

8/1/2018

Making Relevant Consumer Connections

Bisser Georgiev



In the first part of this two-part article, we took a look at the seismic shift the Internet created in retail sales and how that transitioned the power in retail from the seller to the consumer. We looked at that power in relation to innovation and expectations, as well as emotions and values. [You can find that first story in the July issue of *Green Profit*.](#) Now we continue with more of that impact from the shift.

More Community, Less Demographics

The classic consumer segmentation method for marketing strategies has been to divide the market based on demographics—age, gender, family size, income, occupation, education, religion, race, nationality ... you get the picture. For example: White male, 35-54, high school graduate, married with children; Black female, 21-34, college graduate, single, no children. During this new age, customer behavior will increasingly be influenced by the values of the Communities they associate with and less by demographic nomenclature. In plain language, interests and associated Community involvement will increasingly trump generational, ethnic and gender influences.

More and more business activity is being influenced by the Internet, so it makes sense to start thinking of all marketplace activity in terms of Communities (or Tribes) because of the common interests. A Consumer with access to the Community becomes potentially dynamic and engaged with endless influencing, connecting and buying possibilities. This means that you may be more likely to reach a 55-year-old female in a Master Gardening Community than you are to reach her as a member of her age, education or income demographic.

In this new world of connectivity and transparency, we need to do whatever is necessary to be picked up on the digital and analog radar of Community Influencers. We have to do our best to make that image a positive one, whether we're being visited by a consumer, probed by a retailer or appraised by a Community. Many companies aren't prepared to be scrutinized on such a comprehensive and intense scale. But with the coming of the new consumer age, being constantly and anonymously evaluated will be your reality. Start identifying the ways your business is regarded by all Influencers now, identify the weak points and fix them.

Needs vs. Wants

"When dealing with people, remember you are not dealing with creatures of logic, but creatures of emotion." —Dale

Carnegie

The most essential fact any Seller must understand about the nature of those very important humans, or consumers, is the difference between what they need and what they want.

At the Moment of Relevance, the difference between delivering what Consumers want and trying to sell them stuff you think they need is a difference between night and day. What people want is somewhere between “a little bit more” and “everything.” Consumers will pay more for what they want than they will for what they need. And when you deliver what they want, you get two very valuable things: customer loyalty and higher profit margins. If you want to have profitable retail Consumers for life, give them what they want, not what they need.

And the good news is that small businesses can deliver on what Customers want better than anyone else. The bad news is that, too often, small business owners forget that the price war is over and they lost, and consequently, don't charge enough to achieve those higher margins to stay in the game.

Another concept of needs vs. wants evolution is the convenience factor. The new way of purchasing is more about Consumers' increasing influence over their participation in the marketplace and less about what's being acquired. Customer expectations become less about what you sell and more about how you can make a transaction handy, convenient, time-saving, on-demand, pre-appraised, on multiple platforms, in multimedia, etc. In the Age of the Consumer, the most important and relevant thing a business can do for Consumers is to save them time.

Finally, nothing transforms needs to wants like good storytelling. Storytelling is humanity spoken. People are hungry for stories. It's part of our very being. In the marketplace, businesses and brands are the face and voice of humanity. No sector of the marketplace can be as effective telling stories as the Green Industry. Unfortunately, there are hardly any good examples of great storytelling in the plant world. Stories can transform brands and products from ordinary to totally authentic. Whether these stories are delivered in person or published for multimedia distribution, they should always ring truth and always appeal to the current “wants” of the community.

B2B vs. B2C

Many brands in our industry sell products to retailers (B2B), but at the same time try to interact with the consumer as well (B2C). Often this creates a conflict or confusion on brand strategy: the focus was always on being competitive and all efforts were primarily geared toward the retailers' needs. Often the consumer was forgotten. In this new age, the Moment of Relevance is changing everything: being competitive has been trumped by being relevant and perhaps the most important component of being relevant to retailers is helping them serve the most important person in their realm: their Consumer.

If you want to have profitable retailers for life, help your Retailers help their Consumers. The way to accomplish this is to increase the depth of field of your brand strategy and bring more consumers into focus. Here's a two-step process that works well: Identify the Consumer of your Retailer. Find out what your Retailer needs to do to become relevant to their Consumer, then help them get there with every step of the way.

When you help your Retailers help their Consumers, they know you're doing more than just delivering stuff; you've become part of their team, integrated and committed, like a true stakeholder.

Here's the Good News for IGCs

With the shift to the Age of the Consumer, the Moment of Relevance is born. Good news for small business—not so much for big business. The shifts in brand and product strategy will be hard for big business because they rely on the mass-market transaction approach rather than the relationship approach. Virtually by definition, for a big business to move the sales needle, they have to paint the market with a very broad brush, which is difficult in the granularity of a Community.

For small firms, the Moment of Relevance is good news because Consumers are increasingly responding less to mass marketing and more to what small businesses have always been good at: values-based, relationship building and community.

Relevance, like beauty, is in the eye of the beholder. But you'll never go wrong doing something for retailers and consumers that delivers a positive emotion during the shopping experience. It's okay to fall in love with what you do, but it's not okay to fall in love with how you do it. **GP**

Bisser Georgiev is Founder and CEO of LiveTrends Design Group. He can be reached at bisser@livetrendsdesign.com.