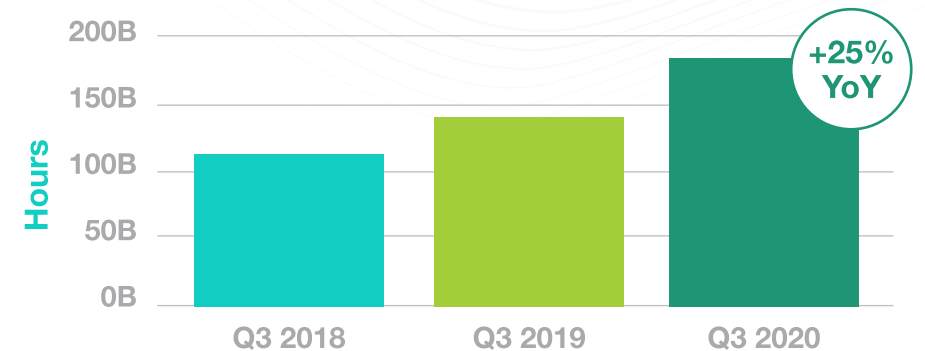
for gaming consoles

Mobile's unequalled penetration means that we can hardly overlook the trend towards amplified mobile app development, the continued and quick proliferation of m-commerce, and the production of high-quality, mobile-based content formats and ads.

An Extra Note on Apps...

According to Google, in the 3rd quarter of 2020, a staggering 180 billion hours were spent on apps each month. The pandemic has given rise to increased app shopping and food deliveries, games, online learning, and online entertainment. Businesses that build and establish successful, on-going relationships with their customer base via an app will have the opportunity to build and secure loyalty – which in a digital-first world is becoming a rare commodity.

Avg. Monthly Hours Spent in Mobile Apps Worldwide



Note: Android Phones. All estimates from App Annie Intelligence.



#3.2 The Need for Speed Without Compromising on Content Richness

Consumer impatience has given rise to another key global trend – page load time rapidity. Spurred on by the roll-out of the 5G network and its associated promise of a connectivity revolution, speed will matter more and more.

An increase in speed, however, should not mean a deficit in content richness:

- Rich-content, with its ability to quickly hook audiences, stands to significantly augment user journeys and facilitate content sharing,
- Engaging and high-quality content is a major contributing factor to the enhancement of SEO strategies,
- Given this need for speed and the desire for high-quality media richness, a page's content optimisation and improved upload speeds will become ever more critical.



#3.3 Consumers Are on the Hunt for Quality Experiences

The latest research already indicates that South African online customers, while looking for value, are ever-increasingly driven by an appetite for quality experiences regarding digital channels.

With the on-going uncertainty imposed by lockdowns, both quality and ease of access will be fundamental drivers of sustained competitive advantage in bringing traffic to platforms. Understanding the importance of customer preferences will be essential in delivering meaningful experiences, especially as customers are:

- Ready to pay more for a better customer experience,
- Demanding more personalised and seamless experiences,
- Creating their own and unique Know-Do-Go-Buy journeys.

Operational omni-channels that ensure consistent and seamless brand experiences across all touchpoints will be decisive in engaging this new breed of digitally enabled customer.

A green coffee cup filled with black coffee sits on a matching saucer in the top left corner. Below it, the keyboard and trackpad of a silver laptop are visible. The background features a white surface with a subtle, wavy pattern of light green lines.

#3.4 Managing Data Privacy and Building Customer Trust

With the rise of the Digital Citizen, consumer concerns about escalating data privacy issues and violations are garnering more and more attention.

- The Protection of Personal Information Act (the POPI Act or POPIA) will come into effect on 1 July 2021.
- In light of this, and with regards to the coming “cookie-less world”, the fast-approaching transition towards a first-party identity resolution is both a challenge and an opportunity to set your brand apart from less well-prepared competitors.

At **iLEAD *et al.***, we firmly believe that an approach to digital based on data with transparently obtained consumer permissions will, in the long run, enable businesses to build more resilient, stronger, and more meaningful relationships with their customer base and target markets.

Must-Know #4:

Be a Brand that Has
Purpose and **Meaning**
Beyond your **Products**
and/or **Services**

Today, a growing number of consumers believe that “companies have a greater responsibility in ensuring we are building a better post-COVID world”. A key differentiator between brands, given this mounting concern, is the role a company plays in shaping the society and environment in which it operates.

A central aspect of sustainable business hinges on finding means by which to render resource excess and inefficiencies obsolete. The role of AI, ICT and IoT – as both providers of data and automated data analysts – grows every year.



Forward thinking managers,

no matter the size of their business or industry, should be actively seeking out ways in which their organisations can use technological advances to reduce all forms of surplus, inefficiency, and (ultimately) unnecessary expenditure.

In being aware of their social influence and their impact on the natural world, companies have to:

- Understand their brand's purpose in peoples' lives, and always act ethically and in the interests of their core values,
- Offset their environmental impacts as best possible, and
- Give back to society and build the communities in which they operate.





Must-Know #5:

Use **Digital Channels** to Build Your Brand's Long-Term Health

In his 2021 trends analysis, Neil Patel stresses the need for a healthy and strong brand. In an uncertain world, pervaded by the likes of fake news, fake products, and rising cyber-crime, customers will look to known brands for reassurance and trust-based experiences.

It's crucial to remember that in our digital-first world, digital properties are a brand's core touchpoints. Your website, mobisite, e-commerce platform or app are your direct-to-consumer brand extensions through which a brand can engage and retain customers, and **it is here that you can build your customers' confidence in your brand.**

Must-Know #6:

Fine Tune Your **Budget** to Achieve **Maximum** **Return Ratios**

In a no-waste business landscape only intensified by COVID-19, ensuring efficient operations, improved performance, and precisely targeted media allocations will be pivotal in achieving adequate returns on investment.

In addition to careful budgeting, and when it comes to maximising efficient spending, **2021 will also be the year of innovation and re-innovation, with smart businesses paying close attention to:**

- Data-driven measurement and KPI setting,
- Automated performance optimisation through machine learning (ML) to attain set revenue targets in the fastest possible time,
- The increase in opportunities to reach new audiences through the rise of microtargeting (that is, Geotargeting, Behavioural Targeting, and Interest-Based Targeting), and
- Building better forecasting models, making use of organic search trends to anticipate customer preferences and predict long-term brand performance.





If there's a single, overarching insight that we would like to leave you with, it would be this:

"In a post lockdown world, the Digital Environment is now the mass medium of choice. The great digital migration has been unstoppable, and understanding the dynamics of the environment, and its abundance of opportunities for marketing and communications, is a non-negotiable for business owners, managers and marketing professionals.

This makes it an exciting time to be online – our efforts, as the business community, help to shape the Internet as we know it, and through innovation, creativity, experimentation and actual strategy implementation, our legacy will lay the groundwork for future generations". Suzanne Badenhorst, Head of Growth

Exciting times indeed!

We look **forward**
to **2021**,

knowing that our efforts to rebuild our economy and lives will pay dividends before we know it. For further info on any of the above topics, please get in touch with **iLEAD *et al*** – we're here to help.

Contact Us



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Finally, **we would love to hear your thoughts and comments**, so contact us with any suggestions or insights you may have. We look forward to our next edition of the Pulse of Digital **iLEAD *et al*** Quarterly Foresights Report and hope that you do, too!



Sources: Top 12 most best economics charts from the McKinsey Global Institute (2020) | McKinsey COVID-19: Communications & Media Response Plan | Accenture The next normal arrives: Trends that will define 2021 – and beyond Device penetration rises in South Africa as digital becomes the new normal | The Media Online Mobile App Usage Surged 25% YoY in Q3 2020 Media Trends and Predictions 2021 | aaaa.org

