

How a cocktail party can help you

Aki Kalliatakis

aki@leadershiplaunchpad.co.za

This is the next article in a series on how behavioural economics and 'being human' affects your business.

Imagine this ... You're at a cocktail party and someone across the room mentions your name. Within one second you tune into where and who said that. Your ears perk up and your eyes take notice. It activates parts of your left brain – but not if you hear someone else's name. Researchers have a name for this phenomenon ... the Cocktail Party Effect.

But this goes beyond just hearing or seeing our names. The same reaction happens – and we place more value upon – anything that relates to our identity and individuality. And your business can easily and cheaply take advantage of this in a very beneficial way.

Let's go back one step though. Here are some facts that are quite scary:

- The average citizen encounters between 1 500 and 4 000 adverts every day, most of which we tune out completely. We live in a world of too many distractions – how will you stand out?
- 56% of buyers prefer purchasing from retailers that recognise them by name.



Image courtesy of Kaushal Moradiya, Pexels

- 65% of buyers prefer retailers that 'know their purchase history'.
- 58% of buyers prefer retailers that make product recommendations based on past purchases.

“Personalisation creates a powerful connection between you and your customers. They respond to it because it helps them feel that you remember and appreciate them – and you have tried to get into their minds. 🗨️”

And even though you may repeat a personalising action across a number of customers, they still feel that the experience was designed especially for them. They feel that your brand and business has accepted them into your tribe and, as a result, they feel loyal to that tribe.

So that's the why and the what. But how can you take advantage of the personalisation bias to create success? Using their names is a great start, but it has to go beyond that.

Of course, you can do simple things like remember customer's names, their history with your business, or their preferences based on past purchases. (“The usual for you, Mrs. Harris?”) But that's quite hard when you have thousands of customers visiting your store every week.

“You will need to automate your action, but without making it hackneyed or pedestrian. Amazon, Netflix and Spotify are great examples of this, using their “You might also enjoy...” features. 🗨️”

TAKE YOUR BUSINESS TO THE NEXT LEVEL and gain a competitive edge in today's market with a fully customized loyalty and rewards program.



Discover the power of loyalty programs - the game-changing tool that can skyrocket your revenue, increase customer retention, and unlock valuable insights into your customers' behaviours.

By *AKELO Group*

According to the 2022 South African Loyalty Landscape Whitepaper, 73% of economically active South Africans are currently using reward or loyalty programs, belonging to an average of 9.2 programs, almost triple from 2014.

While these programs help shoppers during tough economic times, they also have a direct impact on revenue and are essential for customer retention. They enable companies to maintain a continued relationship and engagement with their clients beyond simply providing a service or product. Every interaction within a loyalty program yields highly valuable data about consumers that would be difficult to gain otherwise. This data allows companies to track the spending habits of their most loyal customers to get a better understanding of how they respond to incentives and what products they prefer.

However, not all loyalty programs are created equal.

Andrew Weinberg, Group CEO of AKELO, emphasises that a successful loyalty program should be a subset of a more comprehensive customer engagement program. Weinberg explains that "loyalty encompasses 'softer' metrics such as average revenue per user (ARPU), number of products, gamification participation, and others."

Therefore, companies must prioritise the right tech requirements, qualified resources, and costs and margin erosion when designing an effective program. A poorly designed program may erode margins unnecessarily, and the best loyalty program cannot replace bad products or services.

Weinberg also highlights the benefits of loyalty and rewards programs for brands and retailers, including differentiation

in the market, driving customer retention and spend, and attracting more customers through savings and digital communication.



To create a loyalty program that cultivates consumer attachment, companies must know their customers and create programs that enhance their experience with the brand.

Prioritising convenience and relevance is key when designing the program. Additionally, the rewards must be adequate to keep customers loyal, and the program should generate useful data to help enhance customers' experience.

Research shows that people prefer simple loyalty programs that amplify their typical behaviours. Customers do not like working hard to claim their rewards. Personalized rewards, such as cash and airtime, tend to be most effective in mainstream South Africa.

Implementing a well-designed and relevant loyalty program can enhance customers' experience, increase retention and revenue, and provide valuable insights into their behaviours.

Stuart Hoy, Head of Retail Engage, explains that their bonsella platform offers a range of loyalty program solutions tailored to each company's unique needs. "We take pride in designing and developing innovative solutions that drive customer loyalty and create a better return on investment for our clients."

Don't miss out on the benefits of a well-designed loyalty program.

Visit www.bonsella.com | stuart@retailengage.co.za

DOES YOUR LOYALTY PROGRAMME MEASURE UP?



Visit www.bonsella.com to find out about how we can help you increase your **CUSTOMER RETENTION & REVENUE**

bonsella® is a division of Retail Engage, an **AKELO** Group company.

RETAIL ENGAGE
Brands. Stores. People.



Image courtesy of George Dolgikh, Pexels

“ And some companies use automated birthday cards or messages. Those are often unoriginal and clichéd. But what if you video recorded a special birthday message on your phone for a few seconds and sent it by WhatsApp? That will have a huge impact. ”

Another variation of customisation can be summarised in the “Have it your way” manner used as a slogan by Burger King, or what has recently become known as “Choose Your Own Adventure – CYA.” You give customers the chance to specifically design or put together what they will buy so that it’s customised for them. This ranges from architecture to cosmetics to coffee or pizza, and can also include giving them a chance to pick their own produce.

Many years ago, I flew a few times with Singapore Airlines. You can imagine my surprise when I received an email headed, “How time flies, Aki!”

Inside the mail they included information about some of my trips (“Remember when you flew to Malaysia?”) and picked the precise date when that had happened years before. Then they said, “... And you’ve come so far – 86748 kilometres to be precise. That’s more than twice around the world!” And they continued, “So many adventures with us in Singapore, Kuala Lumpur and Hong Kong.” The whole email was peppered with photos and images, including their logos. And I can’t wait to go fly with them again!



Image courtesy of Andrea Durey, Pexels

Image courtesy of Alex Azabache, Pexels

At a hotel in Paris, we were presented with a mini photo album on our last day, together with some brochures and postcards of the places we’d visited, and which they had noted. And, of course, their card was included. How many friends do you think we’ve sent their way?

On another occasion, my family took a ferry and, as we boarded, there was a photographer snapping shots of all of us. At the end of the journey, literally four hours later, there was a board with all the photographs on it which we could purchase if we wanted. All very touristy, but we bought them anyway because we were the stars.

A corporate branding company sent me a promotional text message, something

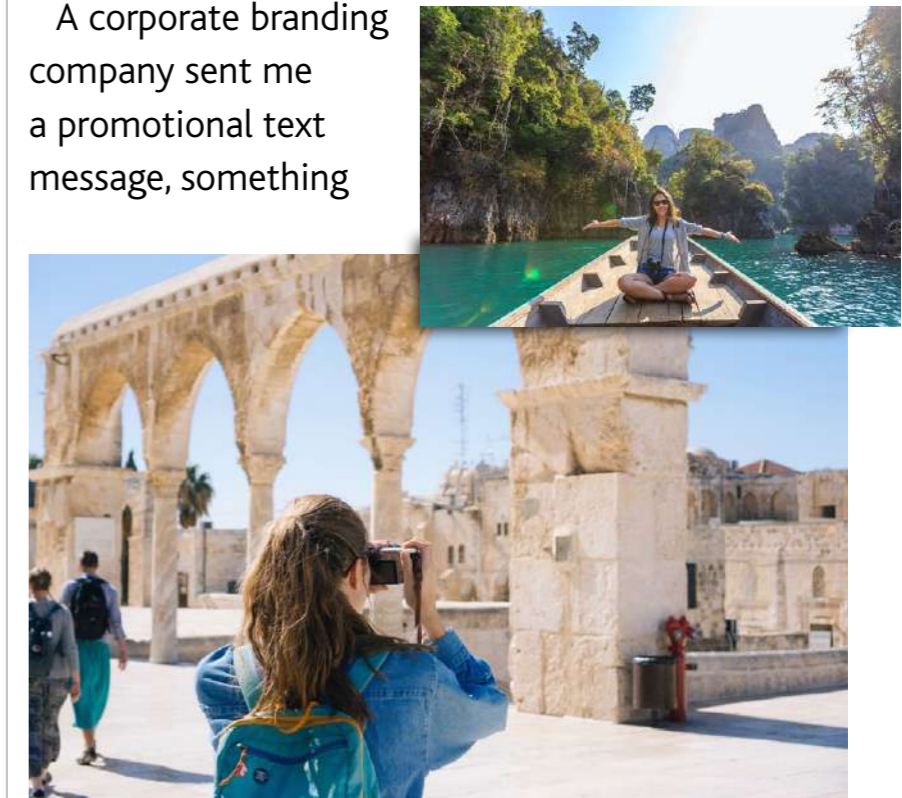


Image: Haley Black, Inset: Te Lensfix, Pexels

which I’m usually quite resentful about. Except this time they took an image from our website and placed it virtually on a coffee mug. (I believe there’s simple software that you can use to get that

3-D effect.) It put a smile on my face, and I bought a dozen to give away. You can do this with just about any gift products, from socks to t-shirts, pens and writing pads – and everything in between. As one marketing Tweeter put it ...

“If you want to give a business gift, don't give something with your logo. Give something with something that's theirs.”

It's really not so hard, nor is it enormously expensive, to do these kinds of things. All you have to do is think of something simple and just get it started. There are so many possibilities.

My favourite retailer uses its customer complaints database. I had complained that they didn't stock my favourite brand of marinated pregos from one of SA's leading pork producers.

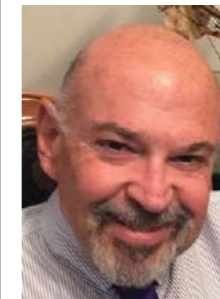
And then a few months later, out of the blue I received an email. They were really nice in dealing with my complaint, but the answer was still "No." Then the email came, and they said ... "We know you were unhappy with us not keeping your favourite



Image courtesy of www.epicurious.com

pregos, but we've just launched our own. Here's a voucher with 50% off if you want to try them." So, using customer pain points can also help.

There's no magic button that you can use to create a personalised experience for your customers, but you can create magic for them by personalising their experiences. Once a customer feels a sense of 'belongingness' and ownership over a business or a brand, they don't want to give it up and they're more likely to buy. It's irresistible for them ... and will lead to far greater success for you. **SR**



Aki Kalliatakis is the managing partner of The Leadership LaunchPad, a company dedicated to helping clients become more customer driven. He can be contacted at +27 (0) 83 379 3466, or via the website at www.leadershiplaunchpad.co.za

Who are we?

A trusted source of retail information for over 65 years, our magazine informs and empowers retail business owners to grow whilst tackling current industry topics.

How can we help you?

We connect FMCG brands, and Equipment and Service suppliers to retail decision makers around South Africa. Elevate your brand with our wide variety of digital offerings.



Want to target real decision makers?

SCAN TO VIEW MAGAZINE



Let our team help you with a digital strategy that targets real decision makers

Contact 011 728 7006
info@supermarket.co.za
www.supermarket.co.za

Serves: 4
Preparation time: 20 minutes
Cooking time: 1 Hour

An easy dinner sure to impress family and guests.

GOLDI, COUNTY FAIR, FESTIVE or MOUNTAIN VALLEY

4 Chicken Drumsticks 4 Chicken Thighs

INGREDIENTS

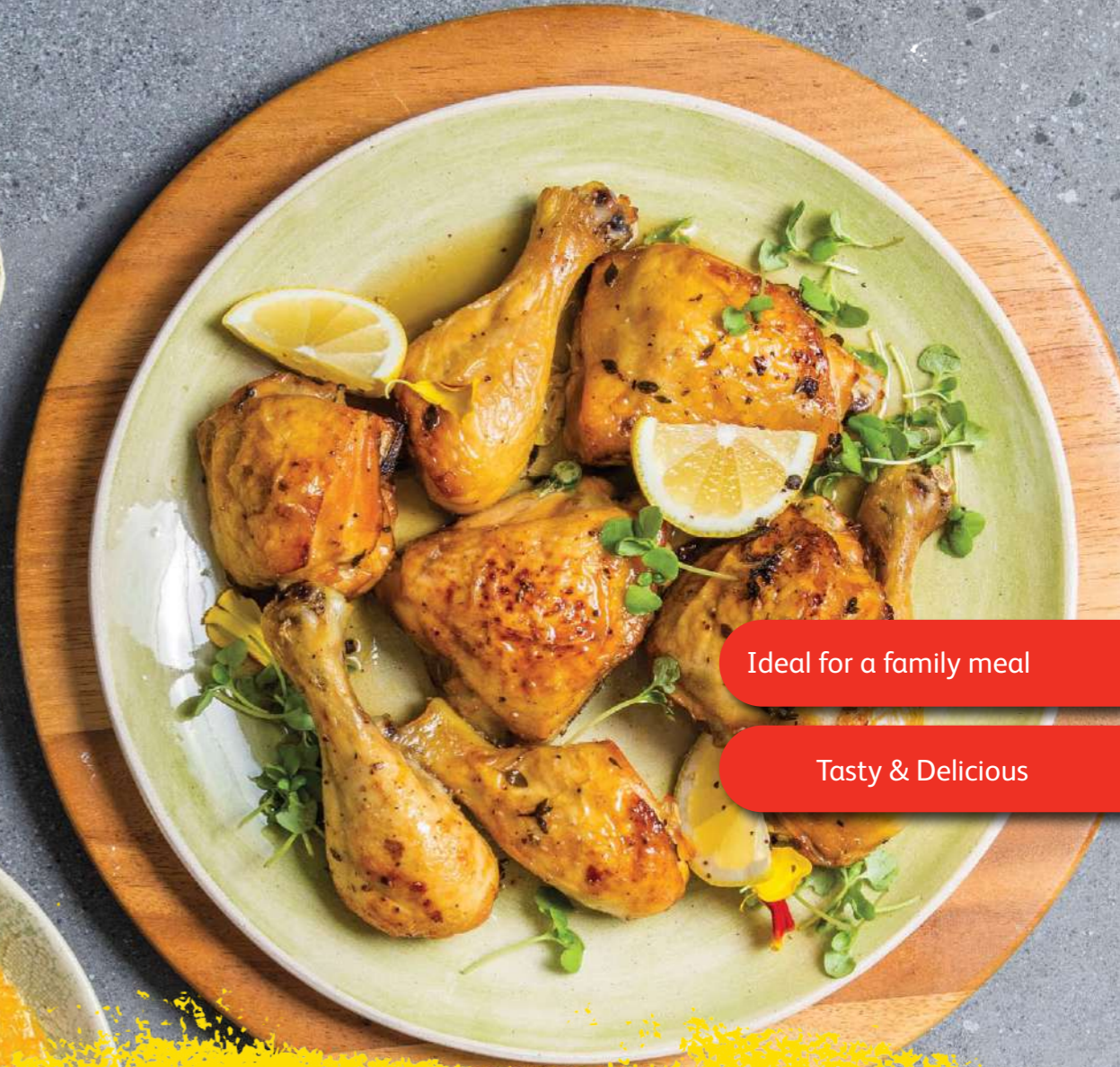
Chicken:

- 4 Chicken Drumsticks, 4 Chicken Thighs
- 50ml lemon juice
- 1 Tbsp (15ml) fresh thyme leaves
- 1 medium butternut
- 1 Tbsp (15ml) honey
- Olive oil
- Salt and milled black pepper

LEMON & THYME ROAST CHICKEN WITH HONEY-BUTTERNUT MASH

Method:

1. Preheat the oven to 180°C.
2. Place the chicken into a roasting dish. Mix the lemon juice, thyme, and 1 Tbsp olive oil in a small bowl—season with a pinch of salt and pepper.
3. Pour the lemon juice mixture over the chicken and toss well.
4. Roast in the oven for 1 hour.
5. Peel the butternut, slice it in half and discard the seeds. Cut into evenly sized cubes and place in a pot.
6. Cover with water, and cook over medium to high heat until tender.
7. Strain the liquid, then mash the butternut until smooth.
8. Add honey and season to taste with salt and pepper.
9. Divide the butternut mash between four plates.
10. Top with two pieces of chicken each, and serve.



Ideal for a family meal

Tasty & Delicious

Great South African Chicken Every Day!



www.astralchicken.com

Johannesburg 011 206 0600, Cape Town 021 505 8000, Durban 031 563 3661 | Follow us on   



Serves: 4
Preparation time: 15 minutes
Cooking time: 1 Hour

This recipe makes for the perfect mid-week feast.

GOLDI, COUNTY FAIR, FESTIVE or MOUNTAIN VALLEY BRAAI PACK

INGREDIENTS

Chicken:

- 1 x Braai pack (5 pieces)
- 10g basil leaves, finely chopped
- ¼ cup (60ml) balsamic vinegar
- ¼ cup (60ml) honey

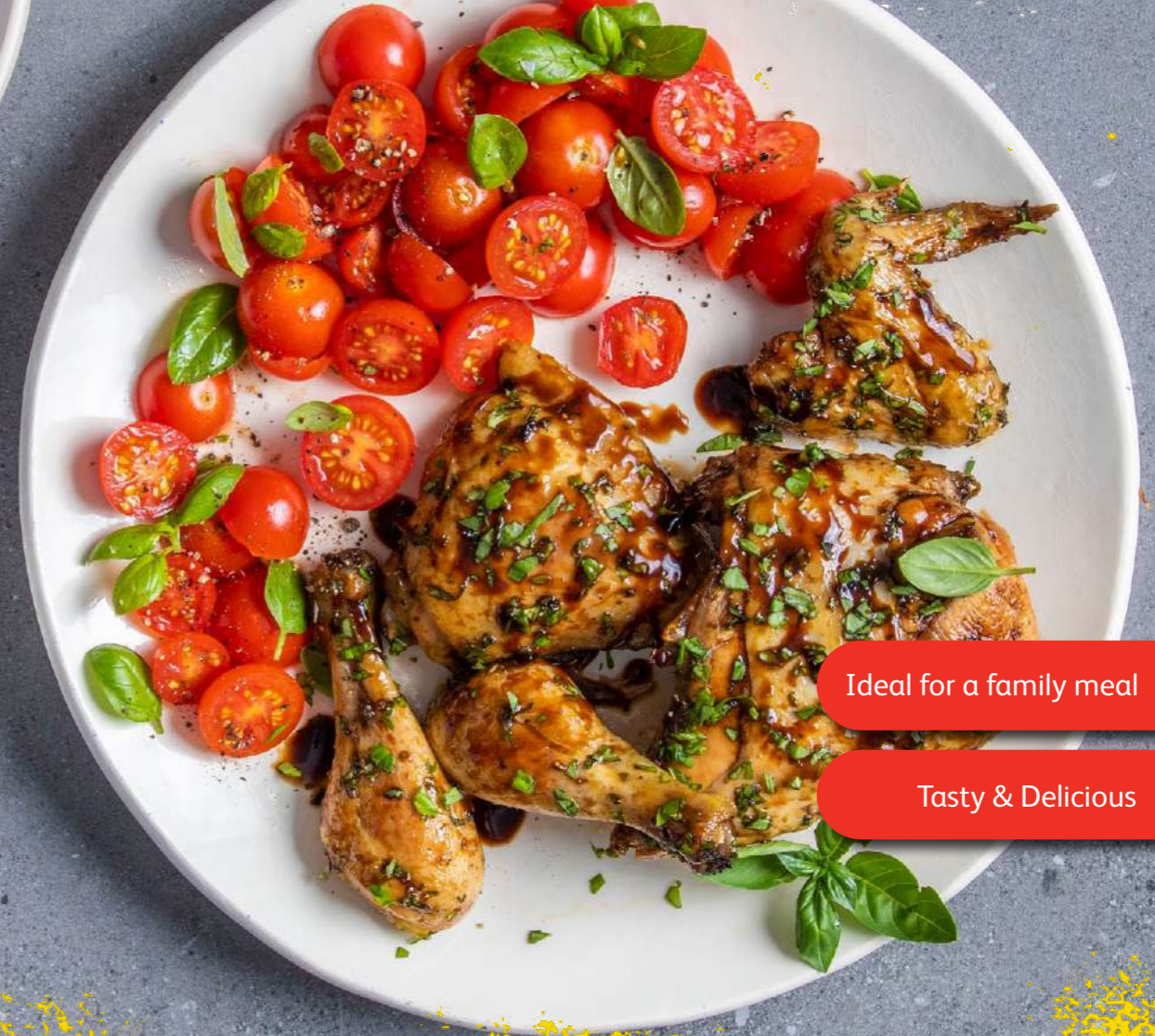
For the salad:

- 500g cherry tomatoes, halved
- 2 Tbsp (30ml) balsamic vinegar
- 2 Tbsp (30ml) honey
- 15g basil, roughly torn
- Olive oil
- Salt and milled black pepper

BALSAMIC ROASTED CHICKEN THIGHS WITH A FRESH TOMATO & BASIL SALAD

Method:

1. Preheat the oven to 180°C.
2. Place chicken pieces in an oven dish. Drizzle with 3 Tbsp olive oil, add the chopped basil leaves and season.
3. Roast in the oven for 50 minutes.
4. In the meantime, place the balsamic vinegar and honey in a pot and boil; remove from the heat and set aside.
5. Remove the chicken from the oven, brush over the honey-balsamic glaze, and return to the oven for a further 10 minutes.
6. Prepare the salad; sprinkle a pinch of salt over the tomatoes and set aside for at least 15 minutes.
7. Mix the olive oil, balsamic vinegar and honey together with a pinch of pepper.
8. Remove the chicken from the oven and rest for 5 minutes.
9. Toss the seasoned tomatoes, dressing and torn basil together in a bowl.
10. Place the chicken on a serving platter and serve with the salad on the side.



Ideal for a family meal

Tasty & Delicious

Great South African Chicken Every Day!



www.astralchicken.com

Johannesburg 011 206 0600, Cape Town 021 505 8000, Durban 031 563 3661 | Follow us on  