

The Consumer Revolution: The Next New Normal?



After witnessing the drastic changes consumers were making in response to the Great Recession, many wondered how long the revolution would last. Northlich, a leading brand engagement agency, decided to try to answer that question. At the onset of 2009, they embarked on an in-depth qualitative and quantitative study to uncover the motivations that were driving widespread consumer behavior changes. They additionally wanted to discover which habits would survive long after the economic storm had passed and drive purchasing decisions well into the (sunny?) future.

DEEP VALUE CHANGES

Northlich conducted a multi-phase research project to understand consumers' rational assessments of their own behavior and impulses. Northlich's unique research used music and imagery to cut directly to "the right brain" of collective consumer consciousness, uncovering the emotional reactions, motivators and values that may be the subconscious drivers behind the new frugality movement.

VALUE EQUATION CHANGES

Not only are consumers' personal values changing, the consumer value equation itself is shifting. Zeroing in on consumers' shopping and cost-cutting habits, Northlich found that the value equation has shifted from "time is money" to "money is money." Consumers are now willing to sacrifice enormous amounts of time for savings, a shift in the value equation that will clearly have an impact on both store and brand loyalty.

WHAT THIS MEANS FOR MARKETERS

Northlich's findings reveal that an overwhelming majority of consumers have changed their values and buying habits in response to the recession. As consumers place more value on cost-cutting and bargain-hunting post-recession, they will begin to demand that the brands they love "meet them halfway." Smart brands will keep consumers loyal by recognizing the sacrifices they've made, offering incentive plans and revitalizing loyalty programs. Northlich's research not only revealed long-term shifts in the consumer value equation, they also revealed surprising generational differences in purchasing habits and brand loyalty, and personal value shifts that will impact future brand relationships.

THE NEXT NEW NORMAL

We call our findings "The Next New Normal," because our research revealed that these are the new behaviors that may drive purchase decisions for years to come. To learn more about how the Next New Normal affects your business, contact Brian Newberry, Brand Engagement Officer for Northlich, at 513.762.1763, bnewberry@northlich.com, or follow us on twitter @NextNewNormal.

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New Leadership Skills for a New Economy



It's a new economy out there. Old models of leadership are falling aside to make way for new thinking. Today's leadership requires passion, open-mindedness and courage. Here are four key ways modern leaders need to adapt:

1. Be Transparent

Increased compliance regulations, accountability and an exploding online world have rung the death knell on hiding or obscuring information. What we once may have been able to conceal or delay is now surfacing virally through the internet, social media, and exposing documentaries (think Food Inc., Facebook, online TV). Leaders are held accountable not only to their shareholders and clients, but to society as a whole. In order to develop trust and confidence, leaders need to be transparent about their results, personal choices, and affiliations. Being transparent on a tactical level includes sharing successes and challenges with team members and key stakeholders, being self-aware about personal strengths and weaknesses, and coaching and mentoring team members to be proactive and tackle challenges head-on.

2. Be Curious

A new generation of leaders is emerging (Gen X and Y) who will challenge existing ways of thinking, being, and doing business. Presenting yourself as a perpetual expert will shut down new ideas and limit available options. The new "curious leader" knows it is not necessary to have all the answers. To move ahead faster in the new economy, be willing to step out of the expert role and continuously ask yourself and your team simple questions like: "Is this a good idea?" "What else could we be doing?" or "How can we make it better, faster, or easier to use?"

3. Be in on the Hip and Happening

Because today's world is changing so quickly, leaders need to be in on the latest trends and always consider how bigger global issues will affect their ability to lead effectively. A great way to do so is to notice what thought-leaders like Apple, Google or Nintendo are doing and consider how your business can emulate those strategies or thinking processes. Joining key groups on Facebook or LinkedIn provides invaluable insight into what is hot right now. Another alternative is to sign up for daily updates from local business newspapers and popular magazines like Fast Company and Inc. to get in on the latest news.

4. Be a Flawless Follower

While leaders are still charged with setting direction, communicating the vision and producing measurable results, the old autocrat model doesn't work in the new economy. Gen X and Y workers expect leaders to also be part of the team. That means leaders need skills at following as well as leading. Think of the analogy of ballroom dancing – one partner is always leading but he must skillfully move backward and forward, adapting constantly to subtle changes. While the concept of "followership" is relatively new, leaders should expect their skills at following to play an increasing role in their success as the economy moves forward.

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Anticipating Trends and Adapting New Work Processes



There's been a lot of talk about the new economy. Those who will emerge successfully are learning to adapt, keep an open mind and be willing to do things differently. As we pay close attention to trends in the economy, it's important not only to learn from the past, but to be able to analyze and anticipate what these developments mean for the future. More than ever before, staying current on what is going on in your own industry and across the entire business landscape is critical.

Take time to look for new sources for business news and trends. Consider information from outside experts, publications and others in your industry and weigh the information for its relevancy to your particular business. Many companies are taking advantage of third-party experts to assess their business processes and workflow—benchmarking them against the best practices in the industry. A professional assessment team can

examine your business workflow and make recommendations on increasing your productivity and efficiency, and on improving your bottom line.

Performing a business assessment with the help of outside experts can make the difference between your success or failure during challenging times. You may implement a new workflow solution or gain more value from your business and customer information—saving time, money and opening up resources to spend more time focusing on your core business. Ask yourself how you can learn from the trends and latest developments and consider an expert assessment to ensure your future success.

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