

# What business are we actually in?

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In this series of Supermarket & Retailer's articles, we share stories of what some organisations and managers have done to motivate and inspire their teams. We give you practical ideas of what you can do to create the most amazing, customer-driven company in the world.

There's a good chance that your business is in a building or a mall with a landlord that collects the rent every month. If you are lucky, you may own the building itself. But The Hustle recently noted another trend, one that has been described as a modern land-grab, and similar to what we saw a few centuries ago as pioneers moved to new territories and claimed a piece of land. Imagine if you had bought a large farm in Cape Town or Johannesburg in their early years, right where the action is. You would be a billionaire today.

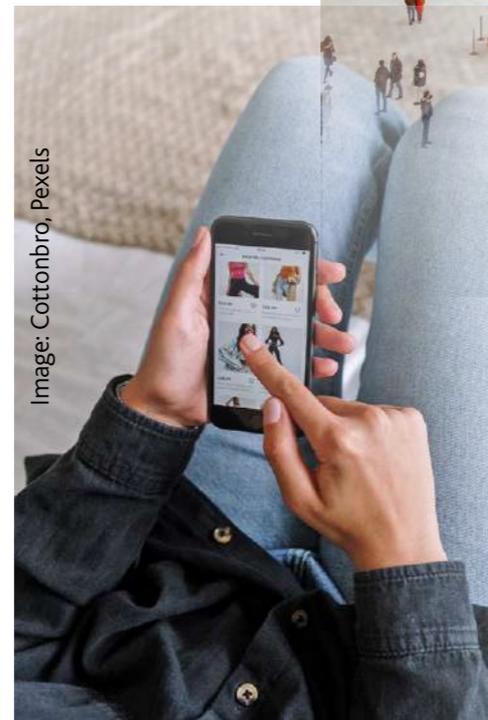


Image: Cottonbro, Pexels



Image: Arthur Brognoli, Pexels

This land grab is for virtual real estate on the internet, and my understanding is that there is already a 'metaverse', a gathering of super-interactive virtual worlds. They often have their own currencies and economies, and allow people to have

a second life with their avatars. What caught my eye on this was an email with the heading ...

“ Start your own online digital landlord business and get paid every single month. ”

You can already buy things that traditional companies have paid good money to advertise in this virtual world, and with examples like crypto currencies and non-fungible tokens, (NFTs.) You can even attend concerts in this world.

It's all quite overwhelming for me and my reaction, unlike my children's, is, "What's the point?" Yet the irony is that a lot of what I buy at the moment is online, using various apps made available by the companies that want to sell me stuff. Amazon, Uber, Takealot, AirBnB, Sixty60 and many more.

But that brings me to the theme of this article – change and innovation. The world of publishing is a good example of this. When I published my first book a few decades ago, I went through the traditional route of selling my idea, via a book agent, to a publishing house who then took care of all editing, layout, cover design, printing, and distribution. It was all fine and did my ego a great deal of good – until I started getting my royalties from sales. For all my effort, I received only 8% of total sales, meagre amounts of money sent to



me every three months. There were also a number of other accepted practices that made life more difficult. For example, every book was sold on consignment, which meant that after 90 days you had to take back everything that hadn't sold, even damaged books, and start the process all over again. In addition, you could only arrange a very limited number of promotional activities for your book.

For book two and the next few books, I decided that the process didn't seem to be so complicated, and I sold many more books – with great profit margins – either live at my keynotes at conferences or at seminars and via my website. My best seller sold more than 22 000 copies and I got to keep, after ALL costs, around 80% of sales. The only drawback was that I'd order printing in batches of 4 000 books at a time, which took up half a garage, but that gave me an incentive to sell them as quickly as possible.

More recently, Amazon have made it even easier to distribute to customers all over the world. They do so electronically via their Kindle app, but they can also print real physical books one by one and on demand, and send them directly to the reader who ordered them. I don't need to tell you what a game-changer that is.

The same has happened in music, in television broadcasting where we gave up our digital satellite TV at R1 000 a month and replaced it with Netflix and YouTube for less than R200 a month, as well as many other products and services in diverse industries. I can buy everything related to my

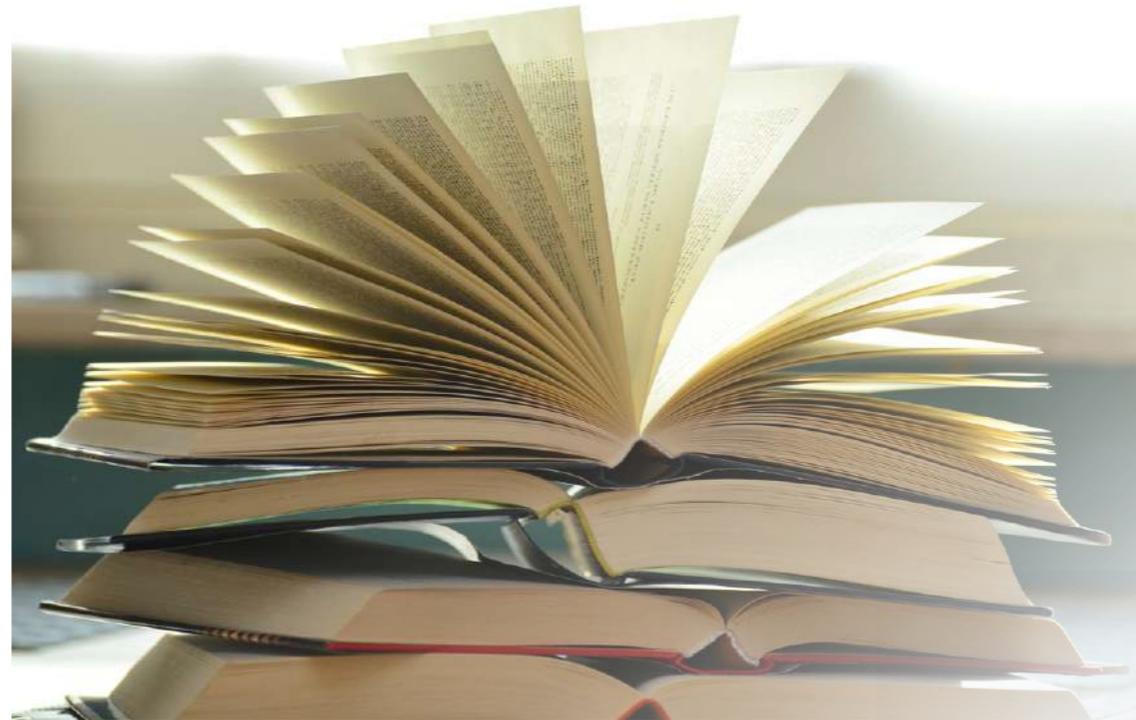


Image: Pixabay, Pexels

mobile phone from banks, various retailers and even vendors at traffic lights. (One of SA's large mobile companies told me their single biggest customer was Pepkor.) I can buy vouchers for music and games from a range of different businesses. Financial products, like various policies, and even traditional banking transactions, like paying accounts and drawing cash, probably happen at your business too.

There are literally millions of competent professionals all over the world that offer thousands of freelance services for a small fee – copywriting, website design, ghost writing, social media management, pet-care and house-sitting services, virtual PAs, wedding planning, travel and tourism ... it just goes on and on.

More recently, I discovered that the Pepkor group, and all the brands within it – with almost 6 000 outlets all over southern Africa – has introduced

“ I became the publisher and distributor of my books. The only drawback was that I'd order printing in batches of 4 000 books at a time, which took up half of my garage ”



Image: Julia M Cameron, Pexels

a courier service that is charged at much lower rates than the companies that specialise in courier services. The logic is that they have really got an incredibly efficient distribution network that distributes their products to all of their stores and, as long as customers are happy to drop off and pick up, what is sent to one of their branded stores, they can do so at a much smaller cost than usual.

Another recent example is that Uber has figured out how to get people and restaurant food to customers in the countries and cities where they operate. The latest is to deliver urgent medicines

and similar medical products to customers who cannot collect these themselves. So you could conceivably sit at home while a doctor diagnoses your illness online via Zoom or your mobile phone and then order your treatment to be delivered to you by Uber.

It's all awfully complicated. If I was in your shoes I'd be overwhelmed by all of the new responsibilities and skills that you have to master and monitor the dozens of things that could possibly go wrong. But, as a customer, I love the convenience of it all.

I don't believe in the old adage of "If it ain't broke, fix it anyway." After all, we are perfectly happy with the same toilet paper roll that was designed more



Image: Vlada Karpovich, Pexels

than a hundred years ago. And going on a virtual reality holiday will never be the same if you cannot feel the beach sand under your feet and the sun

gradually frying you to a tan that you can show off when you get home. A bush drive can never be the same if you don't smell and sense everything that is included. Some things simply don't need to be changed.

But when it comes to customer experiences, if you are not innovating to make life more convenient for them, you will not survive. So, what business are you actually in? **SR**



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