



NEXT MARKETING
AGENCY

6

THINGS EVERY
BUSINESS SHOULD

KNOW ABOUT

**DIGITAL
DISRUPTION**

INTRODUCTION

You've probably heard of the term digital disruption. A big buzzword, digital disruption is used to refer to the rise of technology, especially mobile technologies, and the impact this has had on traditional business models over the last decade or so.

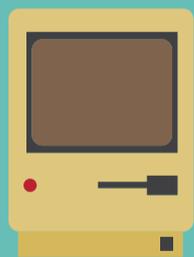
Digital disruption is often blamed for the demise of high street shops, a number of big bookstores around the world and countless smaller businesses and brands. Some of the best known brands in the world have fallen victim to rapidly changing business environments including big name bookshops Angus and Robertson and Borders.

One thing is very clear - no matter how successful you think you are, failing to take digital disruption

seriously can be fatal to your business. The upside is that while digital disruption is often spoken of as a threat to businesses, it also presents a number of opportunities for those who understand the implications and are able to take advantage of these changes in a positive way.

Smaller businesses are often in the best position to take advantage of these opportunities and can move with the changes far more quickly than their slower moving corporate counterparts.

This e-book will take you through some of the main things you need to know about digital disruption, the challenges it presents and the opportunities it can bring your business.



WHERE DOES DIGITAL DISRUPTION COME FROM?

The rise of modern technologies, especially electronics, computers and mobile phones along with the development of the internet have put us in a period of change that's more rapid and tumultuous than anything we've seen previously.

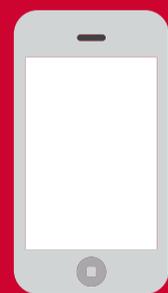
Each phase of history and developmental leap forward has led to a certain level of disruption of the status quo and every time, those who didn't stay ahead of the changes have invariably fallen by the wayside - especially when it comes to business.

We're at the stage now where having an understanding of how traditional business models have been disrupted by technology is essential for anyone who wants to market their business

effectively and appeal to a digitally aware, technologically savvy audience.

From the way you market your business to what products or services you create, digital disruption impacts every area of your business, and probably your life. Sticking your head in the sand and hoping it will all just go away is no longer going to work. It's time to embrace the changes and find a way to make them work for you.

The following six chapters will give you an insight into some of the current and future issues that could impact the success of your business, the way you market yourself and even provide some opportunities to get ahead.



WE ARE MOVING TOWARDS A CASHLESS SOCIETY

Humans have already progressed a long way from the days of bartering goods and services. First paper money and coins, then credit cards and now the next wave of changes are imminent with mobile payment systems just around the corner.

The rise of mobile banking and tap and go credit card payments along with new forms of payment like Apple Pay, where customers pay using their phone, means that we are fast moving towards an economy where cash is obsolete.

The move towards a cashless economy has been predicted by finance experts around the world and while a completely cashless society may be a way off yet, there's no doubt that more and more customers are opting to pay for goods and services online or with their credit cards.

What will happen to your business if your customers no longer want to use cash?

Businesses that have marketed themselves on the assumption that their customers will use cash probably need to rethink this strategy, or at least they will in the not too distant future.

Offering a discount for customers who pay in

cash no longer has the appeal it once did with most people using credit or debit cards even for relatively small purchases. The convenience of contactless payment systems means that it's quicker and easier than ever to pay directly via card, but for many consumers even this isn't straightforward enough.

Paying from your mobile phone may not be that widespread now, but over the next few years it's likely to become mainstream. While the impact will spread to all businesses over time, those with a retail presence or who are in the hospitality industry should start thinking now about how they can make their sales processes more friendly for consumers who want to pay via their smartphones or an app.

Mobile payment can be processed through apps and a number of these apps are currently being developed for retailers and hospitality venues, along with other digital payment processing systems.

Businesses that offer these payment systems in the future are likely to compete more effectively in their industries, and this could translate directly to sales and profits.



THE FUTURE IS CUSTOMER CENTRED

One of the biggest changes in marketing over the past decade has been the shift from a marketing model that is largely focused on the business and what it's trying to sell, to one that places the individual consumer at the centre of the process.

This means that it's no longer enough to shout about your products or services from the rooftops. In fact taking this approach can be counterproductive. Customers don't want to hear about you, they want to hear how you can help them solve a problem or make their lives better in some way.

Customer centered marketing has come from a number of different things, but probably the most important change has been the empowerment of consumers via the Internet. Armed with the ability to do their own research, consumers are actively bypassing in-your-face marketing and making their choices independently of a salesperson.

As well as the ability to do their own background research, your customers can also search out feedback, share their opinions on different brands and easily get recommendations from their friends via social media.

Savvy businesses like Apple are investing in their current customers as well as seeking out new ones. By nurturing the customers you already have you

can not only help ensure that you get their repeat business, but you can also turn them into advocates for your business and encourage them to refer you to others.

Is your business customer centred?

Customer centred marketing requires an intensive knowledge of your customers and of the different types of customers you are targeting. Trying to market to everyone in the same way isn't going to work as you probably have various different customer groups within your overall target audience. Focusing on the needs of one group will leave the others feeling ignored or neglected.

As well as your marketing, the rest of your business needs to take a customer centric approach if you want to be successful. This means placing the needs of the individual customer at the centre of your business model and offering a customised experience that's tailored specifically to them.

The key to successful customer centred marketing is to target the right customer through the right channel with the right message, at the right time. These days, getting loyal customers and keeping them over the long term is far more valuable than ignoring them once they've bought from you and spending all your time and effort attracting new ones.

IF YOU'RE GOING TO BE SUCCESSFUL, YOU'LL HAVE TO BUILD TRUST

What is going to keep your customers loyal and returning to you over and over again? While there are a number of different elements that make a great customer experience, one of the most important factors is trust.

No matter how compelling your marketing message, if your customers don't believe it they aren't going to buy from you. Whether or not they are affected by your overall message depends largely on the amount of trust you've built up with them.

Why is trust so important?

Trust is important in any relationship and these days consumers are much more savvy than in previous decades thanks to the Internet. Before making a purchasing decision they are likely to research information themselves rather than relying on a salesperson to tell them what they need.

Once they have found out the relevant information they are far more likely to buy from a business they know and trust than a complete stranger.

How to build trust with your target customers

Whether you work in a product or service based business, there are a few ways you can build trust with your target customers so that by the time they are ready to buy they choose you over your competitors. Much of this can be achieved with your marketing.

- **Don't make promises you can't keep.** Letting people down is a sure-fire way to destroy any trust you might have built up. Make sure that you are reliable, honest and keep your promises. If something does go wrong and you do end up letting someone down, be sure to apologise promptly and take steps to rectify the situation.
- **Position yourself as an authority in your industry.** Building your reputation in your industry can help you build trust. If you are seen as knowledgeable and respected, your marketing message is going to have far more impact than if nobody has ever heard of you.
- **Regularly provide valuable information and assistance for your target audience.** Helping your customers solve a problem or pain point they are dealing with can help you prove your expertise. If they know your advice is sound and you've helped them before, they are far likelier to buy from you when the time comes.
- **Respond to negative feedback promptly.** While it can be tempting to ignore complaints, with the prevalence of social media and online review sites, a single disgruntled customer can cause a lot of damage to your reputation. It's a good idea to always monitor social media and review sites for mentions of your business and if anything negative appears, don't hide from it, but get in touch with the person and offer to resolve the problem.

Building trust takes time and effort, but it's well worth it. Once you have established trust, your customers will return to you over and over again and they will also recommend you to their friends.

TECHNOLOGY IS NOW PART OF MARKETING

Digital marketing has gone from a trendy buzzword to a marketing must-have. Where once digital marketing meant having a Facebook page and a website, has now evolved to the point where there is a whole range of different platforms you can use and plenty of tools for the tech savvy and not so tech savvy to make technology an integral part of the way they promote their brand.

Print advertising has been on the decline for a long time, with businesses turning to online advertising platforms like Google Adwords, Facebook Advertising and other forms of digital promotion to get their message out there. The rapid rise in the use of smartphones and tablets has led organisations to turn to in-app advertising platforms or even to create their own apps as a branding and marketing strategy.

Whatever the size and shape of your organisation, if you aren't using technology in your marketing you are probably going to fall behind very quickly. To be

successful most businesses need to implement at least some form of social media marketing, content marketing and email marketing strategy, all of which require a digital mindset.

Data and marketing

When you hear about digital marketing, data isn't usually too far behind. All this digital activity has given us more information than ever before on our customers and this can be fed back to marketers and the customers themselves to help create products and services that better suit their needs. Data can also help marketers to find new and innovative ways to reach customers.

To compete effectively both now and in the future, technology should be an integral part of your business marketing. Your customers are online, which means that you should be too.



BUSINESSES ARE MOVING TOWARDS PROVIDING SERVICES RATHER THAN SELLING PRODUCTS

The trend towards service based business models has been more noticeable in certain industries like publishing and entertainment. Instead of buying CDs we can now subscribe to on demand services like Spotify that offer us access to whatever we want to listen to, whenever we like, for a small monthly subscription fee.

The digitisation of music has meant that there are far fewer record stores than there used to be. The same can be said for the video industry. Where we used to go and buy DVDs of movies, now we have Netflix and a growing number of other on demand services that let us watch what we want when we want.

These services also have the added benefit of personalisation thanks to sophisticated data gathering technologies. They use algorithms based on what we have previously watched or listened to to create suggestions and create a truly personalised experience.

This is something to be aware of if you are an online retailer or if you just want to find a new way to appeal to your target customers. Can you

package what you do into a bundle of services and offer them online for a subscription or a one off fee? Education is one industry where this has really taken off, with online courses increasing in popularity, both from mainstream universities and industry-based businesses.

The likely impact of 3D printing on manufacturing and product based businesses

You may have heard of 3D printing and while it's not yet mainstream, predictions are that it's going to revolutionise the manufacturing and retail industries like never before. With more and more products becoming available to print at home, the entire business model of product based businesses is likely to be transformed.

If you run a product based business, now is the time to think about the future. What will happen to your business if the traditional model of manufacturing and selling is disrupted? How else could you position your business or move it towards more of a subscription/service based model?



OUTSOURCING = THE FUTURE OF EMPLOYMENT

When it comes to finding a workforce, it's expected that businesses in the future probably won't look in house. Outsourcing has been on the increase for the last few years and this trend is likely to continue, whether the outsourcing takes place offshore or using staff based in Australia.

The development of remote technologies has meant that many people are now able to collaborate and work remotely where it wouldn't have been possible a few years ago.

Many businesses are looking for staff to fill a role but may be hesitate to hire full time in an uncertain economic climate. Outsourcing allows businesses to meet their need for expert staff without the commitment and outgoings of hiring permanent employees.

This trend towards outsourcing is also in part created by the number of people leaving the traditional workforce in search of more flexibility and balance, or because there aren't as many permanent jobs available any more. Generation Y are entering the workforce and are less likely to be looking to get locked into a permanent job.

What does this mean for your business?

Taking advantage of the trend towards outsourcing can bring a lot of benefits to your business. These include:

- **Cost cutting.** Outsourcing some or all of your staffing needs can free up capital to spend on other areas of your business. By only paying for someone when you need them, you don't have to cover the cost of hiring staff when you're quiet.
- **Free up valuable in house resources.** If your in house employees are busy on mundane tasks they won't be able to tackle the more important jobs that can drive your business forward. Outsourcing can help ensure that your employees can focus their time and energy on the areas they are most productive and useful in.
- **Gain access to specialised skills.** You might not have the in house skills you really need to take your business to the next level. Outsourcing can be a great way to get access to the skills you need when you need them so you can really grow your business.

Outsourcing is likely to continue to increase in the future and it seems set to disrupt the traditional hiring process. It's a great solution for businesses that want to be able to move quickly and evolve with changing times as it allows for flexibility and easy scalability.

CONCLUSION

Digital disruption is changing the way we do business and live our lives. If you want to stay current and keep flourishing, it's essential that you understand how it works.

From your marketing to your recruitment, the products and services you develop and the way you think about your business, the challenges and opportunities presented by digital disruption are unlike any we have experienced in the past.

It's an exciting time, but one in which businesses and marketers need to stay alert and be prepared to adapt and keep up with the changing business environment, development of new technology and rapidly evolving customer expectations.

Hopefully this e-book has given you an overview of some of the ways digital disruption could be impacting your business so you can develop strategies to overcome any struggles you might be facing and help your business rise to the challenges of the future.

**LOOKING FOR
HELP WITH
DIGITAL
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