

Retail: A changing landscape

By  [Danette Breitenbach](#)

19 Nov 2013

A dissatisfied customer will tell 50 people; while a satisfied customer will tell just 5 people. Loyal customers spend more: A business with 1,000 customers will make R105,820 per annual increase with compliant resolution.



The face of retail is changing. (Image: Henry Trotter, via Wikimedia Commons)

Bryan Gildenberg, Kantar Retail, chief knowledge officer, was the international speaker at the recent Consumer Goods Council of South Africa (CGCSA) conference held in Bryanston, north of Johannesburg. He made some key points about South Africa's place in a changing global world, with specific reference to retail.

**Is the industry changing incrementally or fundamentally?*

The answer is both. Retail is a complicated business. Global retail industry is 20% of global GDP. It is your ability to understand what is happening in retail that will ensure your success in this changing world.

**Where to play*

Growth in the future is not going to come from the First World but from us. There is a divide between the old world and the new young world; or what is popularly termed the First and Third worlds. Brands will want to penetrate the younger world to make sure its products reach as many consumers as possible.

**Urban retail is growing*

Selling in densely populated areas will be key. 50% of Africans will live in cities in the future.

**All markets will be multicultural in the future*

South Africa is an example of a multicultural society and therefore is ideally positioned for the future.

**Age*

South Africa and India have young populations. Brands and products want to sell to this market.

**Online purchasing*

By 2025 music video stores, video/DVD rental stores, electronic stores, and book and gaming stores will not exist.

**Importance of the mobile*

Communication to the customer, e-commerce, and payments will work together through one device: the mobile.

**Digital*

Everything sold or bought will be influenced by digital. Stores will look good because people can shop online

**The experience*

The shopper wants a wow experience in-store. The new experience is the big AHA. The in-store experience is only a differentiator if it is useful.

**Convenience*

Convenience is a mix of factors, but the most important element of convenience is to manage the shoppers' time. Time is a scarce resource and shoppers' have only so much time to shop in today's world.

**Chaos*

The future is chaos and no matter what category you are this is what you will face, especially globally. How comfortable you are with this will largely determine your success.

**Franchising*

It is becoming a bigger platform globally. The trend is for global brands to approach local partners. This will be very useful in South Africa.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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