

FOREWORD

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The business world is changing faster than ever and the pace of change has never been this fast. In the blink of an eye things change with devastating implications for business. On 25 November 2021 for example scientists in South Africa identified a new Corona virus strain and by 27 November over 30 countries have banned travel to and from South Africa resulting in a scramble to cancel travel arrangements and change holiday and other arrangements. Businesses in all sectors can and will feel the impact of these decisions showing once again how quickly things can change. Added to this is the fast pace of change in technology as new technologies are coming out daily impacting on the habits, preferences and loyalties of consumers. All these aspects have an impact on businesses and this requires businesses to change the way they do things- if they still want to be there tomorrow!

In the FMCG and retail space there are a number of aspects that impact on the retail and marketing environment but maybe the three key aspects of note are the following:

- Store visits have dropped. Due to the uncertainty regarding covid and a general uncertainty amongst shoppers the number of shopping trips have dropped significantly. People are more likely to make less trips to the stores than previously.
- Buying bigger volumes. Fewer strips to the store inevitably led to bigger baskets. This is attributed to amongst others a fear of exposure in stores as well as a fear of out of stock items in times of lockdown. Consumers want to be prepared and not be caught napping in the case of sudden new restrictions.
- Changing target markets. The lower income groups who used to do their shopping daily or very frequently (when they have money) also adapted to the changing business environment. Their number of shopping trips declined, and this can partially be attributed to less work and less income.

The implications of these changes are that consumers have become more cautious regarding their expenditure, what they spend it on and relying more on well-known brands to ensure reliability and trust. Consumers are also swapping stores – and loyalty – due to restricted movement aspects. Consumers who are restricted in their movements are more likely to look for better deals – price wise- resulting in buying in bulk more readily. It is clear that the marketing landscape has changed and that these changes will have a profound effect on how people shop in the future. Marketers need to be aware of these changes and adapt their strategies more and more in line with these changes in consumer buying behaviour.