a peek into your consumer's **future**

Google

a peek into your consumer's *future*

Google

Today's business leaders face more challenges than ever, in a world that is rapidly evolving, hyper-connected, and data-driven. As the pace of change intensifies, marketers have come under immense pressure to demonstrate value and to lead their organizations through this new landscape. This is particularly pronounced in Asia - the home to many of the world's fastest-growing economies. Innovations in e-commerce, online payments, and communications are driving new business models and shifts in consumer behavior both here and around the globe.

Now, more than ever, strong consumer insights are essential in order to succeed. We are surrounded by signals that can help decode how behavior will change in the coming years. Marketers who invest in detecting and developing these signals will stay ahead of the curve. In today's world, opportunity and growth lie at the intersection of data and foresight.

Simon Kahn,
Google APAC CMO

The Importance of Consumer Insights and Trends

There's a potential trap that may prevent businesses from performing at their best: being too focused on an inside-out perspective where what's possible is prioritized over what's needed. Instead, their priority should be to consider an outside-in perspective and give consumers what they want. This is not always easy to identify, so a balanced "art and science" view is important. Such an approach uses intuition and data in tandem to make critical decisions about what products and services should be brought to the market.

Additionally, in a 24/7, real-time, and consumer-first world, businesses are under pressure to keep up with competition and keep an eye on the disruptions taking place in all industries. There is an increasing amount of complexity when it comes to better comprehension of consumer habits—what they think, what they believe, what they expect, and their aspirations. It's also important to enable the organization (beyond marketing alone) to design and deliver relevant and distinct products and solutions.

We strongly believe that successful CMOs and marketing leaders drive their businesses and brands through an outside-in lens. They use multiple insights from many diverse sources to help shape strategic perspectives that guide tactical decisions.

It is crucial to carefully analyse customer insights, know where to gather them from, pick the right ones, and most of all, integrate them into decision-making across the organization. By understanding the weak signals that are all around us today, we unlock the future. Making sense of these signals to provide strategic navigation and enabling visionary direction requires analysis and intuition. This is how businesses become leaders rather than followers, and winners rather than challengers.
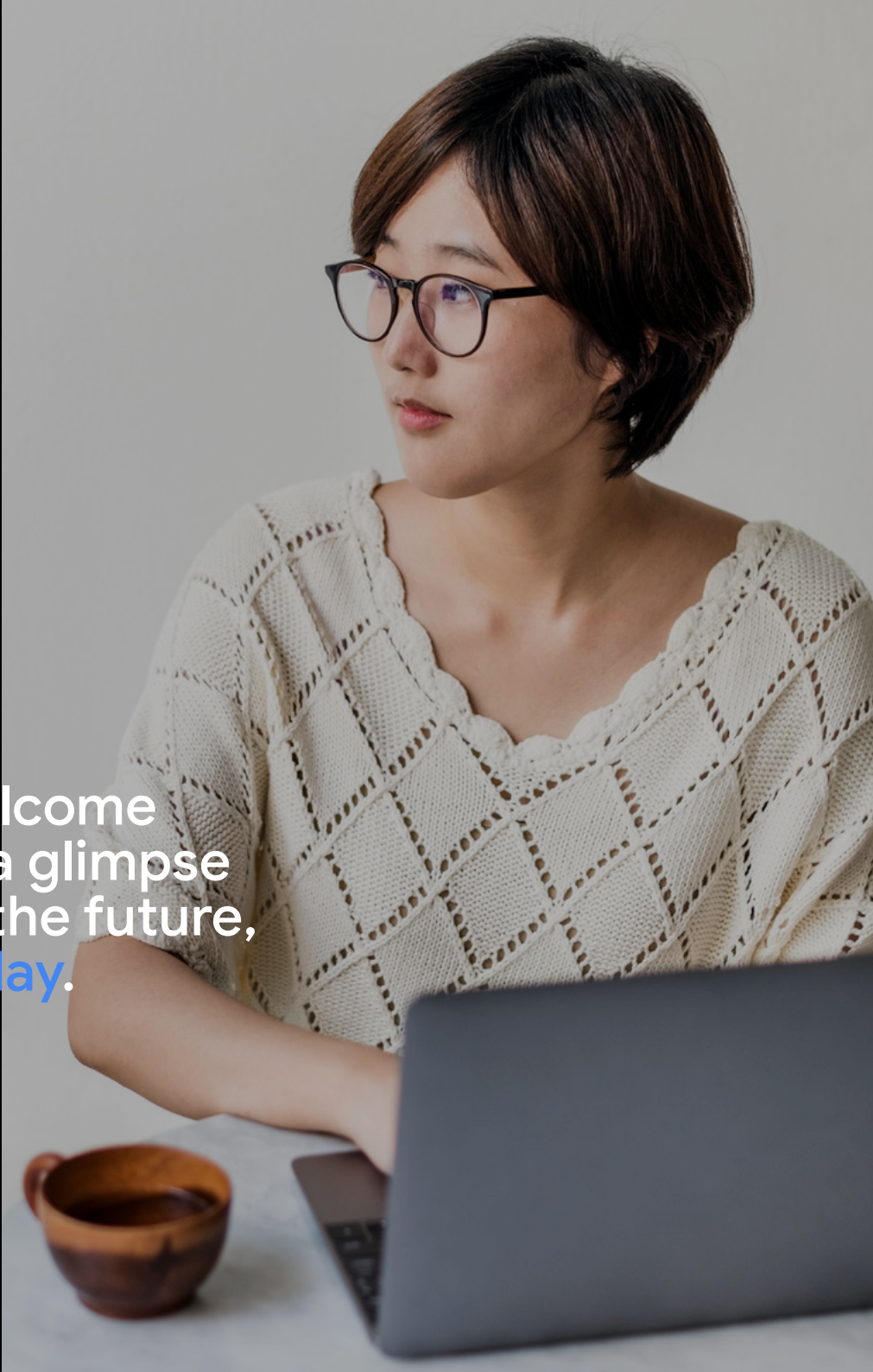
The Future Consumer

When we sit down to describe this future consumer, two elements recur; "category blur" and "enhanced experience". As the line between digital and analog diminishes, consumers are increasingly making no distinction between what is online and what is offline. They are merging ideas to create a seamless environment that straddles both worlds. From the enhanced experience perspective, category and industry barriers are breaking down as consumers are demanding more from their everyday brand encounters, pushing the envelope on what is expected and delivered.
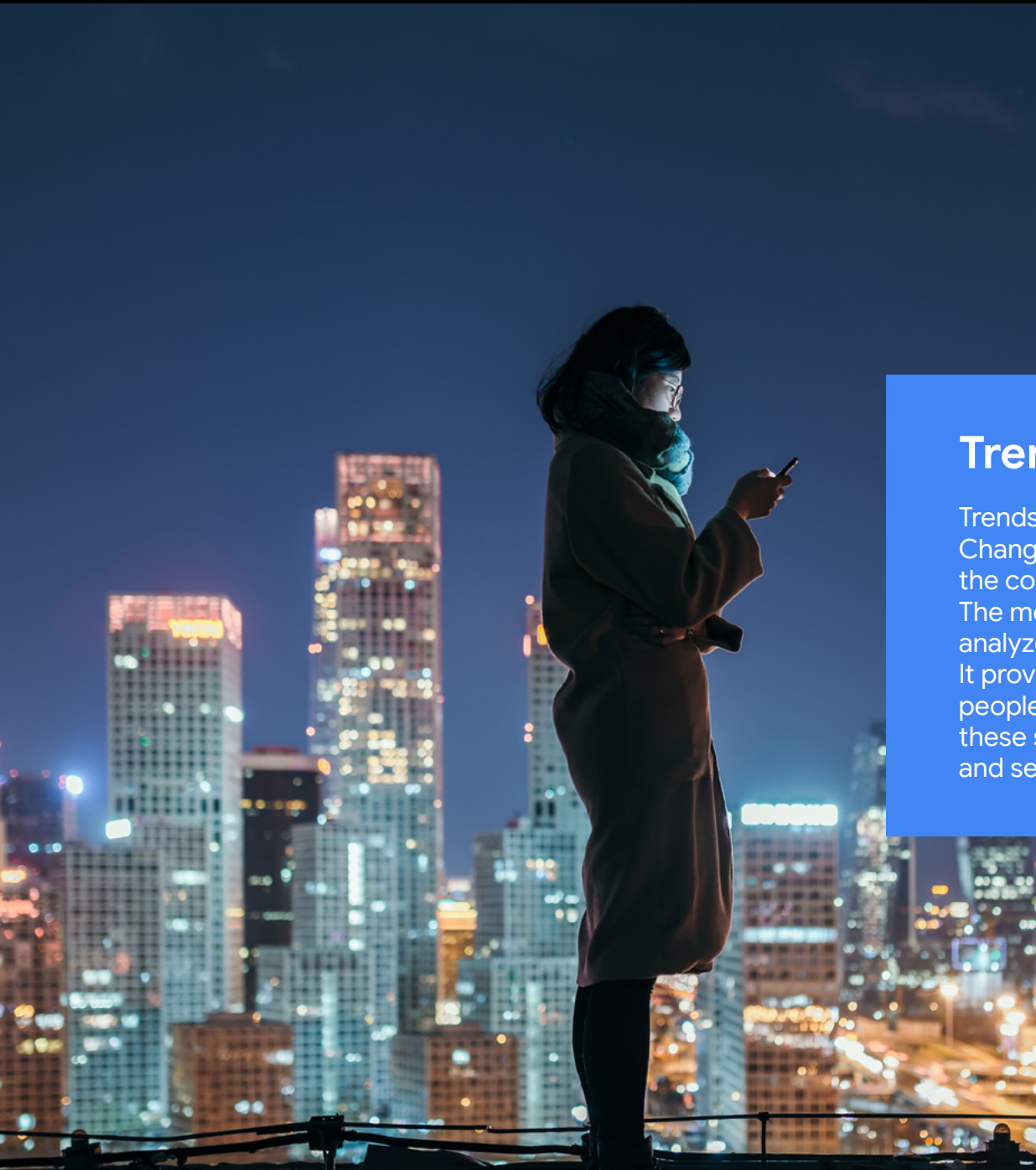
Traditionally tactile categories such as beauty and food are rapidly digitizing. Conversely, some consumers are seeking more analogue environments such as farmers and flea markets, foregoing the convenience of e-commerce for a real-world interaction that feels more spontaneous and chaotic.

Traditional business models often do not exist in newer economies, and the canvas is blank on what can be drawn, creating a vast potential for invention. This has been particularly apparent across Asia as messaging, payment, communication, and retail platforms merge, disrupting preconceived industry norms and practices. Throw away those textbooks or "Western-centric" notions on how to do business, because the rules are being rewritten in this region.

In the following section, we present five consumer trends that will impact and influence industries over the coming years. The trends describe some powerful consumer opportunities. Businesses can leverage them to create resonant product and service offerings that help build and maintain stronger market positions. These are the tools that will help CMOs and marketing leaders stay at the forefront and inspire new ideas, innovations, delivery models, and experiences.

Welcome
to a glimpse
of the future,
today.

Trend Forecasting

Trends are shifts in action. Trends demonstrate change. Change means impact. Trend forecasting focuses on putting the consumer first and into the heart of what is emergent. The most exciting thing about trend forecasting is that it analyzes what's driving long-term change across categories. It provides insight into potential scenarios that impact how people will interact. The real opportunity comes from identifying these shifts early, so brands can innovate and create products and services that resonate with consumers.

Google

> " Trends are not linear.
> Consumer behaviour
> is not rational.
> Some trends blur,
> but this reflects
> our world. "

Google

Shoppingmas

[n. ˈʃɒpɪŋ məs]

■

*Consumer moments
that combine deals with
entertainment to create
carnival-like experiences*

Consumers are increasingly participating in shopping festivals held on annual occasions. A mix of commerce and entertainment, these extravaganzas thrive by creating carnival-like shopping experiences.

During these events, both online and offline retailers leverage excitement around limited-time purchasing opportunities to harness buzz. This also allows consumers across Asia to save, splurge, and participate in a collective experience.

One day shopping events such as Singles Day (11.11) and Black Friday are growing in scale and tapping into a natural consumer affinity for good deals. The mushrooming of offline *Shoppingmas* events such as flea markets, which we're seeing more often in the region, demonstrates that consumers of all ages in most Asian countries enjoy ephemeral shopping experiences that are here today, gone tomorrow.

Google

Shoppingmas capitalizes on consumer habits that are already prevalent in Asia.

These include value-seeking, splurging on great deals, and bulk group purchasing for bigger discounts. Limited time events create an irresistible sales environment that taps into consumers' hunter-gatherer instincts; enticing them to search for the best offer and grab it before it's gone.

As the number of *Shoppingmas* occasions increase and then consolidate; consumers could shift their major purchasing to roughly six occasions a year based around significant shopping festivals. The impact on distribution and logistics is set to be enormous. Brands may even shift much of their marketing focus and

spends into promoting new launches around *Shoppingmas* days for maximum impact. It's a win-win for consumers who can plan and save for *Shoppingmas* events to unlock maximum value, while also having fun as they shop.

A key element of *Shoppingmas* is the integrated entertainment built into these festivals, which elevates *Shoppingmas* from "smash and grab" sales events to genuine carnivals. Countless opportunities exist for brands to participate in *Shoppingmas* through sponsorships, content, games, giveaways, and special offers.

Singles day (11.11)

In 2017, Alibaba gave out rewards worth 270 million yuan and televised proceedings in China with a litany of international stars; ensuring full coverage across all online and offline channels. Celebrities including David and Victoria Beckham, retired NBA star Kobe Bryant, and Jack Ma entertained audiences at a live TV event. Alibaba is working to make 11.11 as international as possible and has been adept at leveraging the natural link between shopping and entertainment[1].
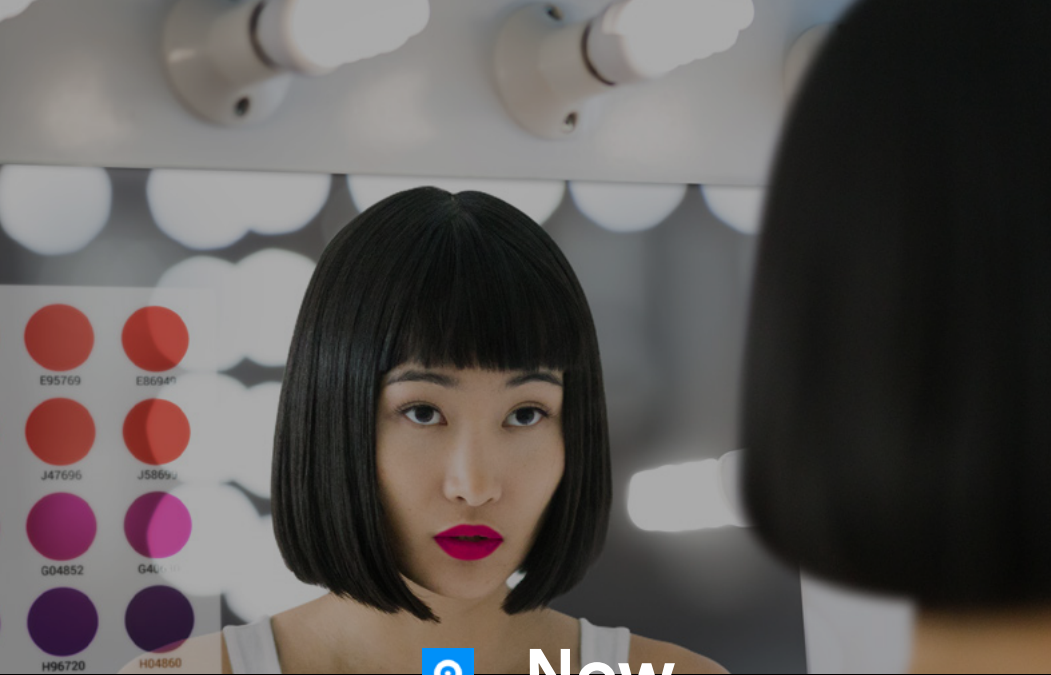
1. South China Morning Post

Google

The Data

The *Shoppingmas* trend is strong across Asia and especially Southeast Asia (SEA). We have seen a 2.6X rise in curiosity on Google Search across different shopping festivals such as 11.11, Black Friday, and Cyber Monday over the past few years and 4.5X over the last five years in this region. This demonstrates that consumers are increasingly searching and researching online to gear up for *Shoppingmas* occasions[2].

Singles Day[3] is the perfect example of people opting to shop during *Shoppingmas* and not just during festivals as we've seen in the past. 2017 Singles Day saw a total gross merchandise value (GMV) increase of 39% compared to 2016, which previously saw an increase of 32% compared to 2015. And that's not all; 93% of Chinese consumers planned to shop during the 2017 Singles Day to "buy something good" i.e. imported goods beyond discounted items.

We have seen a **2.6X rise in curiosity** on Google Search across different shopping festivals such as 11.11, Black Friday, and Cyber Monday over the past few years.

2. Google internal data
3. Econsultancy

Google
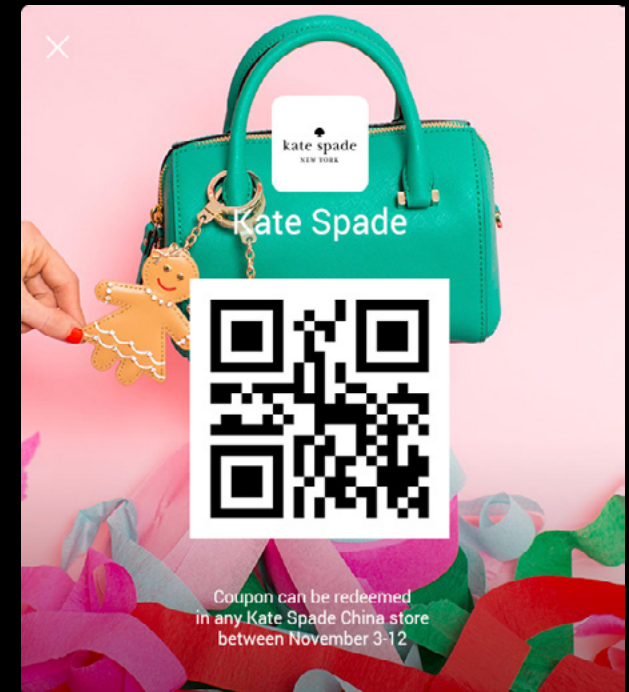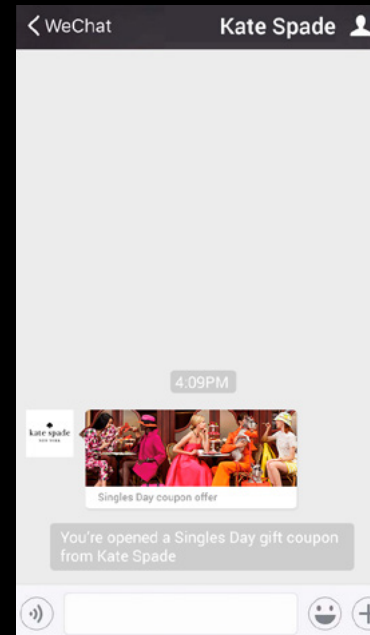
◉ Now

▶ Emergent

Ralph Lauren launched its promotions on both Alibaba's Tmall and JD.com to participate in 2017's Singles Day[5]. The luxury brand encouraged people to enroll in its WeChat Customer Relationship Management (CRM) system by offering them a "Polo Bear" WeChat emoji as a signing-up perk. Designer brand Kate Spade offered Singles Day coupons to users for enrolling in its CRM system on WeChat. By focusing on developing CRM through activities around *Shoppingmas* days, brands initiate a longer-term relationship that creates a virtuous cycle of engagement.

5. Jingdaily.com

L'Oreal participated in the shopping frenzy around 11.11[4] in 2017 by creating a series of initiatives that were launched for the event. They organised a 360-degree viewing of its Champs-Élysées fashion show and installed AR devices at retail outlets for consumers to try on cosmetics before purchasing online. These initiatives helped tie the online and offline shopping experiences together, created buzz for its new launches, and also showcased initiatives that L'Oreal hadn't employed before.
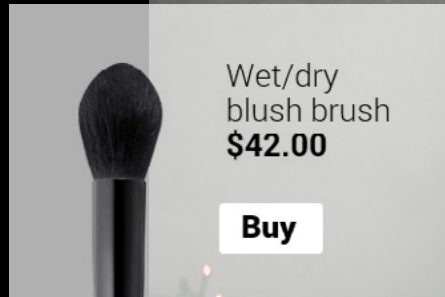
4. Alizila.com

Wet/dry
blush brush
$42.00

Buy

◄◄ ❚❚ ►► 🔊 ● LIVE

▶▶ Future

While Alibaba is doing a great job of tapping into the *Shoppingmas* trend with Singles Day, there's still potential for other brands to leverage Singles Day as well as *Shoppingmas* days that already exist. With transactions mainly concentrated on mobile, it's crucial that all campaigns take that into account and marry compelling content with limited-time deals. Examples would be creating preview tutorials around cosmetics that will be released only around specified *Shoppingmas* days to build excitement, or showing how to style particular fashion items on YouTube with coupons to pre-order when *Shoppingmas* hits. Consumers are genuinely interested in what deals are available, what products are launched, and what initiatives have been developed for these events. Strengthening the link between fun and shopping, while also shifting mindsets away from the idea that these days are only commerce-focused is essential.

Lifestyle brands from fashion, travel, leisure, dining, wellness, and personal care could create live streamed *Shoppingmas* events using online influencers (like YouTube stars) acting as hosts and shopping ambassadors as the sales go live, tapping into the countdown buzz. Imagine TV shopping channels fused with the mechanics of e-commerce, along with creative content thrown in for good measure. Giveaways of free flights and hotels to entice shoppers promoted live on YouTube and discounts on services that people seek. Gym classes and medical health checks could also be part of *Shoppingmas* deals to create an extravaganza that goes beyond products. Televising the act of shopping is as meta as it gets.
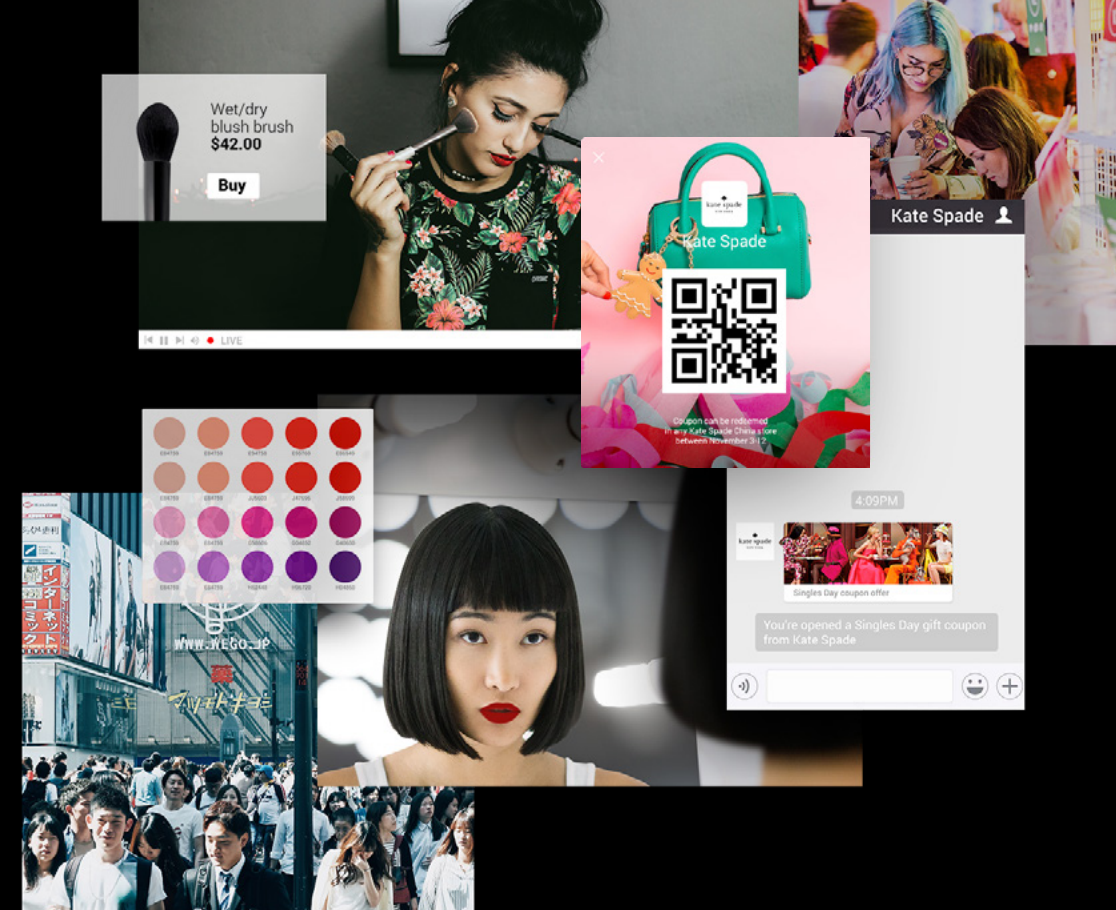
It's crucial that all campaigns take that into account and marry compelling content with limited-time deals.

Google

Implications

APAC does not have one singular holiday or TV event that binds the region together like Christmas in Europe or Super Bowl in the US where we actually correlate ads with a lift in sales[6] right after. Instead, new shopping festivals—devoid of religious and cultural connections—could provide the impetus for new marketing creativity and provide a memorable day for consumers.

APAC marketers can capitalize on creating promotions that leverage regional collective interest. Our prediction is that these days will grow in popularity over the medium term. Brands and retailers that are not currently active in *Shoppingmas* such as the travel, insurance, health, and food service industries can develop online and offline offerings starting with coupons and discounts to leverage PR buzz. There's even anti-*Shoppingmas* potential: brands can offer non-participants respite from proceedings with dinner and travel options. There are also implications on the financial sector; after all, payments are a huge part of shopping.

We suggest identifying regionally relevant *Shoppingmas* days including global ones like 11.11 (Singles Day), Black Friday, and Cyber Monday; and re-timing product and service launches to fit with new *Shoppingmas* traditions instead of established international sales calendars which no longer feel relevant; particularly in tropical climates where seasonality is irrelevant.

The management implications for the above trend across organizations are profound and require bold actions from business leaders to integrate these events seamlessly into their plans. They occur in great bursts over a short time frame and are intense in nature; so planning, demand forecast, supply chain, customer service, and other functions need to work in tandem to kick them off successfully. Marketing leaders should play an end-to-end strategic role during these events, which also serve as a golden opportunity for them to place themselves at the operational center of gravity of the company and showcase the important role of marketing as a strategic value driver.
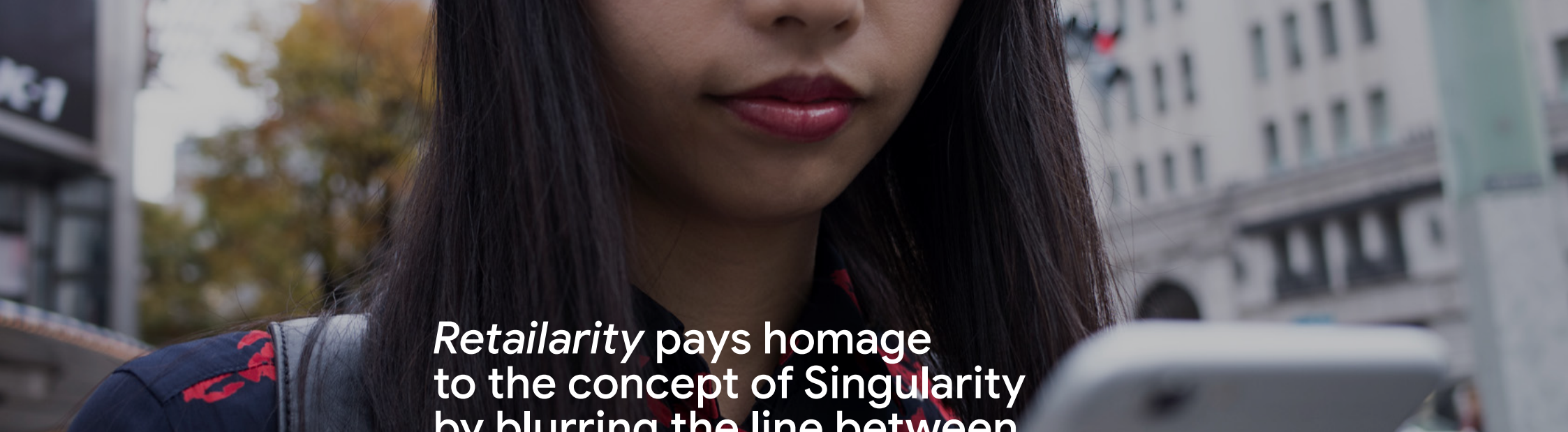
Hey Google!

Retailarity

[n. riːteɪl ærɪti]

■

The point where retail and machine intelligence merge to turn every environment into an opportunity for shopping

Google

Retailarity pays homage to the concept of Singularity by blurring the line between online and offline retail.

Omnichannel is a term used by marketers that attempts to marry traditional retail channels with an online store sales strategy. The phrase fails to fully take into account how the act of shopping has been enhanced by technical advances. Instead, let's view retail through the lens of the shopper. Being able to purchase any product, any time is one of the core features of e-commerce. *Retailarity* ramps that up a notch by taking any surface, any device, any location, and merging it with AI to create tailored shopping opportunities which also feel more tactile and sensory in nature.

Retailarity pays homage to the concept of Singularity by blurring the line between online and offline retail. With convenience and service at the centre of the concept, brands can focus on optimal experiences and engagement opportunities instead of wasting consumer time in checkout queues or chasing lost deliveries.

The Internet of Things (IoT), along with Online to Offline (O2O)—a practice in which consumers are encouraged to move from the digital space to physical environments to shop—are both important components of *Retailarity*. As we shift into a world where everyday machines such as fridges and rice cookers could potentially shop for us either on command or autonomously, IoT helps enable *Retailarity*'s momentum. This shift takes consumers away from the flat world of "swipe, swipe" e-commerce and back into 3D.

E-commerce revolutionized commerce and *Retailarity* reinvents the meaning of shopping. Rather than a scenario in which one form dominates the other, *Retailarity* is a truly hybridized model that adapts to a customer's needs and desires. Any location becomes a shoppable playground, with analogue environments harnessing the best of Search and targeted recommendations. The real and virtual shopping environments powered by machine intelligence come together to create an experience that feels as tangible as a walk through a farmer's market and as efficient as one-click shopping.

Google

With the integration of local language support, people have started leveraging digital assistants as an enabling tool—they manage tasks, schedules, to-do lists and stay organized.

We predict that this trend will continue to grow because voice-activated devices tap into the consumer's innate desires for immediate gratification, along with convenience and efficiency when getting things done. The act of shopping will become as natural as talking and as immersive as having a conversation. Beyond the limitation of the current definitions of omnichannel, is a developing shopping experience that takes into account how people really want to shop—on their own terms.

The Data

Data from the US tells us that 44% of those who use their voice-activated speaker say they use the device to order products they need like groceries and household items at least once a week. Across APAC we have observed a 6X increase in curiosity around assistants and IoT in the past 3 years[7].

The *Retailarity* trend is also apparent when you look at the increased traction livestreaming is gaining across APAC: 46% of China's internet population has used a livestreaming app, prompting Alibaba's Taobao and JD to launch their own shoppable livestreaming platforms. It is estimated that the livestreaming market in China this year will cross the $10B mark and according to Alibaba, the conversion rate of content on Taobao Live is as high as 32%—320,000 items added to cart per one million views. Big-name brands like Lancôme, Elle, and Maybelline are also leveraging this trend, running successful livestreaming campaigns—one of them sold 10,000 lipsticks in less than two hours[8].

44%

of those who use their voice-activated speaker say they use the device to order products they need like groceries and household items at least once a week.

Google

Amazon Dash

An early example of the growing trend of IoT and *Retailarity* is the Amazon Dash Button, a device that enables consumers to buy products with just one click. Amazon Dash is one of the fastest-growing services for the e-commerce giant and grew fivefold in the first year after launch[9].

9. Fortune.com

Now

Spotify now sells cosmetics. Pat McGrath Labs became the first beauty brand to sell products via Spotify's Merchbar[10]. The Independent cosmetics brand sold an exclusive collection of makeup worn by singer-songwriter (and brand muse) Maggie Lindemann via the Merchbar on her artist page. This means any online entertainment company is potentially an e-commerce channel, shifting perceptions on the role of entertainment platforms and their potential as *Retailarity*.

10. Techcrunch.com

Set of three light fixtures
150$

Luhne Stool
Australian Oak
Tall - **140$**

Luhne Stool
Australian Oak
Small - **140$**

Emergent

Muji has launched a fully-functioning hotel in China[11], effectively an interactive showroom for their product and the Muji lifestyle. Every item is potentially for sale, blurring the lines between hotel and store, and what constitutes an evolving retail environment. Cargo[12]—a start-up in the US—provides a box of products in Uber cabs. Major CPG brands such as Mars Wrigley and Red Bull supply free products for this box and pay a marketing fee. In return, they receive anonymous data about the people their products are sold to, so that they can learn things like what time of the day their products would sell best and can target more effectively in the future. These are two good examples of emerging and evolving shopping platforms.

Future

Through voice-activated speakers like Google Home, you can imagine a future that will allow people to ask the Google Assistant to find in-stock products at the closest store. Eventually, it might even become possible to further augment this feature by a second command—please deliver!—harnessing the growing number of delivery services available at our fingertips. Virtual storefronts will revolutionize how people shop online[13]. Being able to really visualize owning a product is often the difference between purchasing and discarding a shopping cart. VR-powered stores are more visual, immersive, and highly interactive, and bridge the gap between the often flat world of online retail and the convenience of offline retail. AI, holograms, and VR, underpinned by smart analytics, will bring the shopping experience further to life.

VR-powered stores are more visual, immersive, and highly interactive, and bridge the gap between the often flat world of online retail and the convenience of offline retail.

11. Mothership.sg
12. Techcrunch.com

13. TheStorefront.com

Google

Implications

Aside from the obvious implications around how all platforms and surfaces are potentially a point-of-sale, this development allows for better contextuality. Lining up for the bathroom in a shopping centre and trying on virtual cosmetics to pass the time feels a bit more natural than playing with cosmetics while buying food, as per the current layout in typical supermarkets. Conversely, skimming through recipes in the kitchen could prompt more voice commands to purchase ingredients and kitchen-related products. Back-to-school shopping could take place in a playground or a thematic environment instead of the neon-lit glare of the big box store aisle.

As offline stores reach out to consumers using the same tricks and technology as e-commerce players, online retailers will need to up their game and utilize some of the effective tools used by traditional retailers—namely, experience, movement, and tactile elements. E-commerce brands can move closer to *Retailarity* by enabling real-world experiences online to leverage the best of virtual in both pop-up and permanent locations using smart technology.

Organizations and marketing leaders will have to consistently gather insights and use them to deliver timely, relevant, and seamless *Retailarity*. It will also require marketing leaders to educate organizations internally about how these new formats are integrated successfully across functions, planning cycles, and management systems.

Google

Leisuressence

[n. ˈlɛʒəˈɛsns]

A re-interpretation of leisure experiences in a way that straddles categories

Time-poor, experience-seeking consumers demand multi-faceted elements from their leisure occasions including travel, dining, fitness, and culture to create reinvented experiences that straddle categories.

Free time has been reinvented, creating a new wave of leisure activities. Flights have become gateways to new countries and with that, new experiences. Holidays have become opportunities to learn new skills, follow an influencer's digital footsteps, or get fit. Even day-to-day downtime in Singapore, Hong Kong, Manila, Tokyo, and Shanghai now sees leisure as well as fitness categories fuse with other activities. This merger of multiple experiences creates a unique digital fingerprint. Daily routines become an experience—dining establishments have become photographic backdrops, fitness centres the equivalent of a digital playground for adults, while young consumers connect with their communities via livestreaming.

With advances in technology our downtime moments amplify into a shared theatre as animation and VR integrate with livestreaming. Even the briefest of leisure experiences feel like a micro-holiday—short, quick vacations that revive the mind and body—as digital enhances analog environments. Just like their social media and favourite YouTube content, consumers expect eclecticism and a touch of visual magic from their leisure activities, as online behaviour influences what is expected offline.
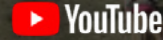
Google

The Data

We see *Leisuressence* already forming as a trend; we've seen a 4X increase in volume for search trends around travel experiences in the past three years, with curiosity for   Experiences specifically growing more than 96X globally[14].

Furthermore, the fact that more than 50% of travel-related content watched on YouTube is about tourist destinations indicates that people are looking to curate experiences beyond what regular travel operators provide. On YouTube, we see users looking at such videos more than 1 billion times every month[15].

Users are looking at videos about travel destinations on YouTube more than one billion times every month.

Experience-seeking consumers have also led to the rise of new fitness apps like Guavapass and Kfit. These apps offer access to fun group classes all over Asia with multiple gyms to choose from and the built-in flexibility to pause your membership when you travel. The interest for these multi-activity memberships has increased 2.5X globally in the last two years—proving that consumers now more than ever are seeking to fuse fitness with fun and community[16].

14. Google Internal Data
15. Google Internal Data
16. Google Internal Data

Google

◉ Now

Singapore's Pure Fitness gym has launched the country's first "immersive fitness" concept[17] at one of its centres. Cinema-quality video content is projected onto a screen in a custom-built studio for its cycling class. Patrons get to ride over steep glaciers and through a space age city, enjoying an interesting mix of exercise, gamification, and fantasy. Immersive Fitness feels like a big movie theatre or a gaming environment, targeted at customers searching for more from their typical exercise class. It provides a forum that enables consumers to linger. It blurs the categories of what the wellness industry and consequently, the leisure industry have become.

Another recent example comes from Japan, where convenience store chain FamilyMart announced that it will start a 24-hour fitness gym business. Over the next five years, it aims to open 300 gyms on the second floors of FamilyMart stores[18]. The chain is diversifying its business by tapping into leisure trends as well as providing a natural fit for its existing model. After all, the likelihood that consumers will pick up a snack, a drink, or even body wipes post gym is high.

◂▸ Emergent

Not everyone has the time or financial resources to travel from Asia to Europe. To cater to those seeking a taste of France without the jet lag and the expense, Japanese business First Airline offers two-hour "flights" to Paris, Rome, Hawaii, and New York[19]. Once onboard, for a fee of 6,600 yen ($62), passengers sit in first and business class seats in an airplane mock-up, and are served four-course dinners, before immersing themselves in 360-degree virtual reality (VR) tours of the "City of Lights".

Another emergent example of *Leisuressence* is the Dessert Museum in Manila (launched March 2018). It follows global trends for interactive spaces that straddle exhibition and photo backdrops. The main purpose is really to provide social media talking points and an alternative to traditional forms of entertainment. It describes its experience as "eight mouthwatering rooms of sugar-filled happiness". With the changing definitions of relaxation, more interactive spaces like the Dessert Museum[20] will develop to fill the spaces once used by traditional retail within shopping malls.

17. Nookmag.com
18. JapanTimes
19. Reuters
20. the Dessert Museum

Google

⏩

Future

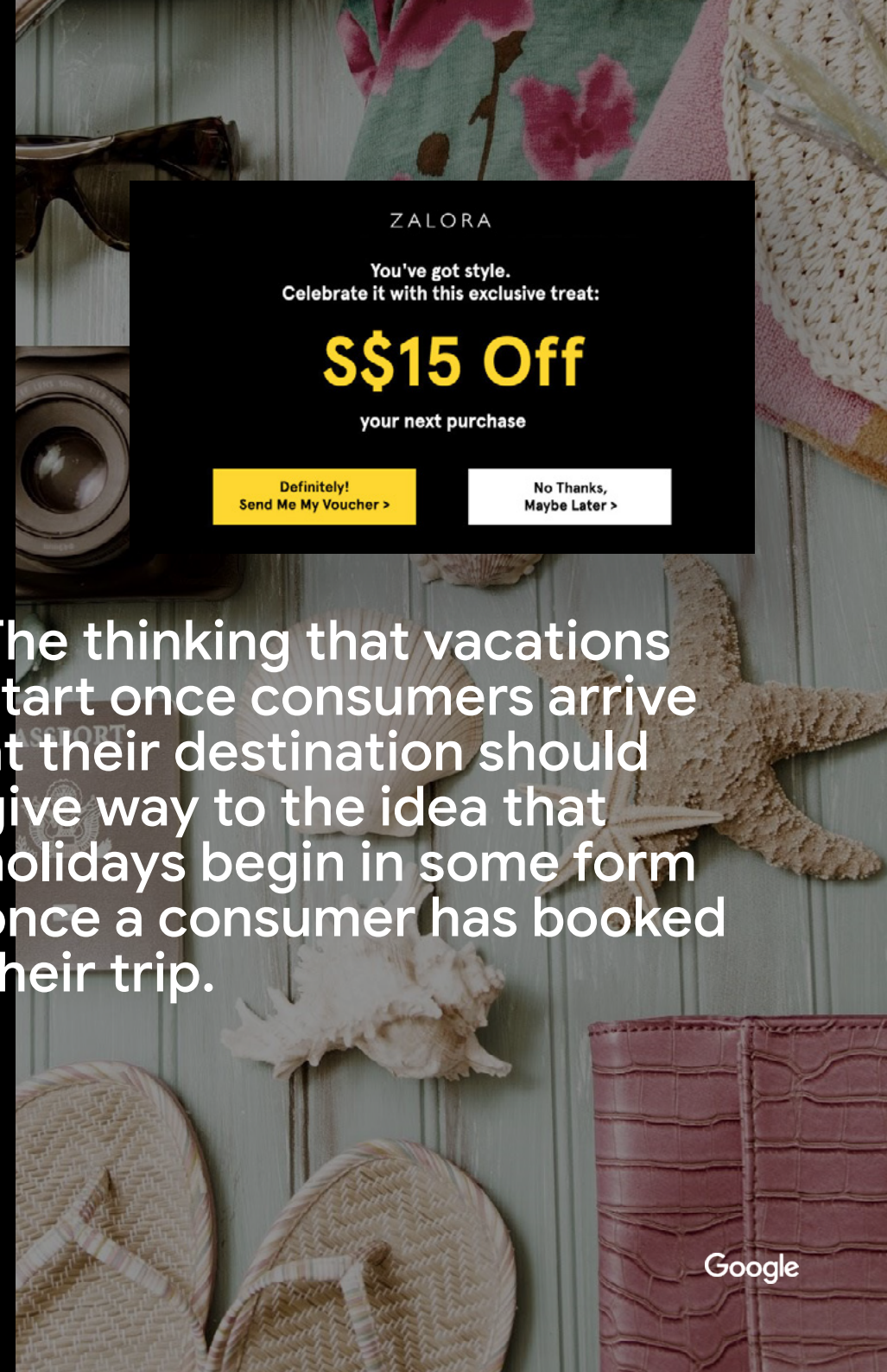Leisure industries including dining, travel, hotels, and fitness, can and will shift their roles from consolidators and hosts to experience coordinators. Going forward, the new customer journey could see consumers book a beach holiday on Traveloka and soon after receive a coupon for a sunhat or summer outfit from Zalora. Industries could become more cross-functional, mirroring how consumers really live their lives—booking holidays while planning their outfits.

We may also see logical tie-ups between travel businesses such as Scoot and dining out; connecting the dots of why most people travel—to enjoy new experiences. For example, a customer might book a city break with Singapore Airlines, and soon after receive coupons for restaurants in destination cities based on their restaurant search history. There's even opportunity for the hotel industry to create staycations that go beyond a hotel room. They could create an itinerary that offers experiences such as bespoke tours or new ways of exploring their city with discounts for bars and restaurants.

The key is to shift mindsets around the travel booking process. The thinking that vacations start once consumers arrive at their destination should give way to the idea that holidays begin in some form once a consumer has booked their trip. Businesses must help customers plan more of their itineraries through targeted video content and relevant offers that build anticipation and ultimately, additional revenue opportunities.

The thinking that vacations start once consumers arrive at their destination should give way to the idea that holidays begin in some form once a consumer has booked their trip.

Google

Implications

Some travel operators still emphasise deals and value as their first communication point despite travelers often prioritizing new experiences while searching for and booking international trips. Value is obviously of importance but it's no longer the sole motivation when booking. Holidays with an emphasis on building breaks around preferred activities such as interests and hobbies could also be a search criteria, echoing what we are seeing on search trends. For example, creating spa categories. These are further segmented into needs such as active, anti-ageing, detox, and weight loss; reaching out to specific segments rather than generic choices solely focused on the best offer. This also echoes the huge interest in spa holidays in Indonesia and Thailand, countries that are showcasing double-digit growth in this category.

With technology such as AR and VR continuing to grow in popularity, brands may want to tap into the virtual world to create communication and storytelling that was previously viewed as too expensive. For example, airlines or hotels could bring France to life with VR or even livestreaming the streets of Paris to better articulate promotions.

Creating and delivering seamless, relevant, and differentiated experiences is the key to success. Marketing leaders must put themselves at the forefront here. More traditional industries and typical legacy players may not have the same depth of knowledge compared to younger organizations and more disruptive brands. Adding in experiences and what comes with it into leisure products is exactly what could help drive differentiation and impact.

Google

Part-time Preneurs

[n. pɑːt taɪmprəˈnɜːz]

■

Consumers who have a full-time job but also a business on the side

Side hustles grow more commonplace as consumers tap into their inner entrepreneur and financially leverage their skill sets, without the risks of establishing full-time businesses.

Quitting work and launching a start-up is not everyone's dream. Sometimes just making an extra buck on the side provides enough incentive to spend less time consuming content and more time doing stuff. The spread of co-working spaces, which can feel as ubiquitous as coffee shops in some parts of Bangkok, has enabled consumers to drop in for a few hours rather than committing full days to monetize their passions and abilities.

Initially, it was companies like Uber and Airbnb that helped enable a wave of *Part-Time Preneurs* explore side hustles, but increasingly we're seeing people from a variety of backgrounds use tech to their advantage and augmenting their incomes. Often, ride-sharing drivers are making money as they drive by buying and selling products over their headsets as they take passengers on their journeys, turning their part-time gig into a secondary opportunity to earn even more income.

Google

Whether it's baristas in Indonesia creating their own bottled and branded coffees and venturing into the world of packaged goods, livestreamers in Singapore, China and Thailand earning cryptocurrency for allowing people to be a part of their experience of eating a bowl of noodles or singing a song, or personal shopping for concierge services in soon-to-become "dark" supermarkets in Kuala Lumpur, turning spare time into a money-making activity is on the rise. Social commerce enabled a new generation of storekeepers, while *Part-time Preneurs* fuel a cash-for-skills mentality.

From finance to the cloud, accounting to administrative services, future enterprise means focusing on the single operator as well as typically structured business models. The nature of running a business is morphing dramatically in the growing gig economy. Early adopters, like some tech hardware brands, are utilizing coffee stores to provide comfortable service centres that also double up as co-working spaces.

The Data

Over the last three years, we have seen an increase in the volume of searches related to flexible working environments. There has been 3.8X growth over the last five years in co-working space queries and 1.4X growth among travel and work jobs, showing a strong shift in mindset about workspace environments. Searches around personalized part-time jobs have risen exponentially in the last two years (9.7X) and those for location specific co-working spaces have grown 4X. Traditional working environments, on the other hand, have stayed relatively constant.

Based on the above data, it would be safe to say that the trend of *Part-time Preneurs* is on the rise. This conclusion is backed up by Euromonitor's Global Consumer Trends Survey 2017; it shows a spike in the number of people who desire flexibility at work, and hence aspire to self-employment, versus those who choose financial stability. According to Euromonitor, close to 60% of millennials expect to be self-employed, versus less than 20% who opt for financial security[21].

There has been 3.8X growth over the last five years in co-working space queries.

Google

⊙ Now

Niche lifestyle e-tailer Naiise took its brand offline in Malaysia with a weekend event held on 10-11 March 2018[22], in which it conducted workshops with participants on how to make dreamcatchers, improve their floral watercolour painting technique, and practice calligraphy. There is an implicit link between the arts and crafts-styled Naiise and its attempt at facilitating fans' creations of their own customized products that could potentially be sold on the website. Aside from creating a new revenue stream for Naiise, shifting from a pure-play e-commerce business to skills enabler, Naiise is also encouraging a new wave of *Part-time Preneurs* to launch their own products on its site.

Another example is Singapore-based My Work Global that has close to 68,000 freelancers on its database. It targets the gig economy, attempting to bring more efficiency to the act of finding temporary staff. It digitizes timesheets through its app, and in theory, hires people in seconds to carry out tasks. The app currently sees the highest demand from businesses in the retail, events, and F&B sectors[23]. Taking this a step further is US-based Nana[24]. It's training people previously gigging as Uber drivers and turning them into skilled tradespeople through a new three-week training course called Nana Academy. Through this course, anyone without prior experience can become a licensed appliance repair technician for just $995. These Nana Pros can make over $130,000 per year working four jobs a day.

22. Naiise.com

23. My Work Global
24. Forbes.com

◄► Emergent

A new combination customer care centre and touchdown space has been developed by WeWork and Samsung in the US[25]. WeWork and Samsung want these to be engaging community hubs where members and customers can work, learn, and innovate together. The spaces host panel discussions, lunch-and-learn events, and even a speaker series.

In APAC, Japan has been slow in comparison with the rest of Asia to introduce co-working spaces. That changed recently with the introduction of WeWork, which launched in February 2018 and was fully subscribed to when it opened its doors. It plans 10-12 new locations in Japan by the end of the year and five by June alone. Tapping into the *Part-Time Preneurs* trend, it aims to help its startup tenants find financial backers to help pay their rent from June 2018, according to a report by Nikkei[26]. Meanwhile, the country's largest telco, NTT, will also launch co-working spaces from this spring with attached daycare centres; offering parents the opportunity to get some work done with their child in close supervision nearby.

►► Future

Banks and other financial institutions could target one-person businesses offering a hybridized solution for increasingly complicated working lives that potentially cover a full-time job, a part-time hustle, and personal expenditure. Allowing customers to seamlessly move between these accounts would free up more time to make money rather than worrying about credit or paying bills. Adding to the mix are cryptocurrencies that have become the default payment option, instead of credit cards or bank transfers, particularly among consumers in rural locations.

Accounting and legal services could similarly develop packages and services for *Part-Time Preneurs* offering know-how on how to stay on the right side of taxation laws, as well as helping people protect their IPs. Telcos could also tap into the language of *Part-Time Preneurs*, communicating more effectively and offering packages for data-heavy downloads and uploads of their content. Livestreaming has shifted as an activity carried out by a select few people and brands to the legions with consumers streaming from cafes in China and across breakfast tables in Singapore. Supporting these would-be Preneurs, whether it's financially motivated, demonstrates greater understanding of rapidly changing trends among younger people.

25. Wework.com
26. Nikkei.com

Implications

As the definitions change on what constitutes an entrepreneur, the phrase "start-up" could take a broader meaning compared to the general perception. Launching a business can be as straightforward as making ten bars of soap a week and selling these items on a Shopify platform.

Here's a prediction. Every business will eventually become a tech company in some form. One way or another, AI and other emerging tools and technologies will power their businesses. Consumers don't think of their day-to-day realities as either digital or analogue. Nor do they indulge in conversations about digital transformations or AI. Instead, they focus on tools that enable what they aspire to do.

The winners will be brands that integrate these tools without being tech-heavy and provide an outside-in perspective that puts consumers first, instead of technology.

The implications for marketing leaders and their organizations are numerous. Firstly, *Part-time Preneurs* may become the new entrants in the market, providing challenges for established brands as they don't operate in traditional, legacy models, as opposed to conventional competition. They may seem small at first, but with change of technology, access to consumers, and marketing communication, *Part-time Preneurs* may suddenly scale up their businesses with unusually high growth rates. They may also be a source of innovation, inspiration, and co-operation, so marketing leaders should monitor them closely, not only for competitive reasons, but also to assess whether there are opportunities for partnerships, joint ventures, and other forms of win-win situations.
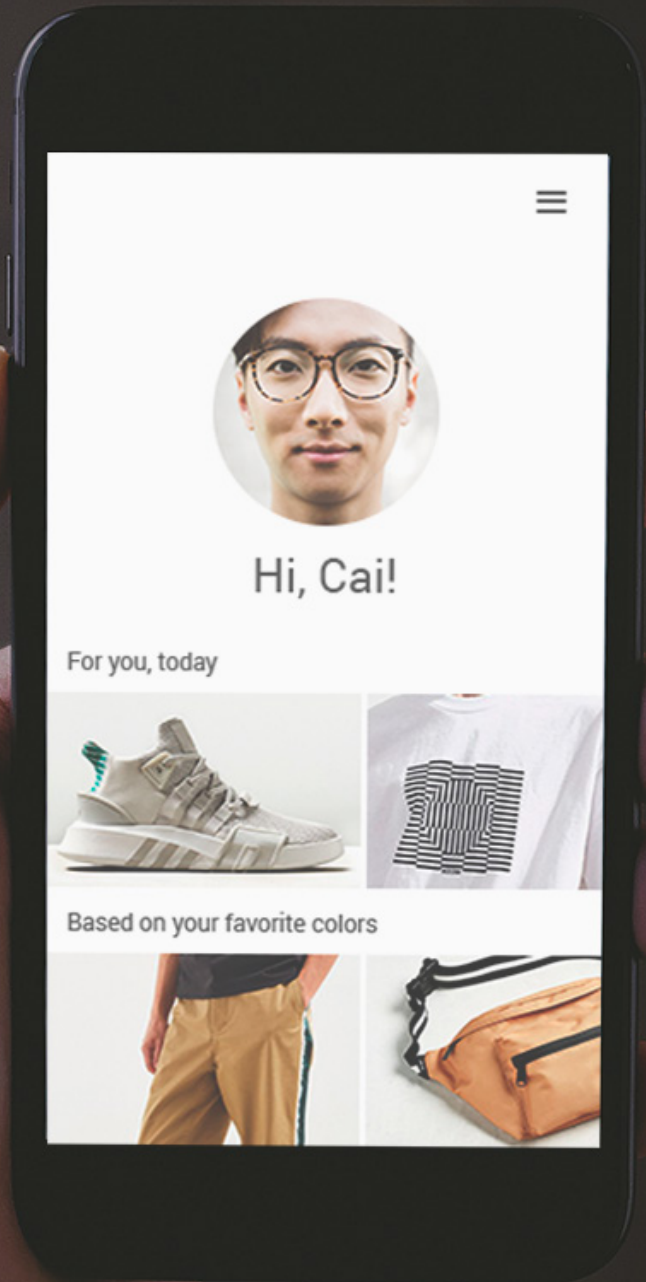
Google

Curated For Me

[ˈkjʊərɪtɪd fɔː miː]

A practice where customized shopping experiences and acceptance of AI recommendations are the norm and not the exception

Google

Fully tailored content, customized messages, and shopping experiences

that have been selected specifically for consumers' personality, interests, and lifestyle are becoming the norm, not the exception. At the same time consumer willingness to accept brand recommendations from bots and avatars is growing as AI formats come across as more relevant than traditional models and influencers.

Depersonalized recommendations are becoming a relic as brands deliver products and services that feel truly targeted based on sentiment and not traditional segmentation. Consumers increasingly want to see more of themselves at the heart of messaging with their digital DNA front and centre.

Advancements in technology have enabled one-to-one messaging, and on-demand product and content personalization is now possible. Traditional definitions of segmentation are disappearing as lifestyle and behaviour become more relevant to targeting than location and income. In the future, messaging could take into account mood and would be more responsive to emotional factors and create recommendations, rather than only relying on what consumers have looked at previously online or what traditional segmentation suggests. Brand interactions are becoming more intimate, informal, and consequently, relevant as AI learns more about our wants, needs, and desires.

For consumers under 25, who are accustomed to communicating informally and visually with images, videos, and emoticons, advertising can often feel unemotional and untailored. Ironically, we are now entering an era when chatbots have more personality than some celebrities. Starbucks and McDonald's can customize beverages and burgers to specific taste requirements, and brands like Nike and Fenty offer sneakers and makeup in any shade desired. Consequently, the consumer is learning that their preferences matter. In this Millennial Pink-coloured world, this closer relationship results in higher engagement as brands tap into the ego that lies within us all.
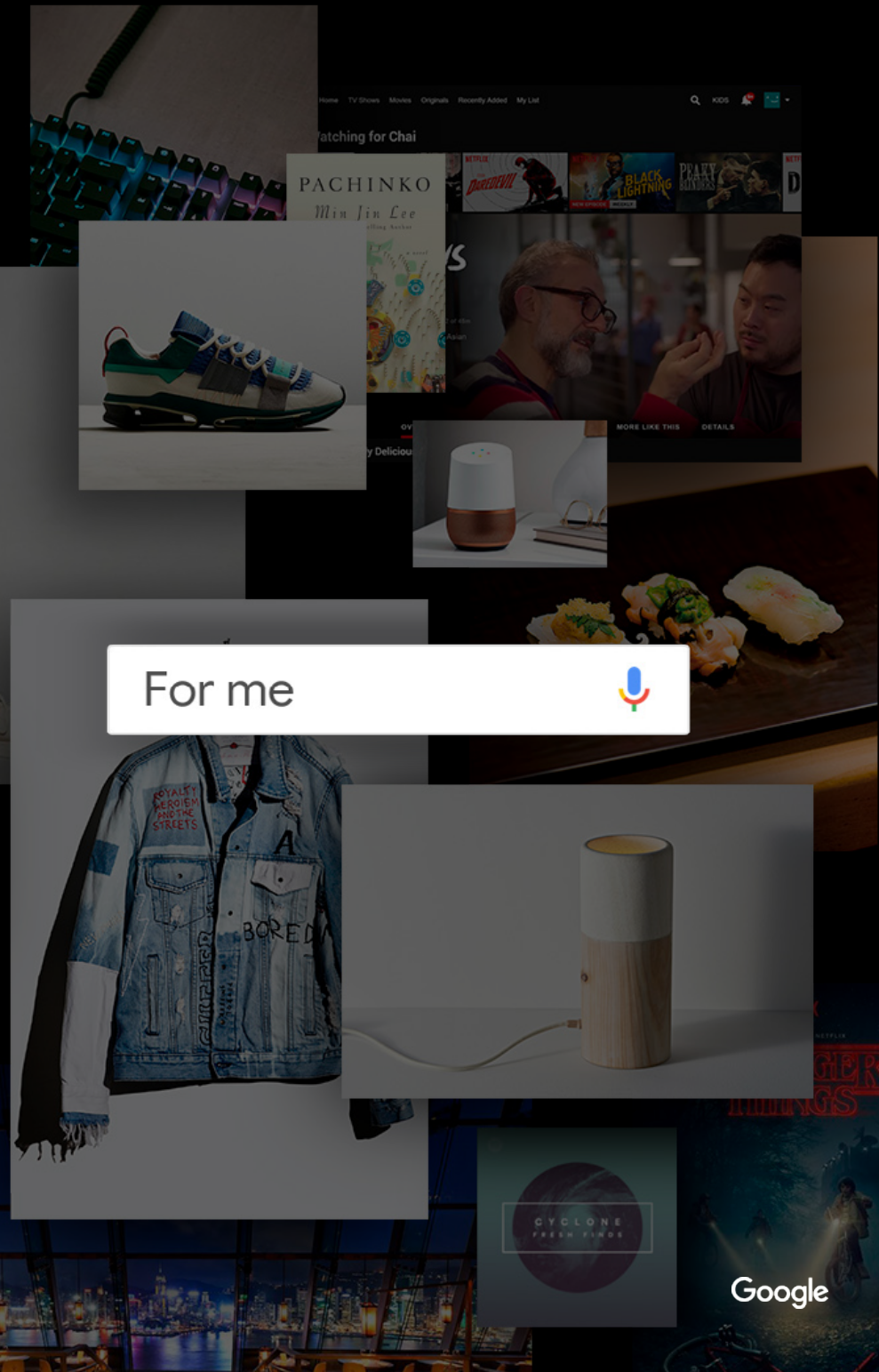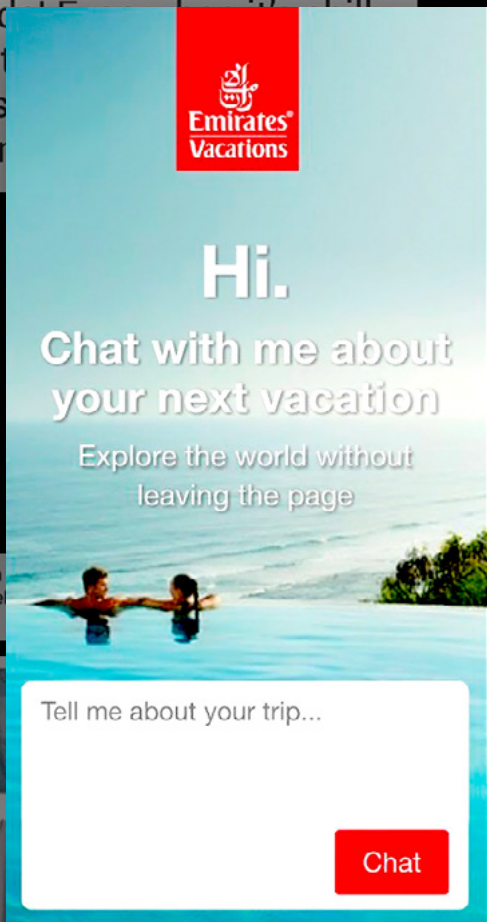
Google

The Data

Consumers now more than ever are looking for personalized experiences and this is reflected in our data. Mobile searches for "best", "reviews", and highly personal and conversational language—using words like "me", "my", and "I"—have grown rapidly in the past two years, showing that consumers trust search to deliver the right response at the right time. Consumers are increasingly looking for answers to personal questions with "for me" searches growing by more than 60% over the last two years globally[27].

Also, according to Mintel research, two in five Chinese adults aged 20 to 49 say they are interested in products that can be customized based on their needs. Which means consumers are looking for smart technology to not only provide convenience but also enable them to take control of their lives[28].

There has been more than **60% growth** in "for me" searches on mobile phones in the past two years.

For me

27. Think With Google
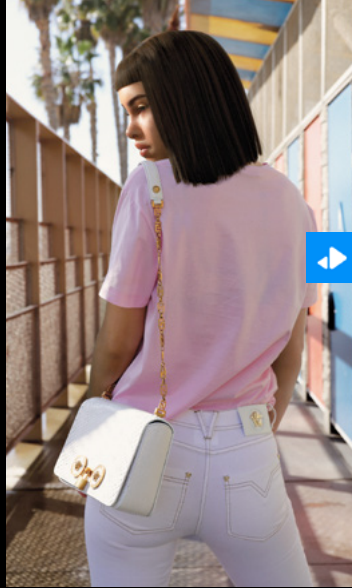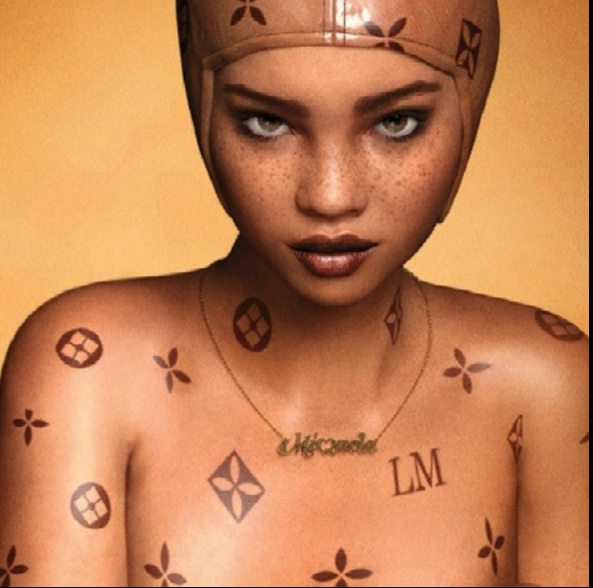28. Report Mintel: Chinese Consumer Trends

Google

Now

In Malaysia, Spotify partnered with the Kuala Lumpur-based mall IPC Shopping Centre[29] to recommend restaurants based on the "mood" of a consumer's playlist. It used insights from Professor Robin Dando of Cornell University on how a person's mood affects their food tastes. The company has so far not released the number of app downloads, but has claimed that it is among Malaysia's top 20 lifestyle apps.

Emirates is using artificial intelligence for a chatbot that lies within display ads for its Emirates Vacations unit[30]. The ads allow people to ask travel and trip questions and receive answers immediately within the ad unit. But the company believes AI can be impactful for another application—breaking down additional friction points when it comes to search. The chatbot recommends destinations and vacation packages based on the context of user questions, the content on the site it appears on, and Emirates Vacations' inventory. (Emirates Vacations saw an 87% lift in engagement compared to its traditional click-through ads during 30-day testing.)

29. Mumbrella.com
30. Digiday.com

Google

Emergent

Previously, most brand communication was a one-way interaction from brand to all consumers. Chatbots allow a more personalized experience as well as bring more personality to generally faceless corporations and brands, all enabled by technology. This shifts the dynamic from many-to-one to one-to-one. One of the most exciting applications of *Curated For Me* is the growth of influencers and celebrities that are as niche as the consumer demands.

Miquela Sousa is a great example of this shift. The 19-year-old, Los Angeles-based, Brazilian/Spanish model and musician fills her Instagram feed with an endless stream of "outfit-of-the-day" shots, featuring Chanel, Proenza Schouler, Supreme, Vetements, and Vans. She shares pictures of herself attending events like ComplexCon with fellow influencers and celebrity friends, along with memes and inspirational quotes. She even uses her platform to support social causes including Black Lives Matter and transgender rights. Her Instagram followers[31], which currently number 942,000 are dubbed "Miquelites". Her debut single "Not Mine" reached number eight on Spotify Viral in August 2017. But Miquela is not actually real. She's an avatar[32]. She is the first of potentially millions, if not billions, of new models and influencers who can be as personalized as required, and equally discarded without any contractual issues when her appeal inevitably wanes.

This leads to a future in which avatar influencers, and technology breakthroughs like new algorithms from Nvidia which work together to generate photorealistic faces, merge. This could, aside from making the avatars more human, also potentially mean the end of models as we know it. With the ability to create customized shopping portals featuring either models that resemble ourselves made from composites of our images, or the people we aspire to be based on what we have liked in the past, e-commerce platforms could visually connect with a potential buyer in completely new ways.

31. Instagram.com
32. Business of Fashion

▶▶ Future

Imagine a future where travel platforms and ride-hailing companies have a more personalized touch. A future where travel platforms shift from being travel consolidators to concierges and service curators, owning the travel experience from start to finish. Hotel suggestions could feel more personalized according to each user rather than the general value-oriented deals that are mainly promoted today.

This scenario, for example, could allow ride-hailing companies like Grab to provide vehicles specifically chosen for their soothing music and calm, quiet drivers to take consumers or travelers from their home or hotels to spa locations. Or create travel-focused chatbots that record previous interactions, so each engagement builds a stronger profile of a particular consumer's tastes and preferences.
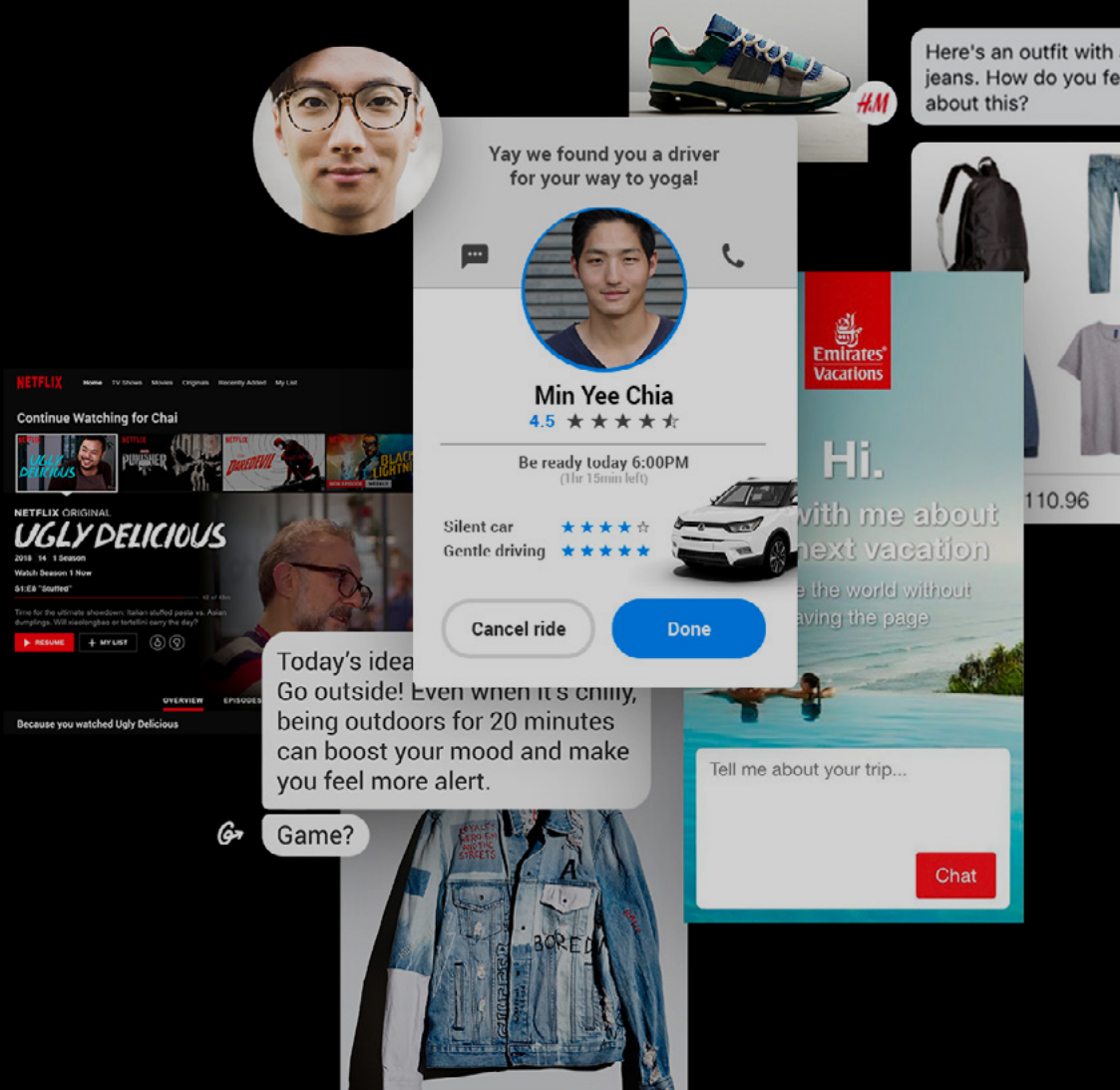
Google

Implications

The possibilities of exploring new ways of marketing to consumers in a more personalized way via interactions based on Machine Learning are transformative to organizations. Taking into account consumer moods, emotions, and preferences allows companies to connect more deeply on a brand level and elevates marketing from often mass and generic messaging to genuine relevance.

Social media has enabled a reality in which lives are lived equally on and offline. The division between both states has blurred and with it, the consumer view on whether something or someone is real or not is no longer of any consequence. In the past, icons from anime were considered just as influential as real-life stars, and going forward, chatbots and avatars will be as credible as influencers as their flesh-and-blood equivalents once were. Technology is enabling brands to feel more lifelike via chatbots as well as become more tangible via avatars.

The exciting part of *Curated For Me* is that consumers genuinely seek guidance from brands on their product and service choices, and delivering this information will become more customized as AI tools become more effective.

The implications for marketing leaders and organizations to deliver in a more personalized way to consumers are quite profound. It requires a distinct approach to deep insights on consumers which are relevant, updated, timely, and actionable. Bringing this concept to life is not only a task for marketing—it requires typically the entire organization to work in tandem and towards the same goal. From ideation/design, prototyping, sourcing, supply chain, and all the way downstream towards consumers; organizations need to align processes and functions to reflect this approach of delivering products and services in a more personalized, curated manner.

It is essentially a question of adapting towards a more outside-in approach as opposed to the more traditional inside-out. At the same time, front-end staff and customer-facing staff are tasked with a particular challenge as they will be part of bringing this to life in retail stores, customer services hotlines, and any other relevant entity.

Google

How do you act on consumer trends and **drive impact**

Today's world is hyper-connected, digitized, fast-paced, and data-driven. It is exciting but also demanding—particularly from the view of CMOs and marketing leaders. The speed of change will continue to be both a huge requirement but also a driver of new and exciting initiatives, products, and services. This will lead to innovation and new ways of satisfying consumers.

Google believes that understanding trends effectively, paired with adequate data and insights, is a powerful way for CMOs and marketing leaders to keep themselves updated and their organizations competitive. Google provides several strategic and tactical tools to help CMOs and marketing leaders succeed.

Consumer behaviour will keep changing, and Google will continue to provide ongoing research into most aspects of these changes, and make them available to our clients and stakeholders.

How can Google help?

Dive deeper into consumer insights with these Google platforms and tools:

Think with Google APAC - Think with Google APAC is filled with content from experts and analysts throughout the region. Whether you're in e-commerce exploding Indonesia, smartphone-first Singapore, or digitally savvy Japan, we've got insights and inspiration that addresses the cultural nuances and fast-changing marketplace climate in your country.
https://apac.thinkwithgoogle.com

Google Trends - A real-time resource to help you gauge consumer search behaviors on Web, Image, News, Shopping, & YouTube and gain key insights into your competitive set. See spikes, troughs, and trends with clear, colourful graphics on.
https://www.thinkwithgoogle.com/tools/google-trends

Google Consumer Barometer - Explore the role of online sources in the consumer journey—from consideration to purchase—across more than 45 countries and 10 product categories.
https://www.thinkwithgoogle.com/tools/consumer-barometer

For more information reach out to your Google team.

Google

Nicole Fall

Nicole Fall is founder and Head of Trends at Asian Consumer Intelligence, a successful trend forecasting and innovation agency that specialises in helping the world's most recognisable brands develop more effective products and services. Two decades living in China, Hong Kong, Tokyo, Malaysia, and Singapore have helped Nicole develop first hand understanding of the Asia-Pacific region. Apart from her expertise in using trend forecasting to analyse emergent scenarios, Nicole is also a regular keynote speaker.

Read more about Nicole at
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Martin Roll

Martin Roll is an advisor to Fortune 500 companies and Asian firms with more than 25 years of C-suite counselling experience. He advises on strategy, leadership, and brand marketing. A highly accomplished keynote speaker and an experienced moderator at global conferences, he is also the author of global best-seller "Asian Brand Strategy". Martin Roll has lived in Asia for two decades and served clients on all continents. He holds an MBA from INSEAD.

Read more about Martin on
www.martinroll.com

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Curious about the trend forecasting process?

Asian Consumer Intelligence utilizes a proprietary toolkit called ISSA. This stands for Identify, Summarize, So what? Action.

There are key differences between "interesting to know", "trending", and "fads". Within this noise there are genuine nuggets of knowledge that surface only when viewed through the lens of impact on consumers, consumption, and future product trends.

The process of identifying an emergent trend starts with research. This encompasses interviews with consumers, early adopters, and thought leaders. It also involves extensive store visits and ploughing through existing research, along with keeping an eye on industry sources, social media, and the news.

The next step involves summarizing, which is the process of decoding the collected information. The key to interpreting this collection of ideas is understanding the drivers of change. Regional expertise is useful at this stage to ensure trends are rooted in cultural nuances, particularly as trends are now being shaped in Asia.

As the trends show the potential of turning into future scenarios, they are robustly challenged with a "So What?". This takes trend forecasting from "nice to know" to "essential to know", and helps formulate trends into functional tools. Asian Consumer Intelligence utilizes a proprietary toolkit called ISSA. This stands for Identify, Summarize, So what? Action.

Finally, all trend forecasts are assigned a strategic suggestion or "Action" that is industry or category applicable. This could include strategies for brand refreshment, product development, or new marketing and communication strategies.

Google

a peek into your
consumer's **future**

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