

Congresso Internacional de Marketing

The next big disruption...

Jonathan Banks



The next big disruption...

Consumer changes → more disruption

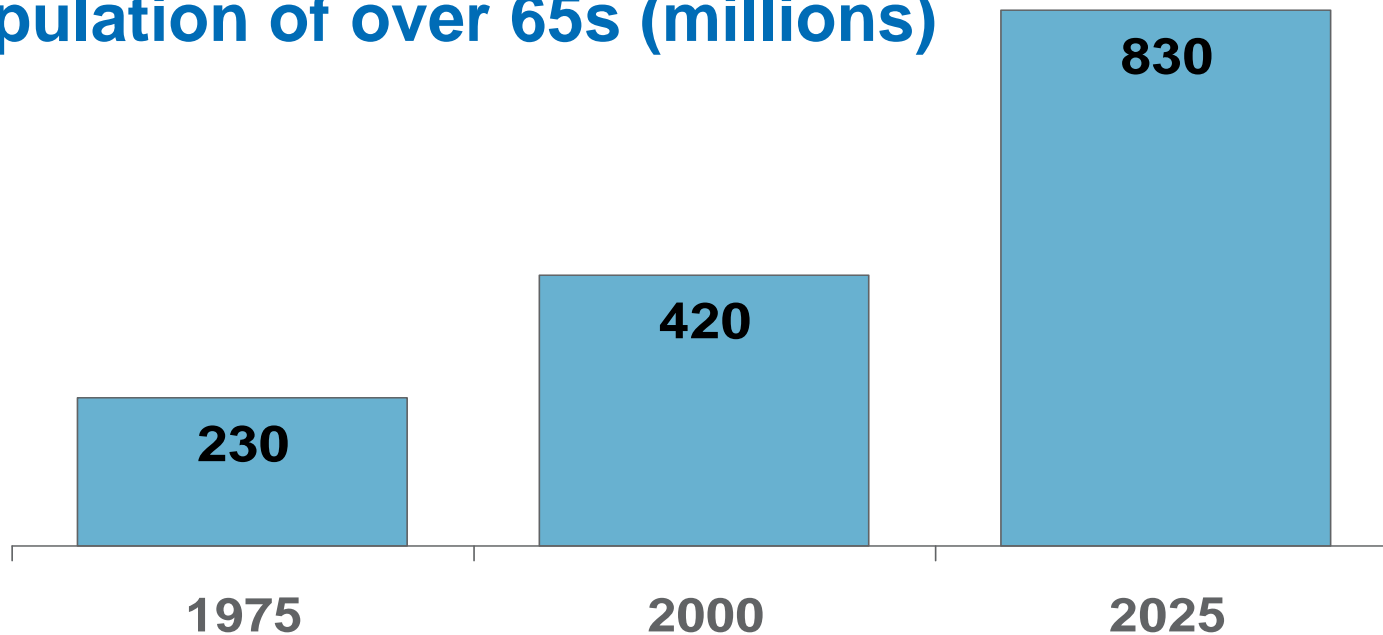
- Consumer changes
- Consumer concerns
- Responses

Demographics: the aging population

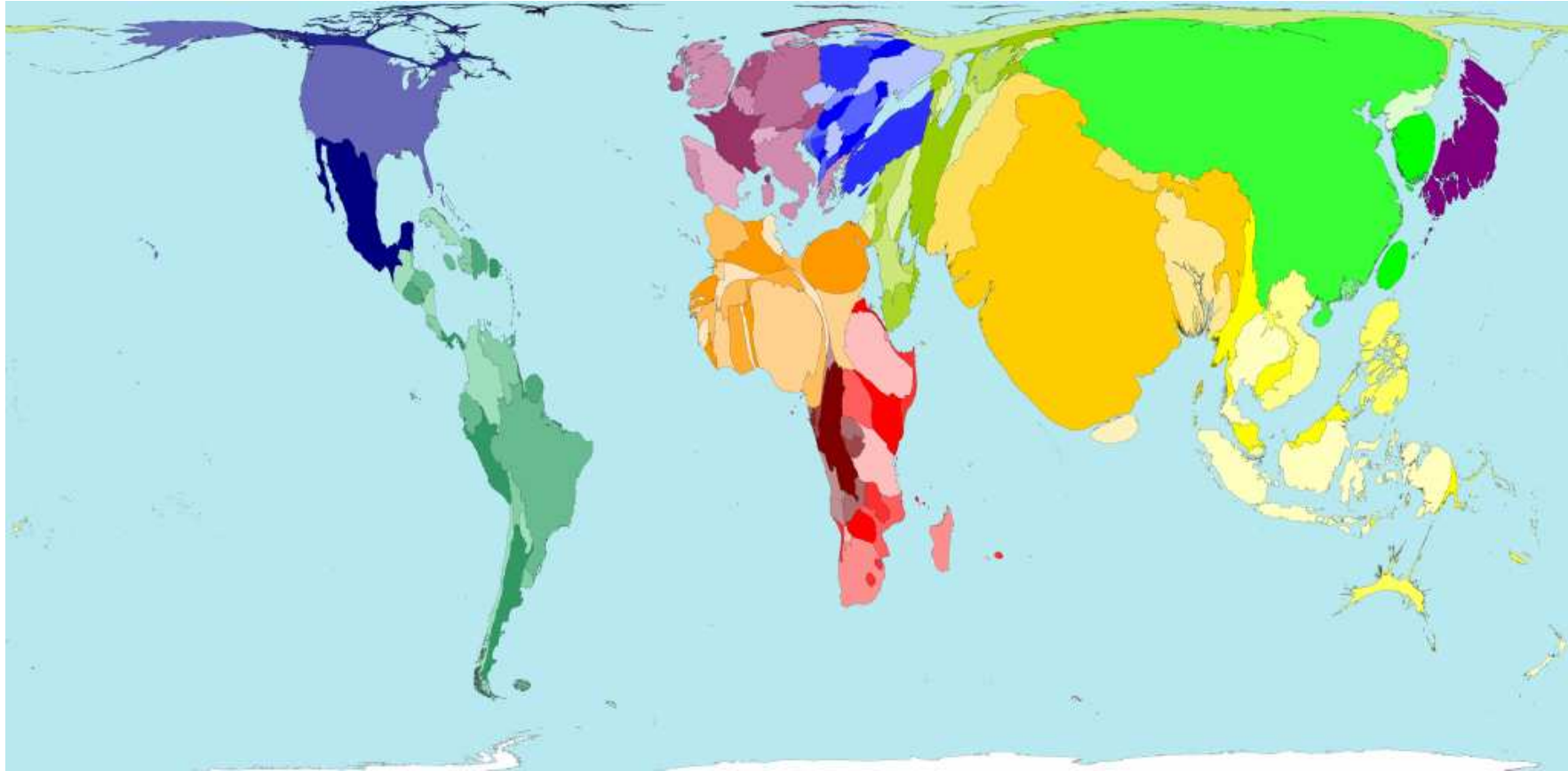
Life expectancy:

- Swaziland 33, Portugal 78, Andorra 83

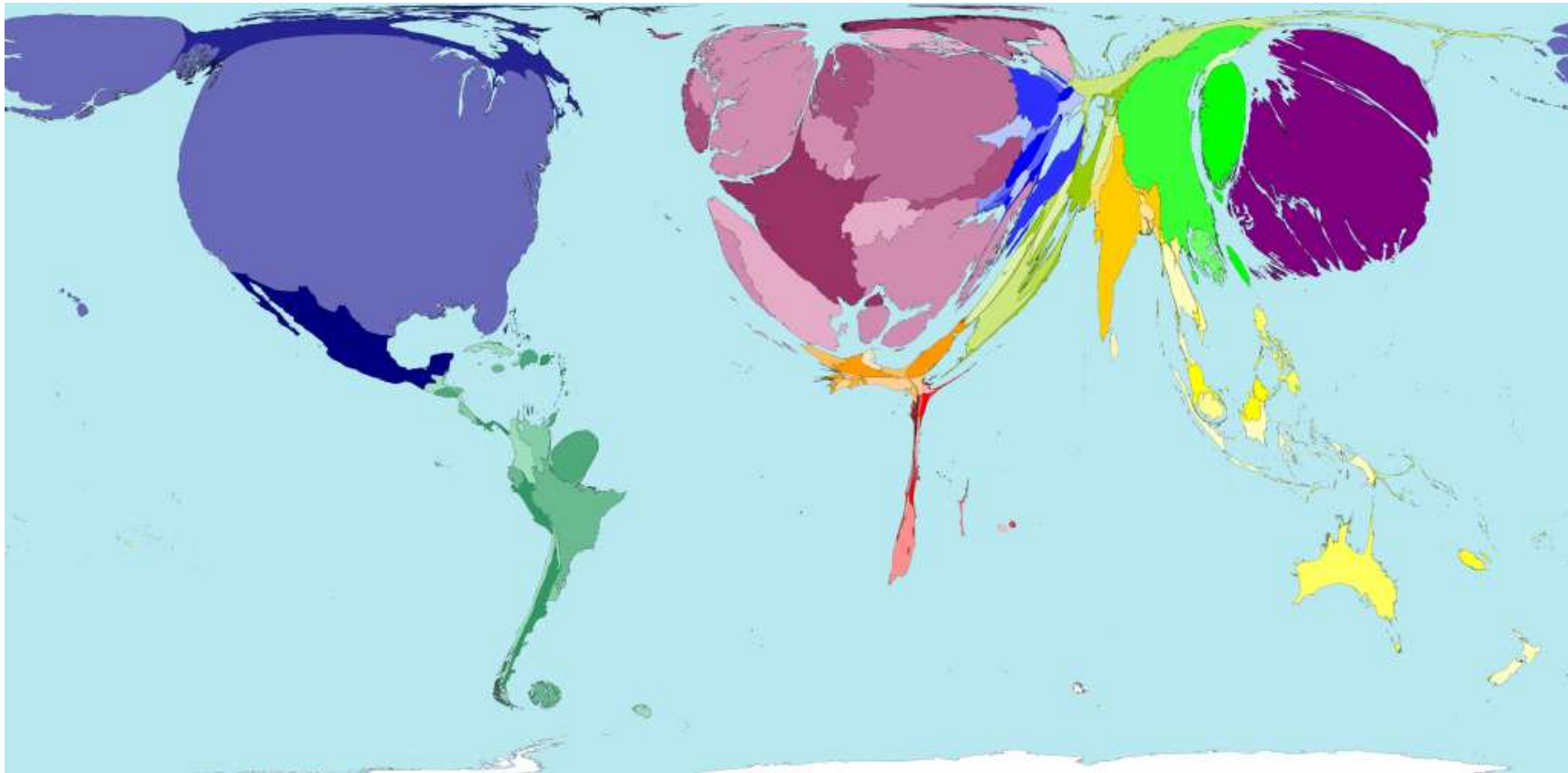
Population of over 65s (millions)



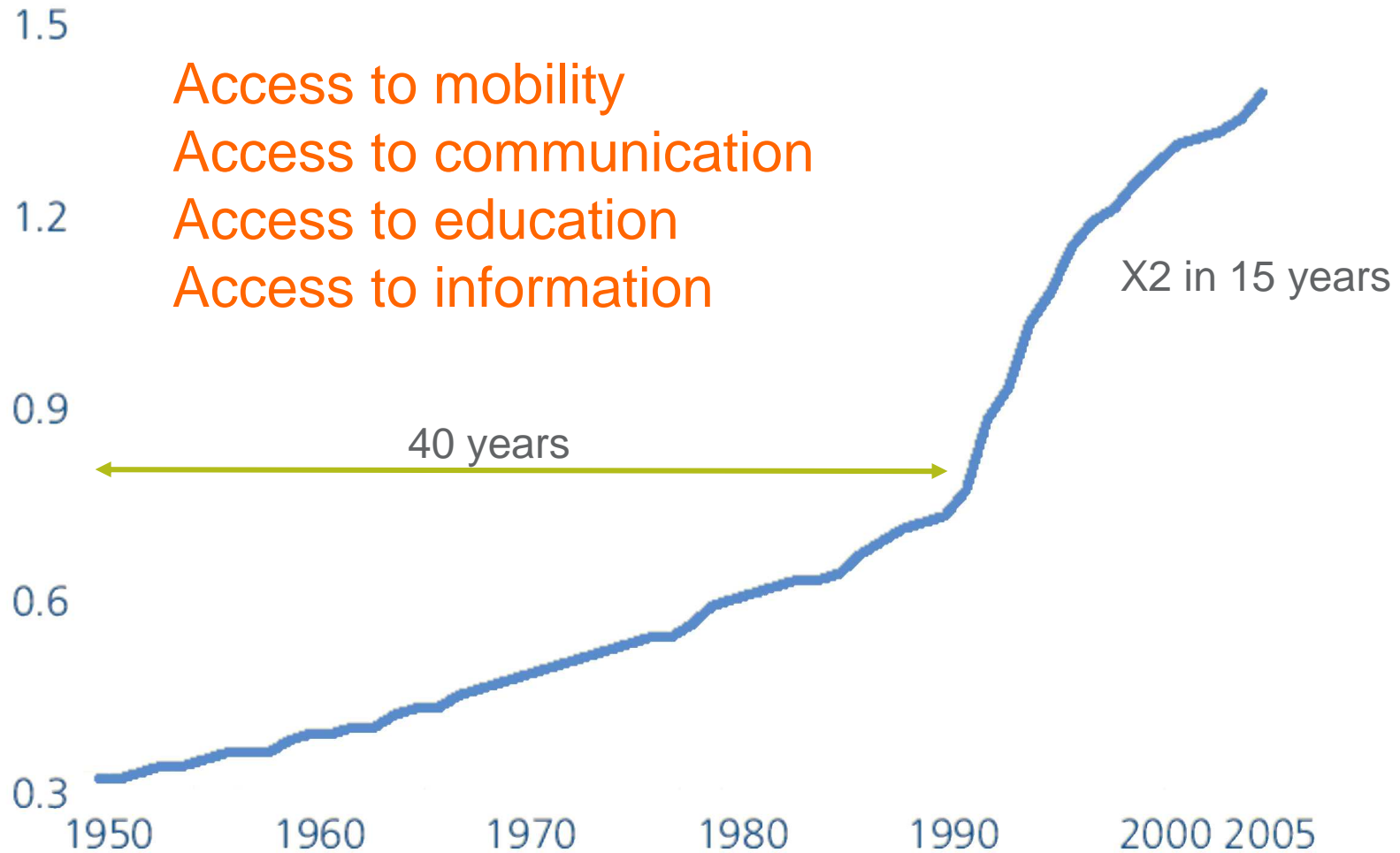
If we adjust in terms of population.....



If we adjust in terms of GDP.....



Global middle class: in billion



Change

- 1981 IBM PC
- 1985 Windows
- 1989 Berlin Wall falls
- 1990 Nelson Mandela; Windows 3.0
- 1991 1st web site
- 1993 1st Browser

- iPods, podcasting, wikipedia, blogs
- YouTube – 65k uploads, 1m downloads per day

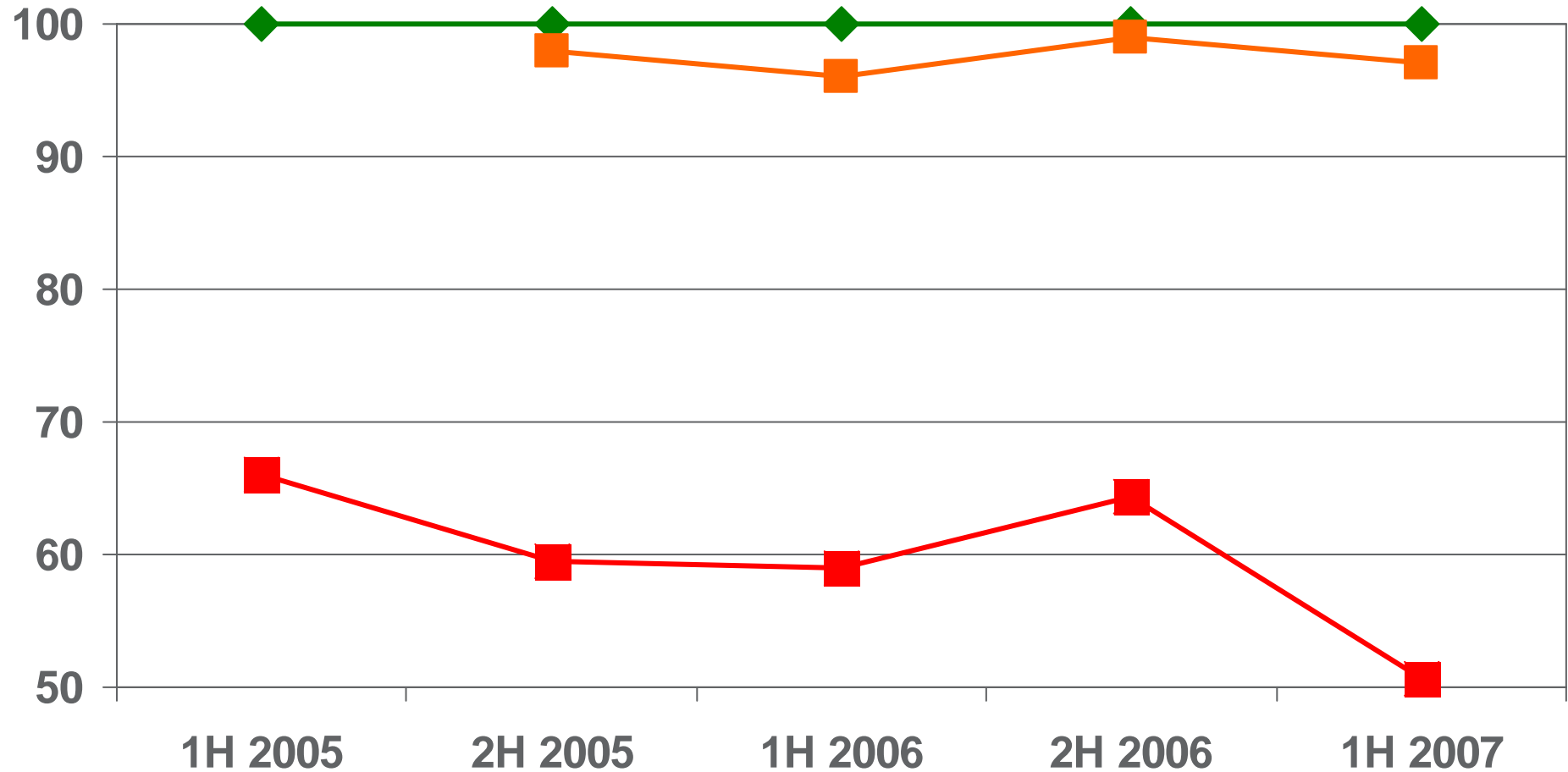
- www.climatecare.org
- www.springwise.com
- www.thecoolhunter.net/news
- www.trendwatching.com
- www.superfuture.com/city/home

Consumer Confidence Index

Calculated on responses to:

- Do you think job prospects in the next 12 months will be:
- Do you think the state of your own personal finances in the next year will be:
- Considering the cost of things today and your own personal finances, would you say at this moment the time to buy things you want and need is:
 - *excellent (200), good (133), not so good (67), bad (0)*

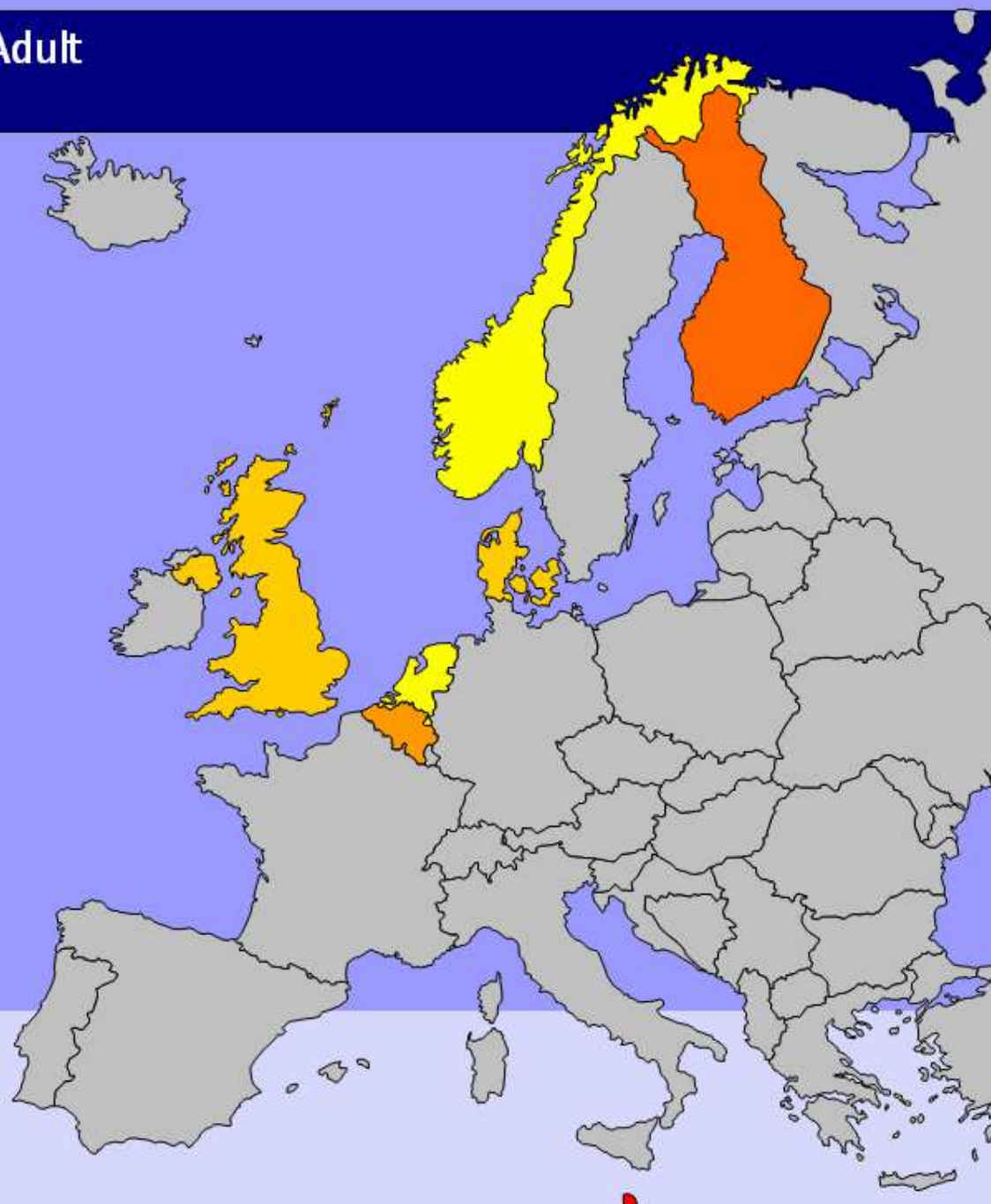
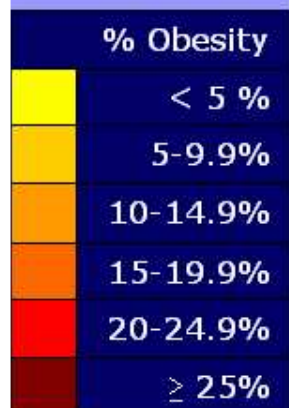
Consumer Confidence Index



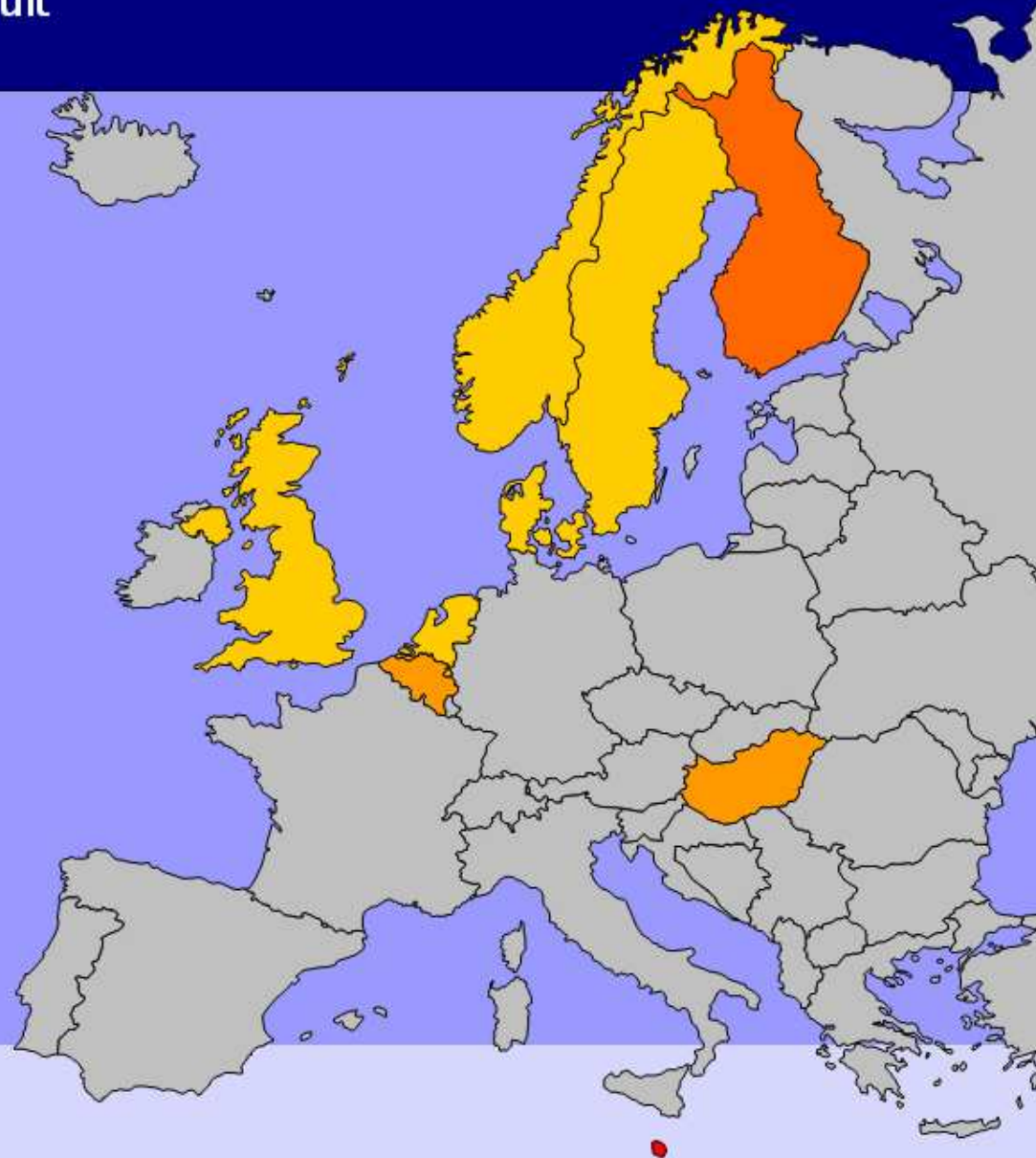
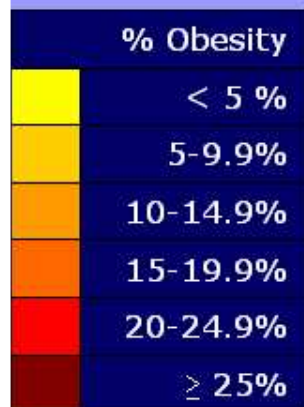
4 megatrends..."Health" has been the most important



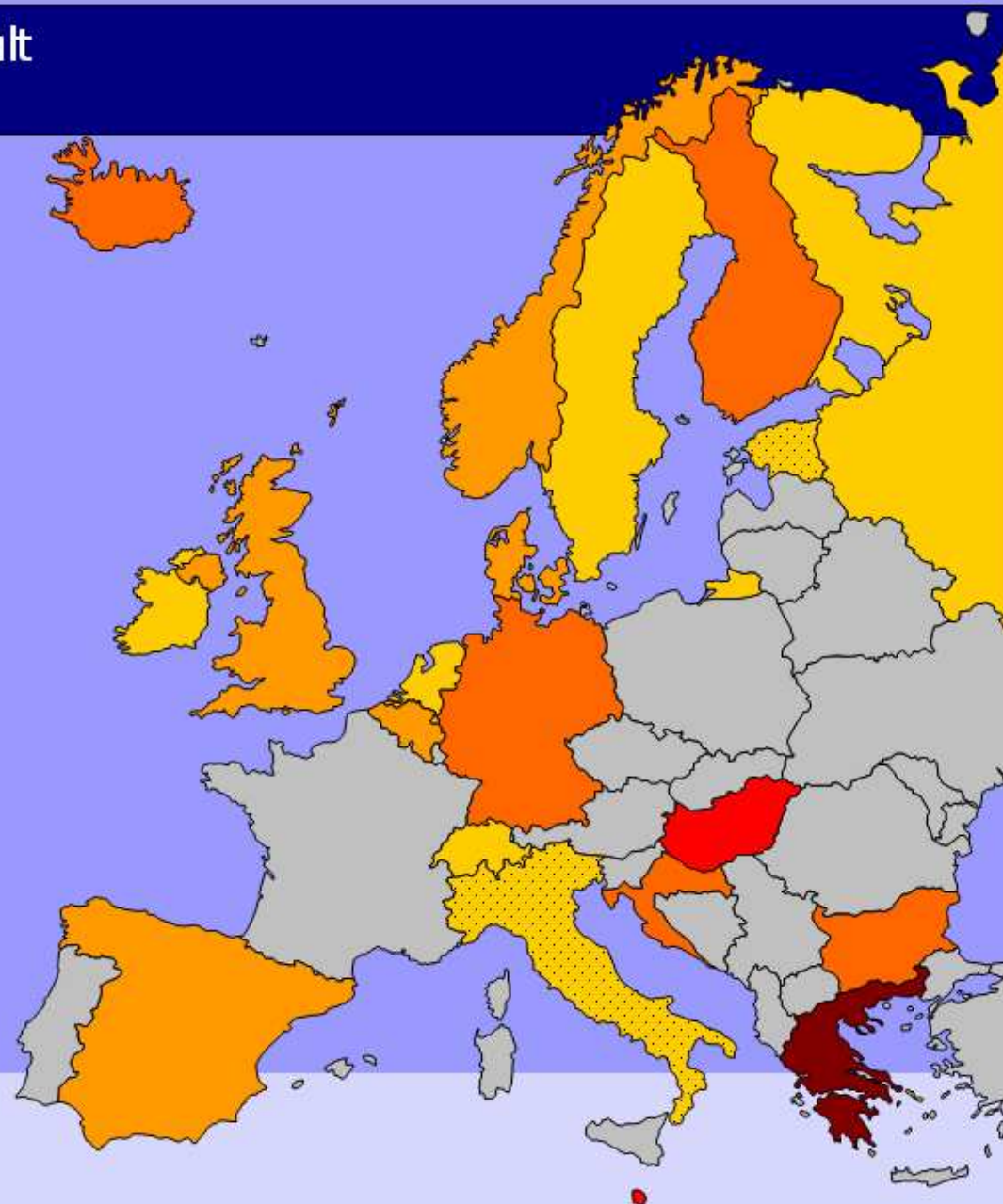
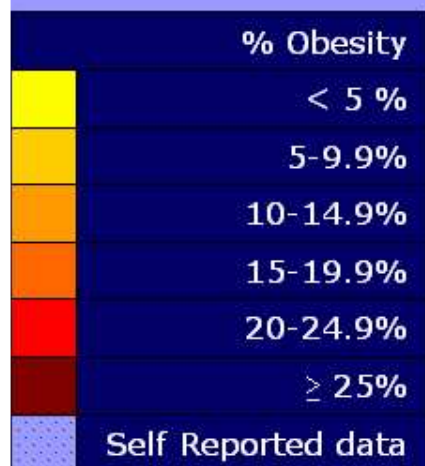
Prevalence of Obesity in European Adult Males 1980-84



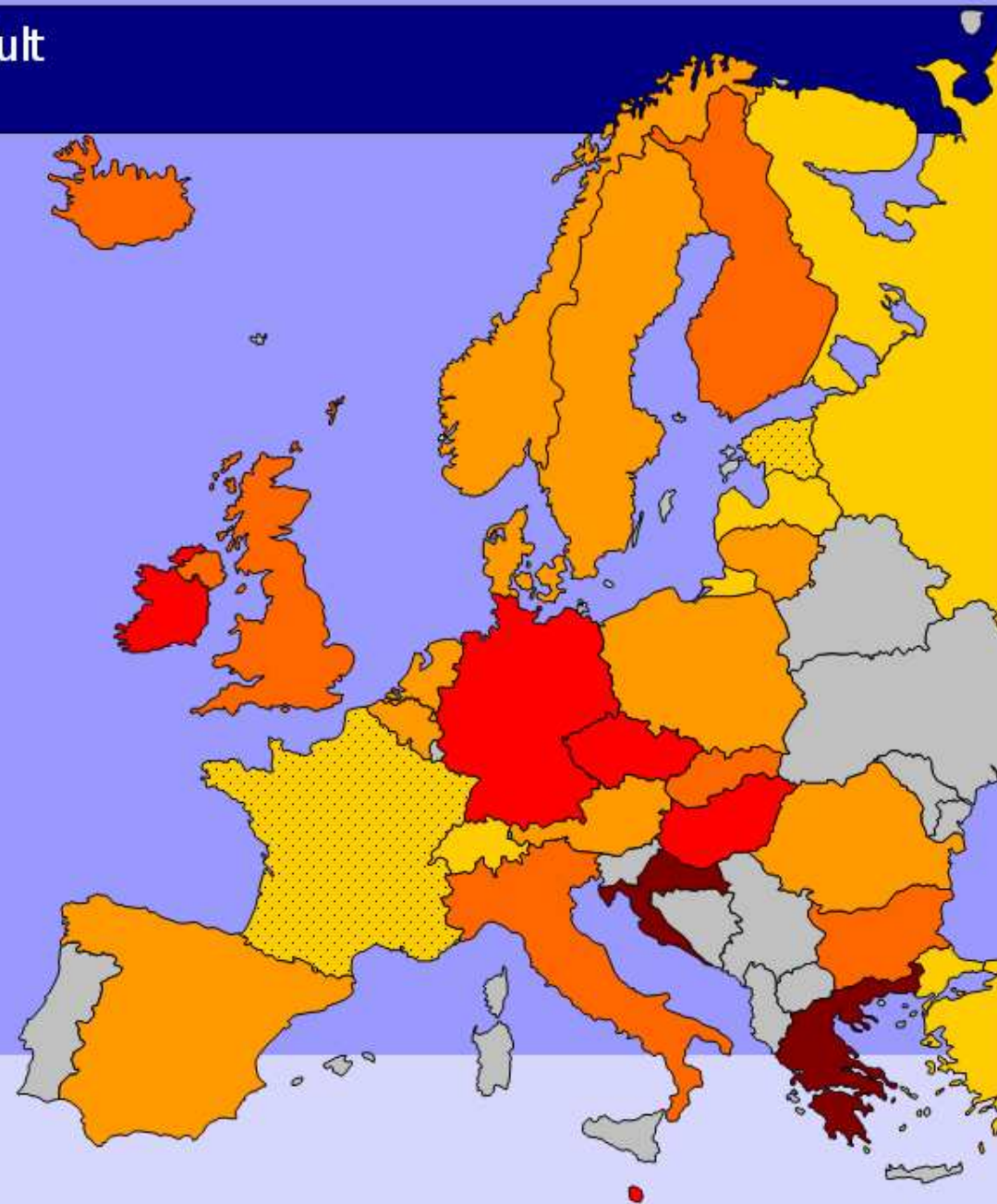
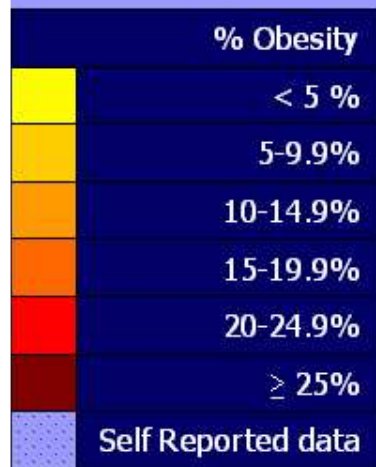
Prevalence of Obesity in European Adult Males 1985-89



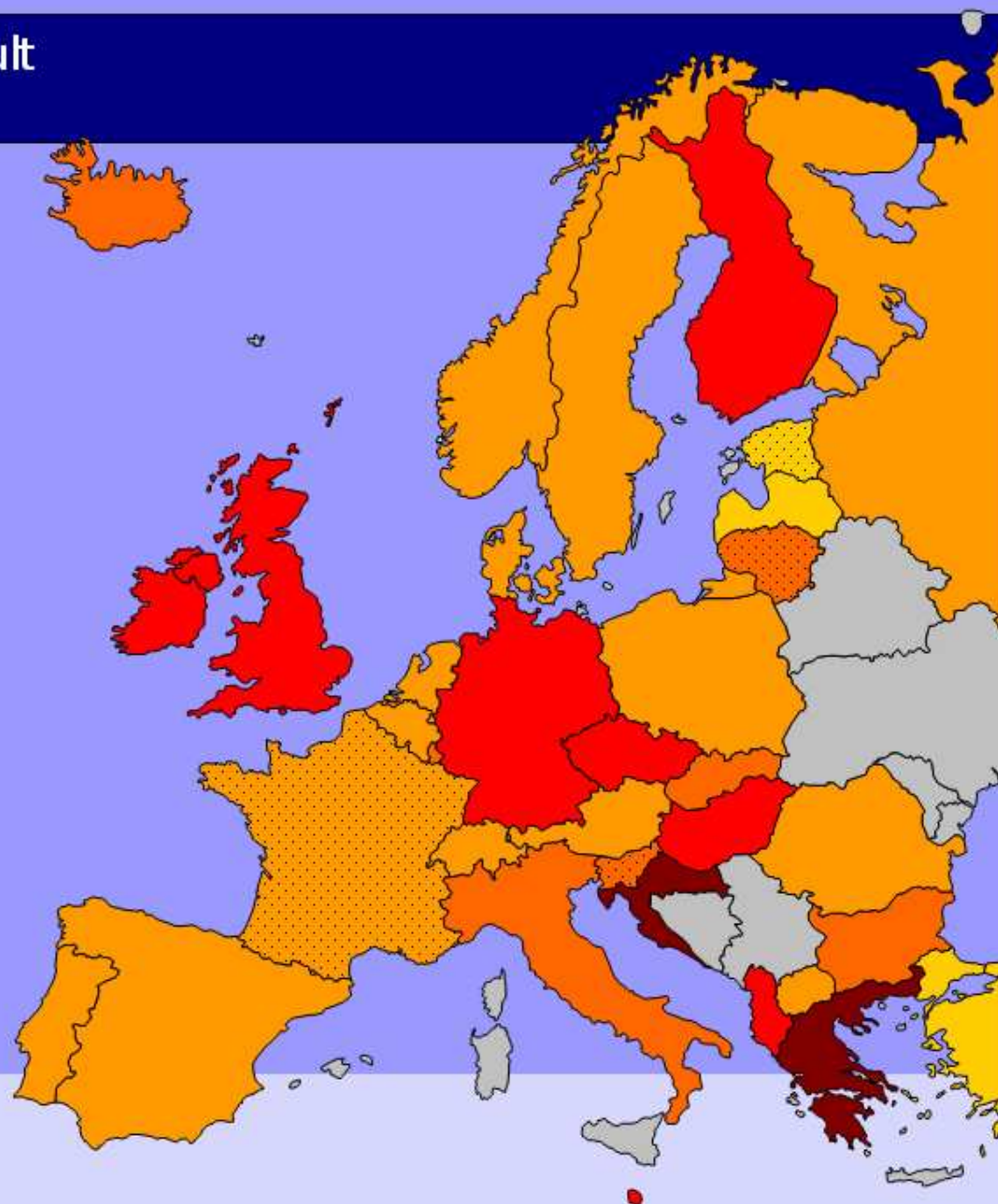
Prevalence of Obesity in European Adult Males 1990-94



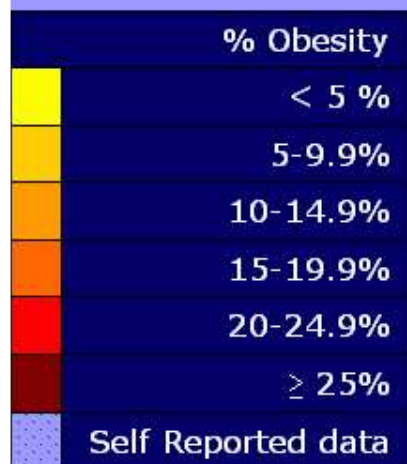
Prevalence of Obesity in European Adult Males 1995-99



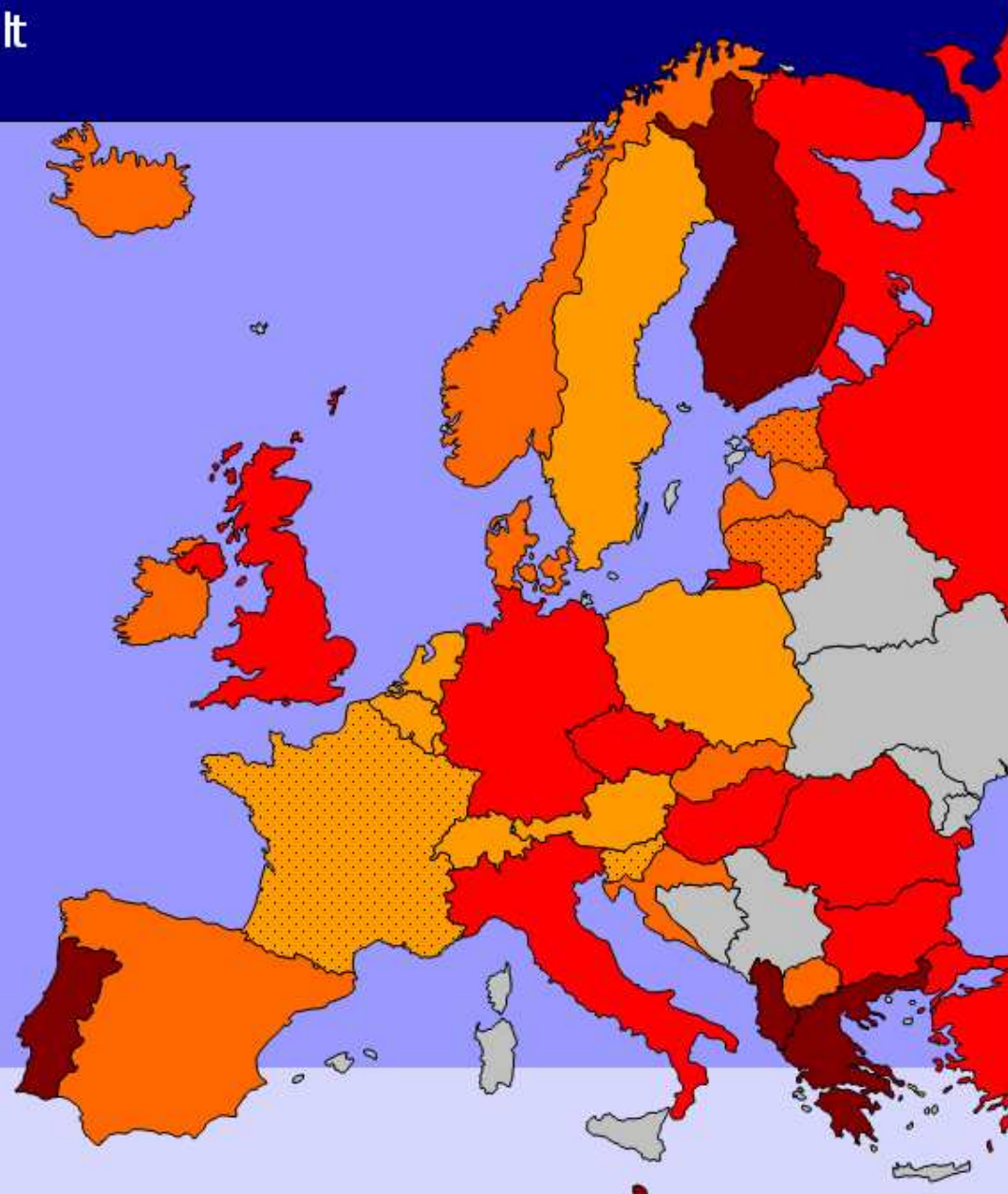
Prevalence of Obesity in European Adult Males 2000-2005



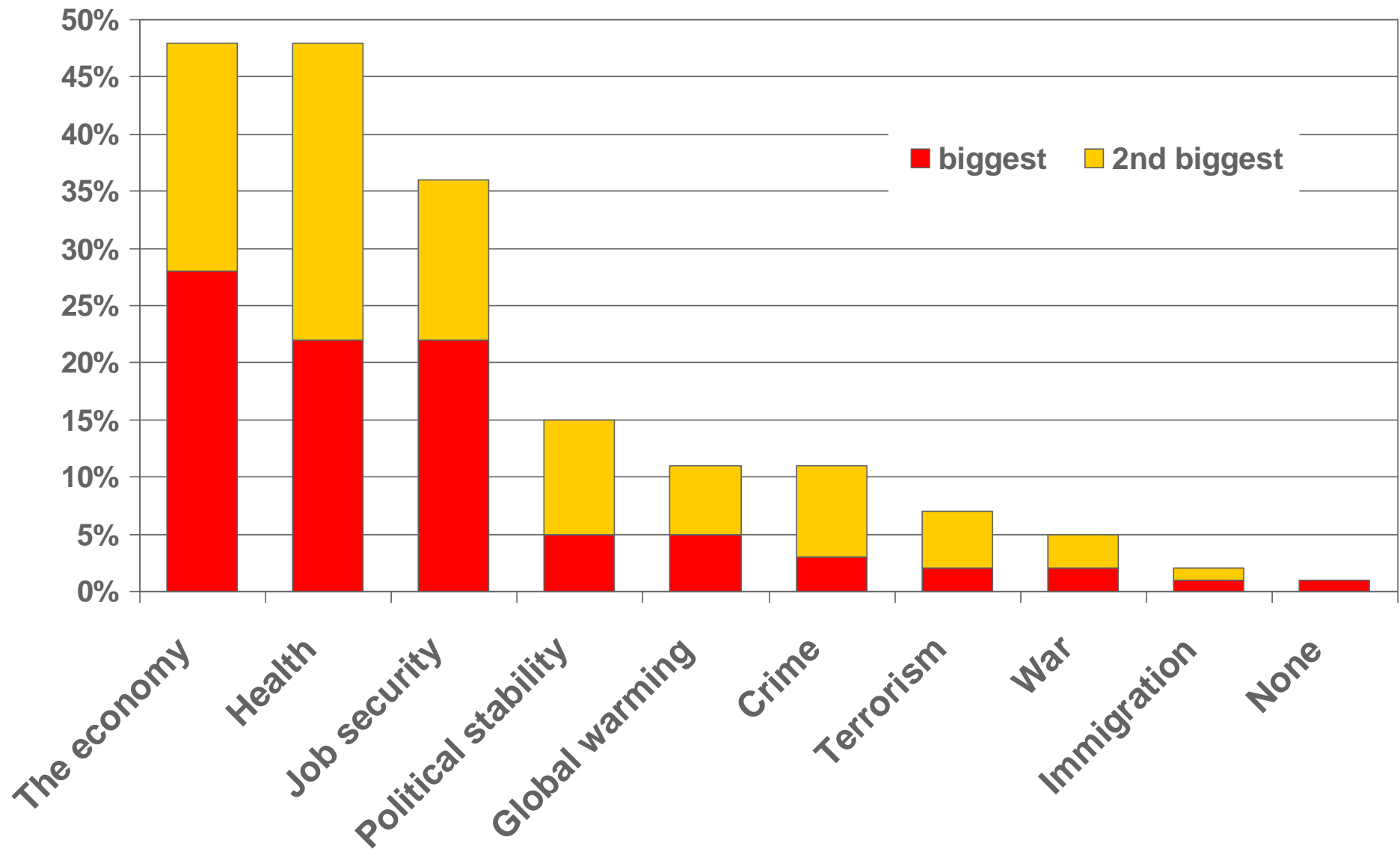
Prevalence of Obesity in European Adult Females 2000-2005



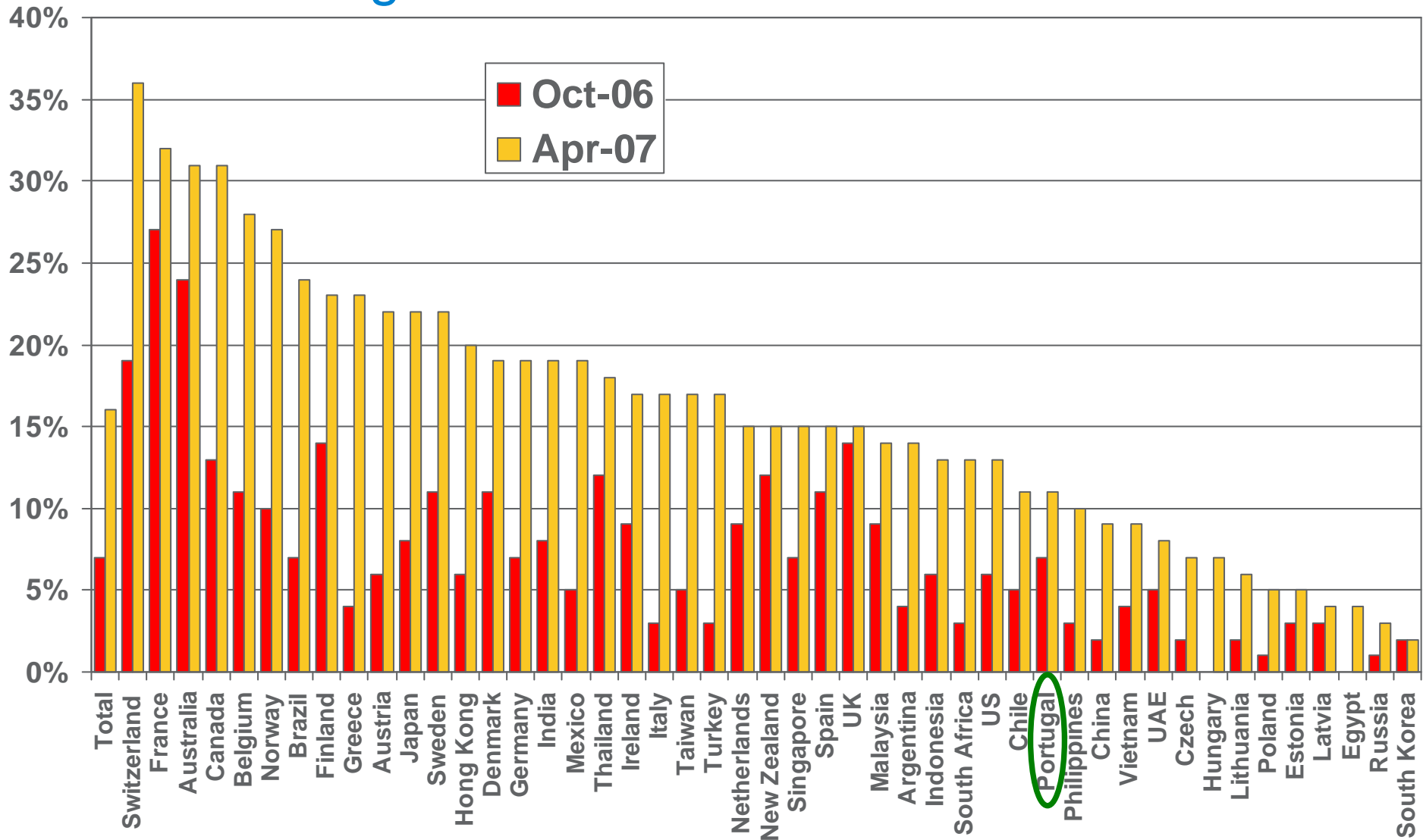
Portugal: 54%



What is your biggest concern over the next 6 months?

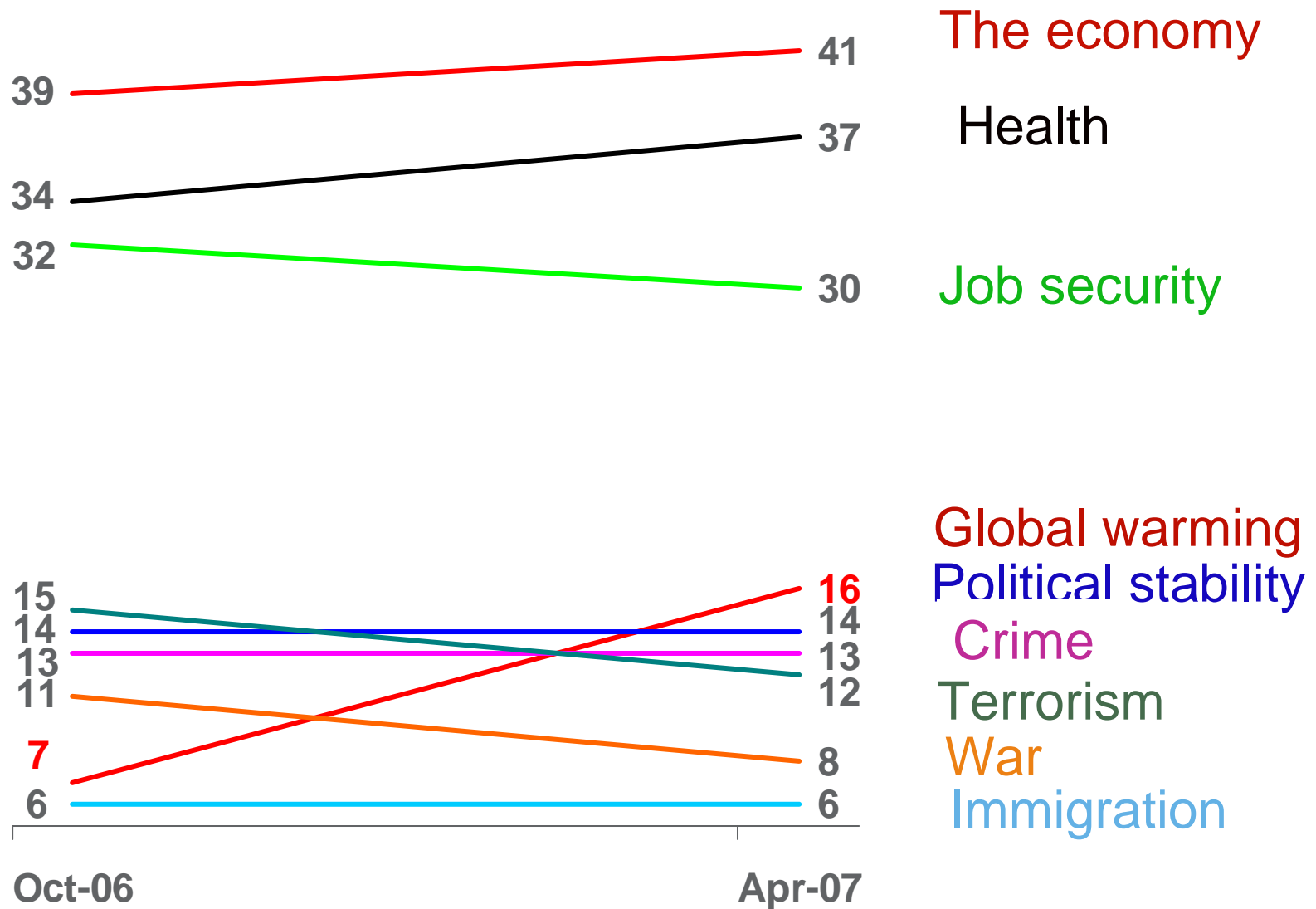


Biggest + 2nd biggest concern in the next 6 months: Global Warming





Global: Biggest concern in next 6 months



Consumer responses to “An Inconvenient Truth”

- Have you seen the film?
 - Yes: 21%
- This film changed my mind about global warming / climate change
 - Yes: 53%
- The film made me more aware of the problem
 - Yes: 88%
- I am changing some habits as a result of seeing the film
 - Yes: 50%

Showing commitment

Plan A.

Because there is no Plan B.

Five years. Five commitments. One world. And 100 things we want to change.



Climate Change: We'll aim to make all our UK operations carbon neutral within 5 years. We'll maximise our use of renewable energy and only use offsetting as a last resort. And, we'll be helping our customers and suppliers to cut their carbon emissions too.



Waste: We'll significantly reduce the amount of packaging and carrier bags that we use, and find new ways to recycle materials. By 2012 we aim to ensure that none of our clothing or packaging needs end up as landfill.



Sustainable Raw Materials: From fish to forests, our goal is to make sure our key raw materials come from the most sustainable sources available to us, protecting the environment and the world's natural resources for future generations.



Fair Partner: By being a fair partner, we'll help to improve the lives of hundreds of thousands of people in our worldwide supply chain and local communities.



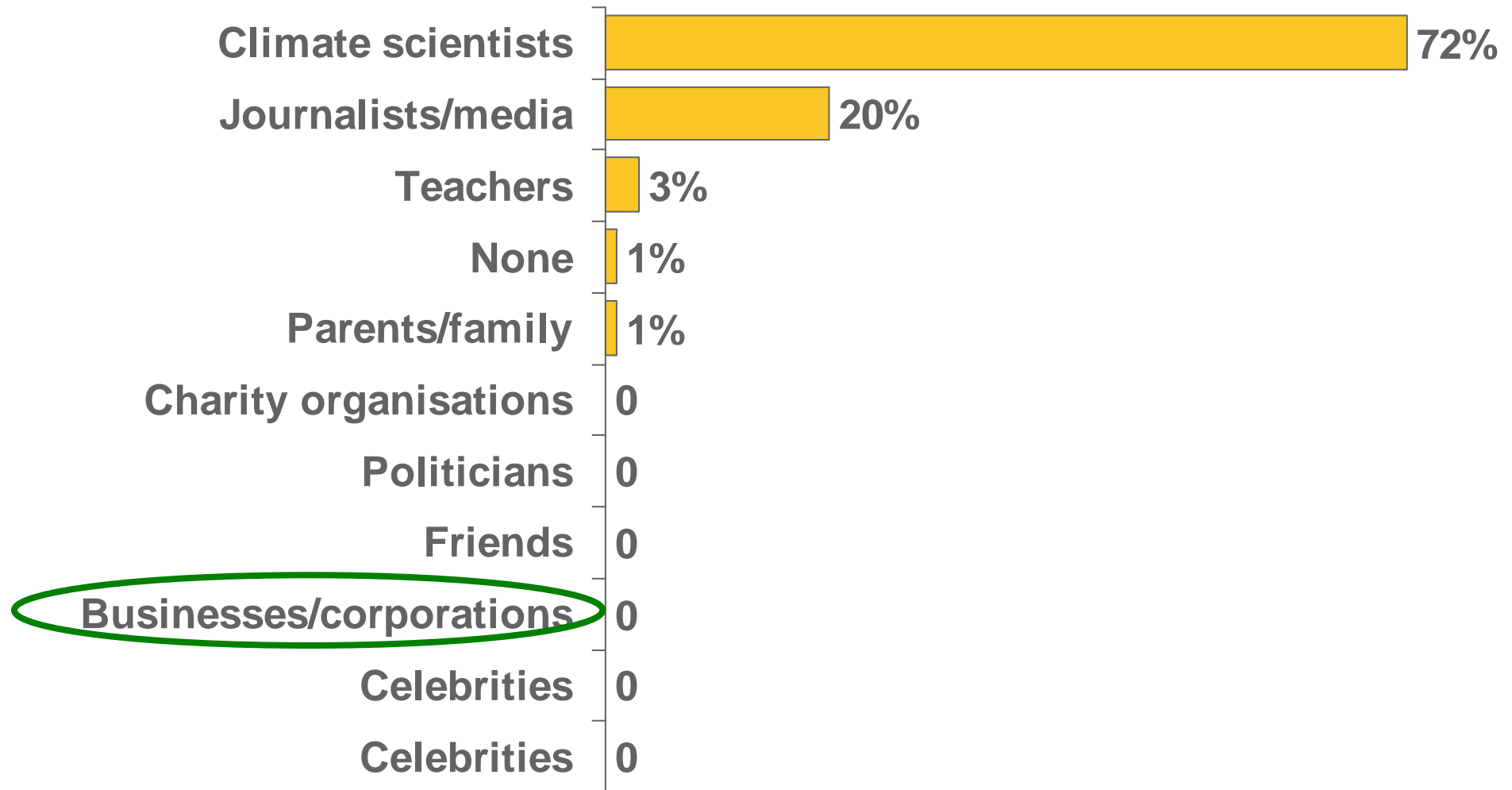
Health: We'll continue to expand our healthy eating ranges and help customers and employees to choose healthier lifestyles through clear labelling and easily accessible information.

To find out more visit

www.marksandspencer.com/PlanA

YOUR M&S

What do you consider the most trustworthy source for information about global warming/climate change?



Consumer Generated Media

- Research companies find consumers trust CGM and word of mouth far more than any other information source...

Which factors make you most comfortable purchasing a product?
Mediaedge

The website	8%
Advertisement	15%
Newspaper/Magazine recommended it	22%
A friend recommended it	76%

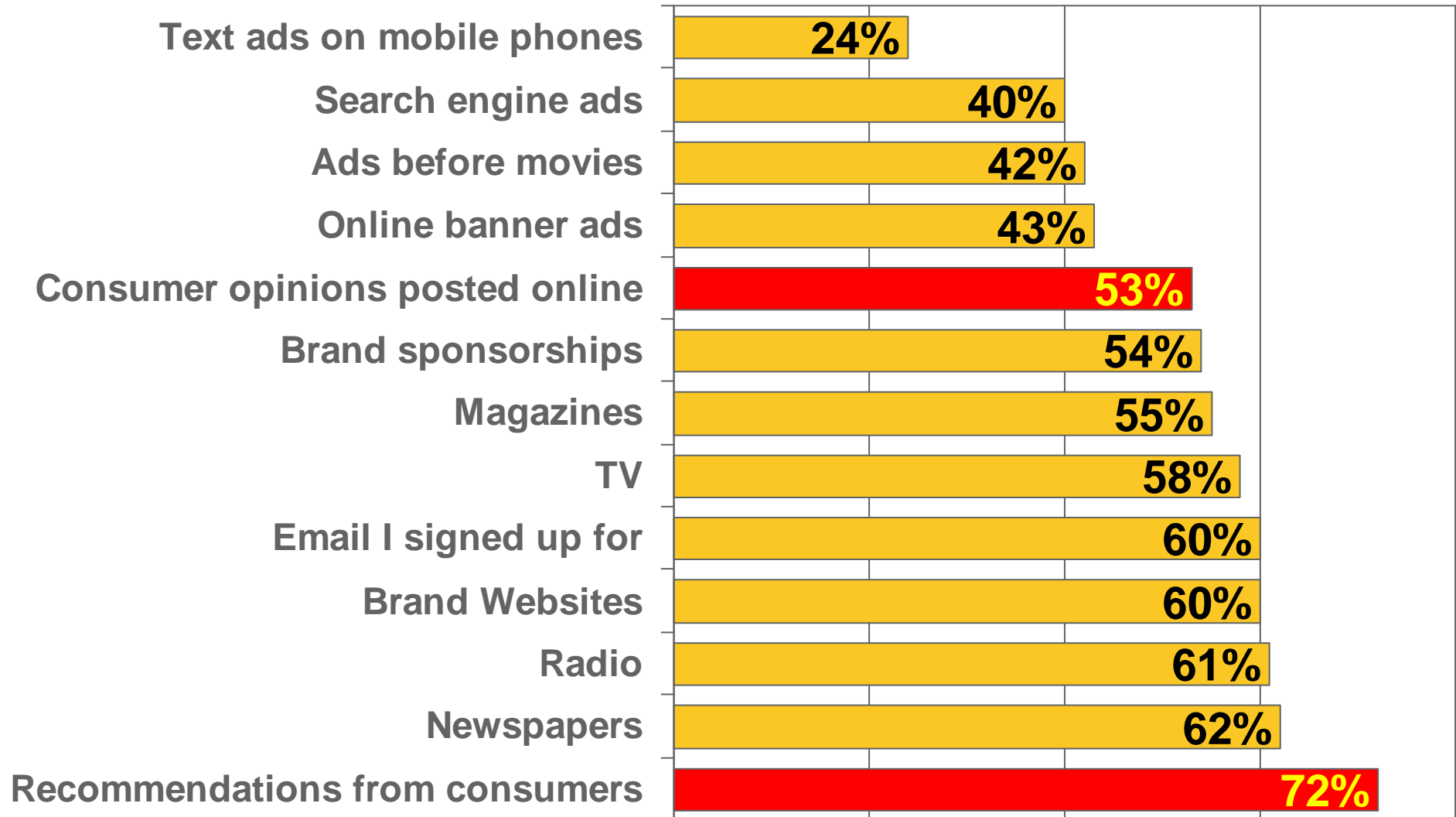
Best source for advice on a new product:
Yankelovich

Television	21%
Newspaper/Magazine	26%
Info services (e.g. Consumer Reports)	35%
Another consumer	67%

Among best sources for new ideas about products:
NOP

	1977		2005
Editorial	47%	Editorial	40%
Advertising	53%	Advertising	50%
Word of Mouth	67%	Word of Mouth	92%

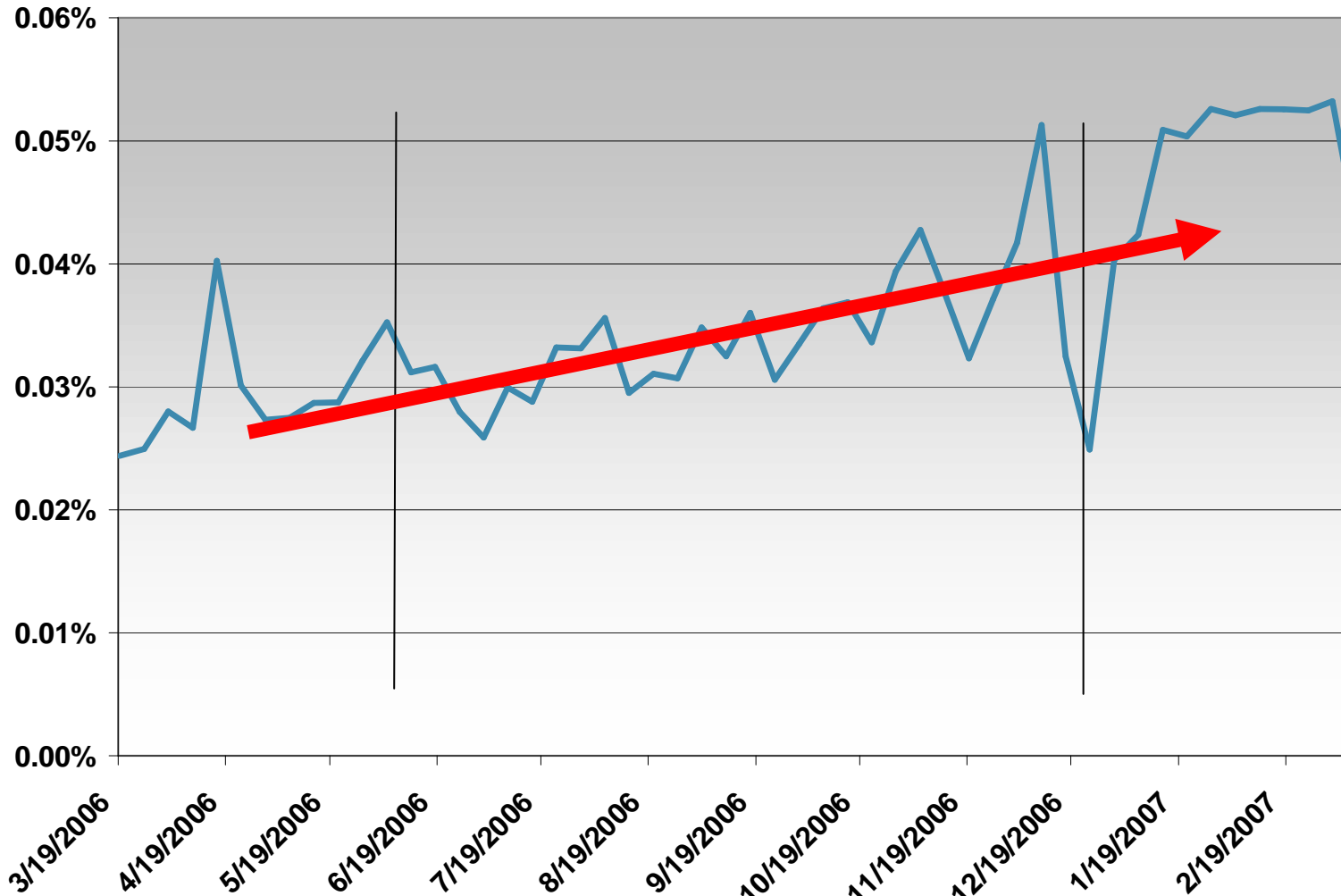
Do you trust the following forms of advertising completely/some:



The buzz on sustainability is increasing



Discussion about Sustainability among Bloggers



Ethical Marketing – the dilemma

Type	Approach	Example	Ethical Impact	Commercial Impact
Ethical makeover	Complete audit and overhaul of all aspects of business	Marks & Spencer Plan A	7/10	7/10
Fashionable initiative	Leaping on latest ethical bandwagon	Gap supporting “Red”	3/10	1/10
Single focus	Choosing a single issue relevant to the company	Ariel “turn to 30”	5/10	6/10
Democratic ethics	Offering an ethical option within a repertoire	Levi’s “eco” jeans	5/10	5/10
Deep ethics	A way of life rather than a strategy; deep conviction	The Body Shop	9/10	5/10
Communication only	Putting the record straight but not changing anything	easyJet	2/10	4/10

Closing thought...

“It is not your duty to finish the work, but neither are you free to desist from it.”