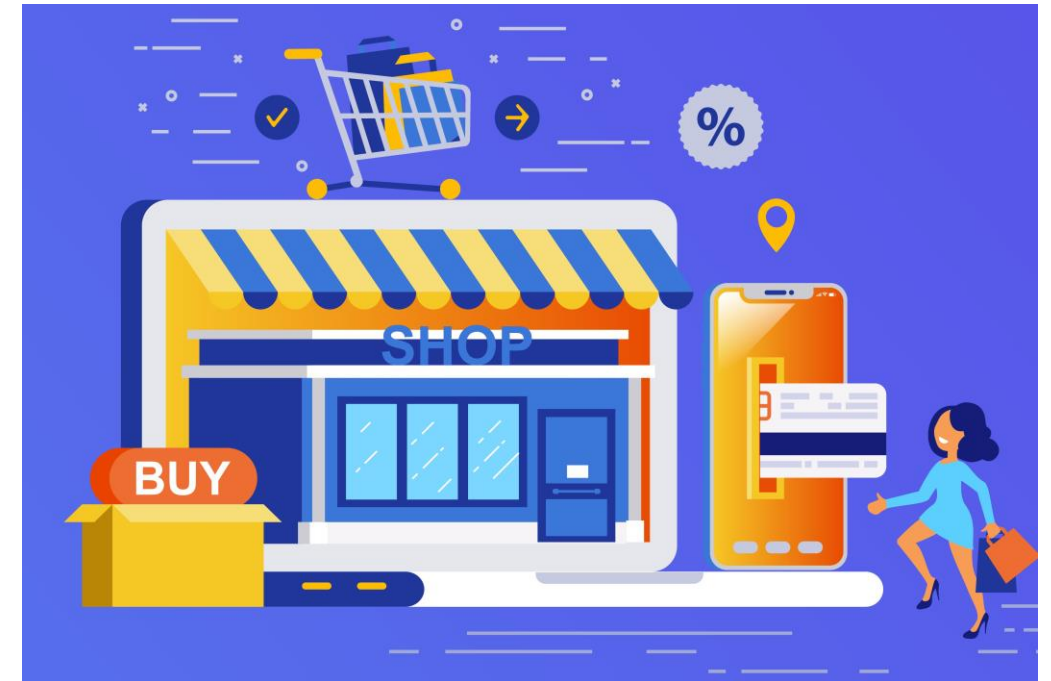
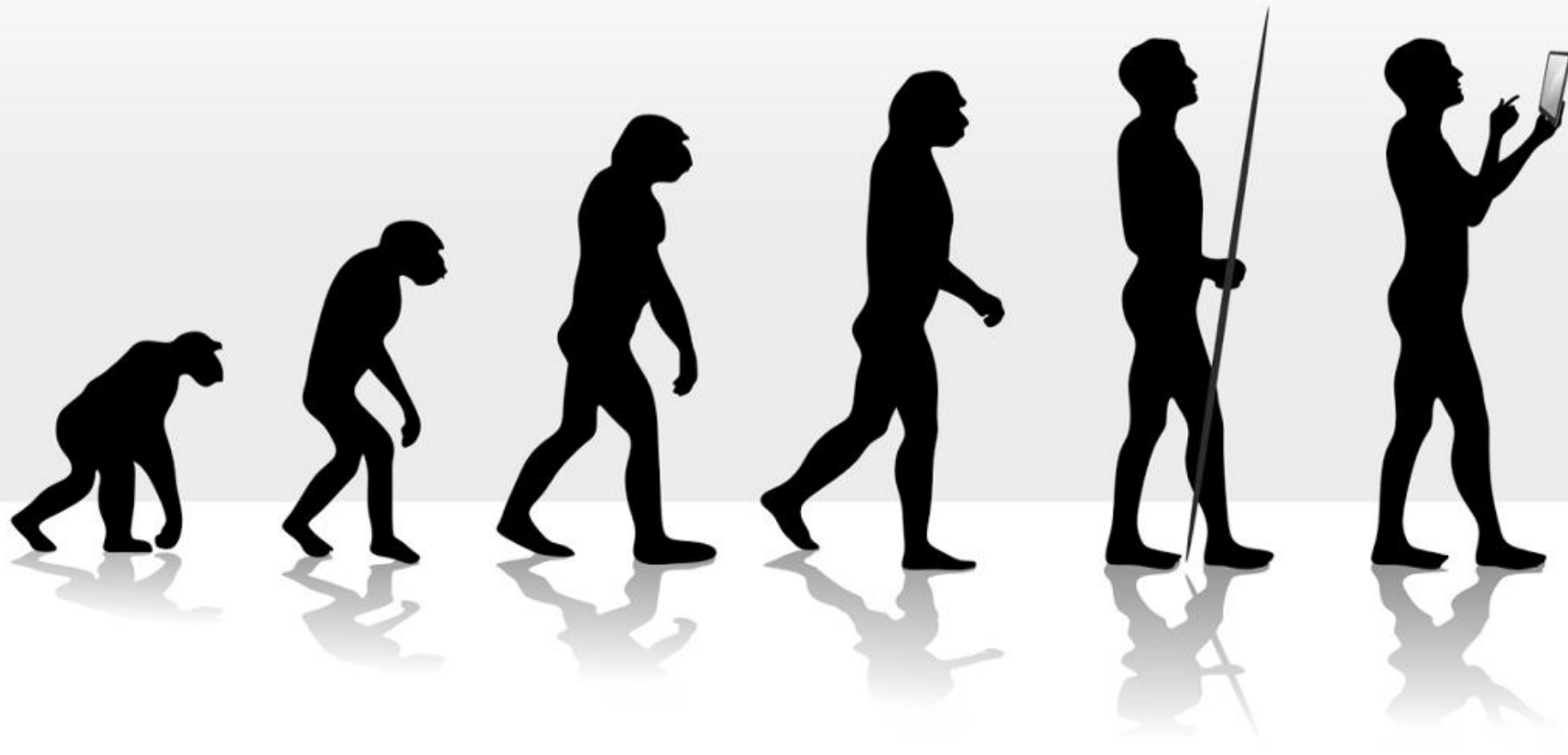




Lesson 4 – Changing Consumer Behaviors

2. How is digital changing consumer behaviour?



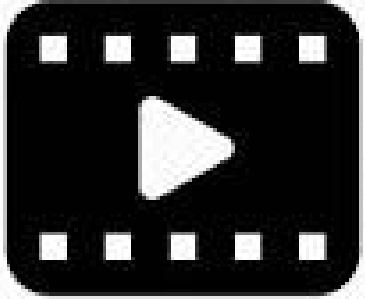


What a difference a few years makes!

“We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten.” -Bill Gates



What a difference a few years makes!



Duration: 2 Mins

Blockbuster Enters Glimpse of Movie Renting Past

Onion News Network (satire!)

TDI viewing Tip;

This is a satirical look at how people used to rent films on video in the not-too-distant past. What do you think – is this a real thing?

[Video link](#)



Possible discussion points for Weekly Clinic / Things to think about

- Why is it that things don't seem to change much in one or two years, yet huge amounts of change occur in just 5-10 years?
- What are some of the things happening right now in insurance that we're going to look back on in 10 years, and maybe make a similar satirical movie about?



How consumer behaviour is changing?



**FROM
2005**

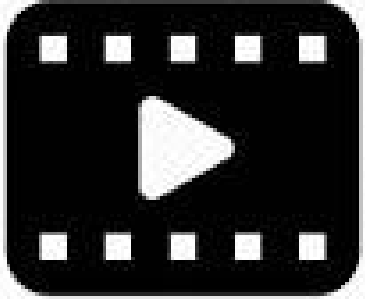
**TO
2011**

Linear, retail-
focused “first
moment of truth”
model - FMOT

“Zero moment of
truth” model -
ZMOT [Google]



How consumer behaviour is changing?



The Zero Moment of Truth

Google

TDI viewing Tip;

Another quick clip, easy to follow

Duration: 1 Min 41 Secs

[Video link](#)



Possible discussion points for Weekly Clinic / Things to think about

- To what extent do you agree with the ZMOT theory
- Is this the way you approach purchase decisions – and what about friends and family?
- It's now a few years old – so does it still apply – and will it evolve again before too long as new technologies are deployed?



How consumer behaviour is changing?



**FROM
2005**

Linear, retail-
focused “first
moment of truth”
model - FMOT

**FROM
2011**

“Zero moment of
truth” model -
ZMOT [Google]

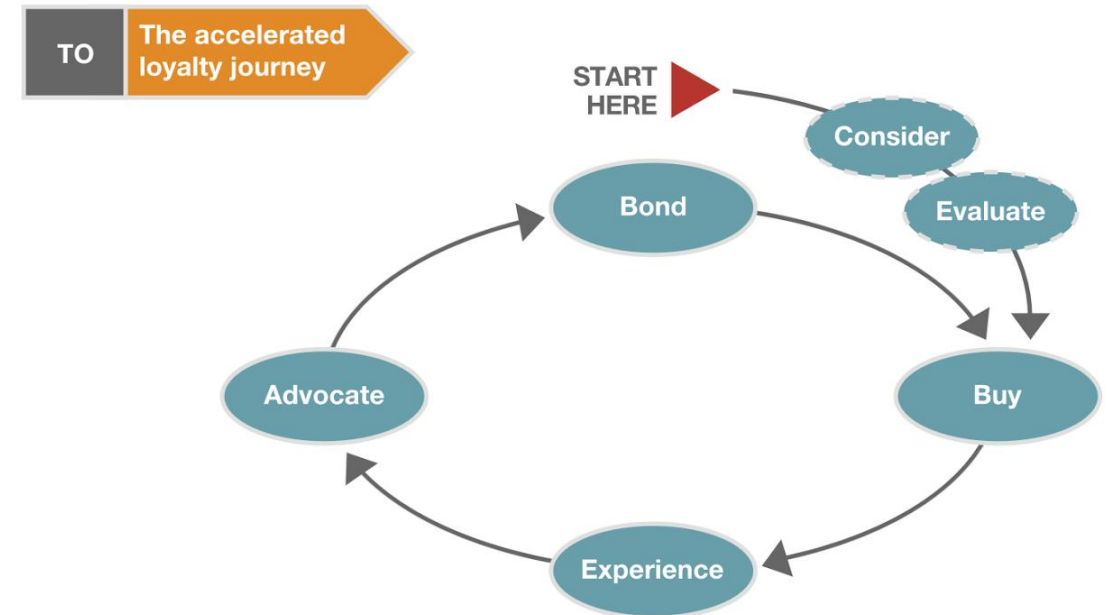
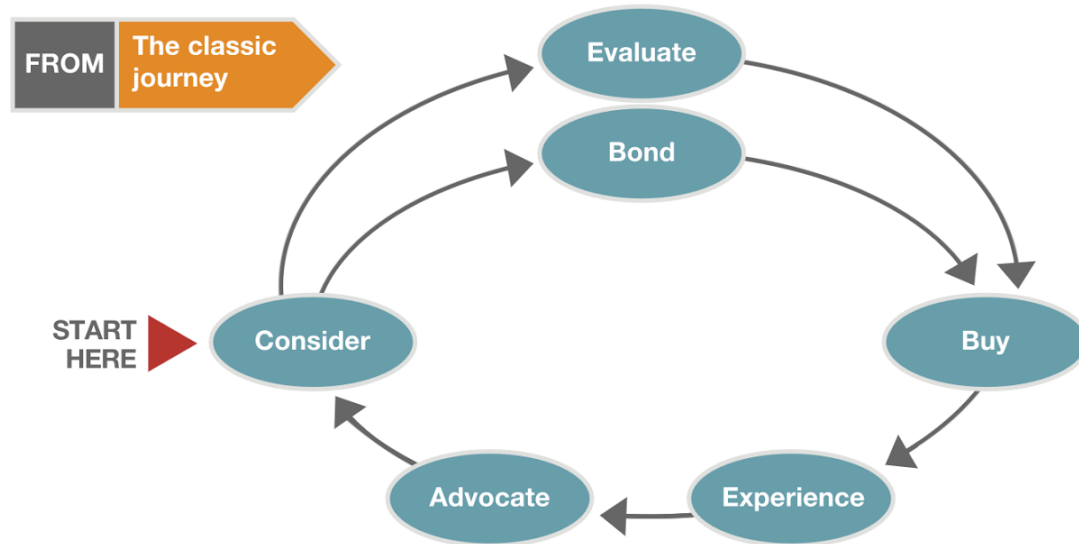
**TO
2019**

Iterative, digital-centric
model of customer behavior
(the “accelerated customer
decision journey”)

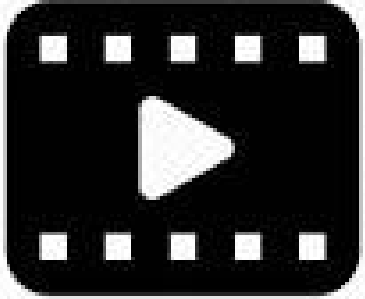


What a difference a few years makes!

Companies that optimize the customer decision journey by compressing or, in some cases, eliminating the consideration and evaluation phases will assert competitive advantage.



The Digital Consumer: The race to keep up with customer expectations



Duration: 2 Mins

The Digital Consumer: The Race to Keep Up with Customer Expectations World Economic Forum **TDI viewing Tip;**

You may want to get a pen and paper for this clip and make a few notes as there are lots of important and useful insights here

[Video link](#)



Possible discussion points for Weekly Clinic / Things to think about

- What do you think companies primary motivation for innovation is – do you agree that it is profit? And if it is, is this right or wrong?
- In what ways can companies overcome this scepticism?
- What is 'equal expectations' and what are some of the best examples you can think of driving this amongst consumers?
- What are some of the key characteristics of new consumer expectations?



New Players are Re-Setting Consumer Expectations

amazon.com[®]

Google



NETFLIX



airbnb



TESLA



UBER



And they all have two things in common....



**Customer-Obsessed
+
Technology-Led**



Customer obsession



Changing Consumer Behaviours – What we want!

Convenience
My time, My place, My way

Personalisation

Speed

Reduced Risk

Choice

Rewarded Loyalty

Fair Value & Treatment

On Demand

Social Good



The Power is Shifting - Fast



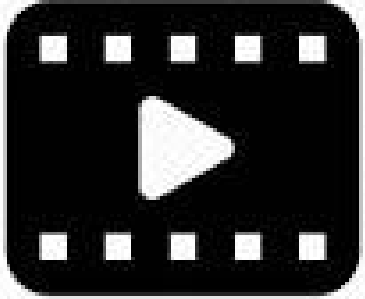
BREXIT



**WE WANT
CHANGE**



Acting fast to keep up with consumer expectations



Duration: 1 Min

Acting fast to keep up with consumer expectations
World Economic Forum: Leah Busque
TDI viewing Tip;

Quick and easy to follow

[Video link](#)



Possible discussion points for Weekly Clinic / Things to think about

- This is an example of a company re-inventing themselves by effectively starting again – with the question ‘if we were starting from scratch today, what would we build?’
- Is this a good approach and, if so, why don’t more companies adopt this approach to change?



6 ways technology is impacting customer behaviour

Impact on Consumer Behaviour



4 practical examples



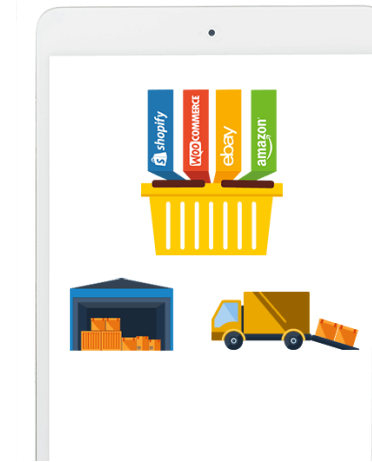
Smart devices offer consumers convenience and peace of mind



Wearables shape consumer lifestyle—and save businesses money



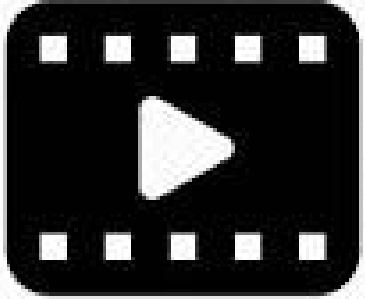
Ad blockers allow consumers to avoid unwanted ads



Fulfilment solutions drive seamless customer experience



Millennials: Changing consumer behaviour



Duration: 3 Mins

Millennials: Changing Consumer Behavior Goldman Sachs

TDI viewing Tip;

This is one of the longer videos in this lesson at 3mins.

[Video link](#)



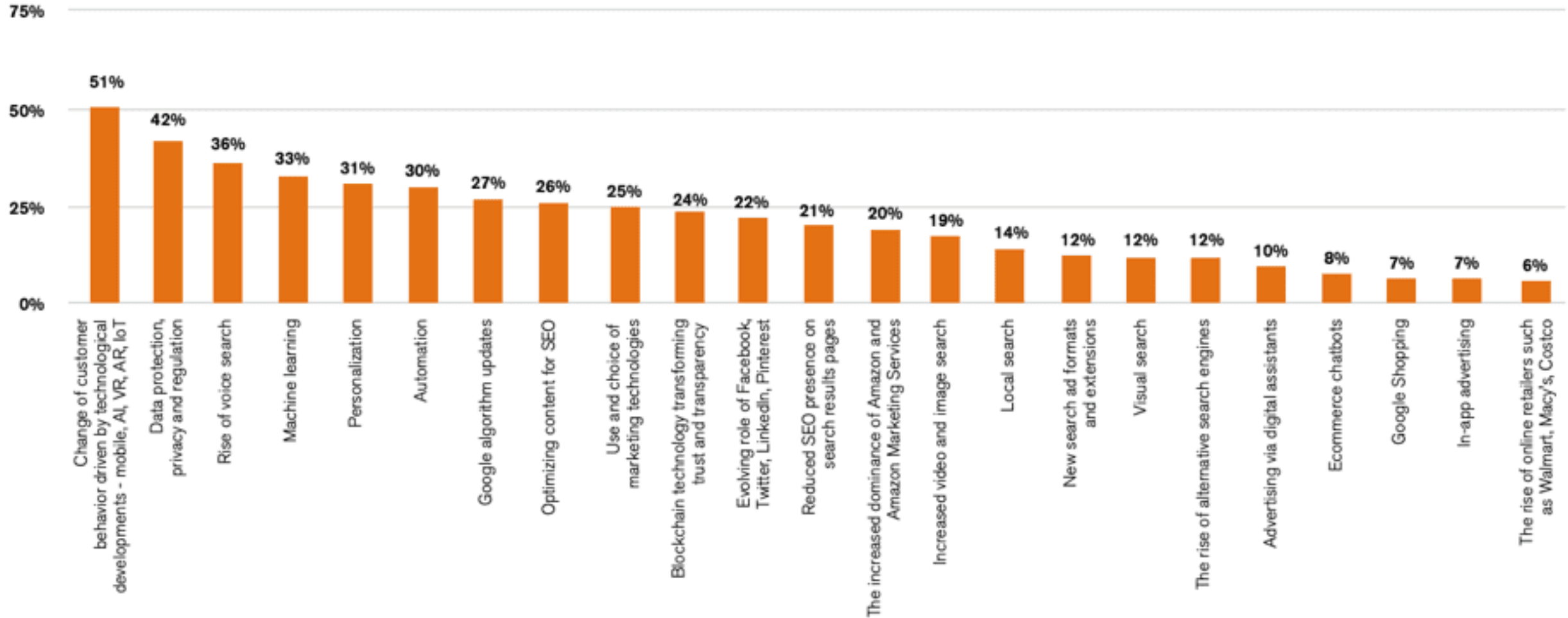
Possible discussion points for Weekly Clinic / Things to think about

- How important is it to focus on different age groups when analysing consumer behaviour
- Do Millennials deserve the amount of airtime and focus they get – are there other groups which are likely to rise in prominence in the future?
- What are some of the common characteristics of Millennials when it comes to consumer behaviour? Hint: 3 things are highlighted in the video

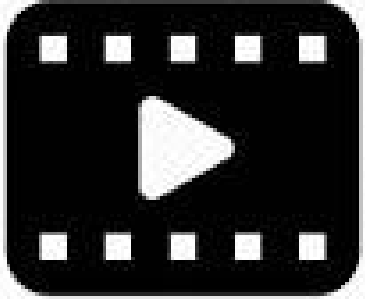


Tech-led changes in Consumer Behaviour

The No 1 trend for Marketers



How new players are starting with CX



Duration: 3 Min

Customer Experience Steve Jobs: Apple

TDI viewing Tip;

Even if you've seen this clip before, it's still a powerful reminder of the motivations behind the late Steve Jobs, and what underpins much of the firm success

[Video link](#)



Possible discussion points for Weekly Clinic / Things to think about

- Steve Jobs makes a strong argument for putting the Customer first, and working back to the technology
- Can you think of examples of where companies have got things the wrong way around – and why do you think this may be?

