

New Ask Afrika TGI results released Part 2: “*The Global Consumer Power Shift*”

Consumers in emerging economies are gaining power and consumer behaviours are diverging in developed and developing markets. A number of significant factors were revealed at Ask Afrika’s recent *TGI Global Consumer Perspectives 2013A* workshops, amongst which are brand loyalty levels in developed versus developing markets and in the middle classes. The “*Global Consumer Power Shift*” which examines global trends in consumerism, was unpacked by Andrea Rademeyer, CEO of Ask Afrika, examining what this means for media and brand owners.

Ask Afrika analysed the trends in the world GDP evolution from 2007 to 2011 and noted that developing countries were less affected by the economic crash in 2009 than developed countries. “In the wider context, there has been a seismic shift in the global economy within the last decade, with the start of the shift in the global power balance from developed markets to developing markets. The last 12 months have seen the developing world expand GDP at about 7%,” says Rademeyer.

The Guardian and *The Economist* predict that China might well take over from the US as the biggest economic power by 2018 or even 2016, Brazil has become the sixth largest power, ahead of the UK and the debt crisis continues to plague European markets.

Rademeyer continued, “The *TGI Global Index Comparison* revealed that consumers in developing countries are more brand conscious than developed countries. In our data, we can see that China, Brazil, Egypt and South Africa are very receptive to brands. German consumers are far less likely than any other market to identify themselves as being into brands (we know there is culturally less focus on brands/advertising).’

“Brand loyalty is declining amongst middle classes in all markets. South Africans are embracing a wider range of brands in their everyday lives, just as much as brands are identifying the status of being in every South African household.’

“In Great Britain and Germany middle classes are brand loyal but not necessarily to well-known brands. In Brazil the middle class show strong preference for well-known brands. In China the middle class prefer well-known brands, although higher classes more so, and they are not particularly brand loyal. So there exists strong potential for well-known brands, but caution is needed as they are not as loyal as consumers in other markets – even less so in Egypt where there is a strong emphasis on labels.”



Rademeyer added that recent events demonstrate that the pace of change is rapid, "There are several macro-environmental influences on daily life which force these changes: politics, economics, social trends and technology. These influences create a set of expectations about life amongst consumers. We set out to explore consumers globally, to understand the new expectations and behaviours resulting from the macro-environmental changes in the last five years."

A review of recent world events created a sense of context, Rademeyer highlighted: the Arab Spring (the uprisings in Tunisia, Libya, Egypt and Syria); global and local economic meltdowns (Eurozone uncertainty, US Banks, Detroit); 'Occupy Wall Street' protests and London riots (increasing bifurcation and angst, partisanship politics disappearing); technology increasingly creating transparencies and 'speed of truth' (the amazing rise of social media, Wikileaks) and finally natural and nuclear disasters.

TGI research for which Ask Afrika hold the South African copyright is a single source sample of 800 000, it has a global geographic coverage of 67 markets and measures services and products, media and brands.

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About Ask Afrika:

Over a period of almost two decades, Ask Afrika has grown to be the largest independent South African market research company. The company focuses on local relevance, benchmarked against the global context. Apart from its large South African footprint, Ask Africa also operates in a dozen African continental territories. Their exclusive product suite includes the Orange Index, Trust Barometer, Radio Moods, TGI Icon Brand and TGI (the Target Group Index).

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