

## **Beware of old colonials preaching irrelevant doctrines here.**

For any marketing concept to be meaningful, for an idea to be relevant, it must recognise the social context within which it is introduced. Many lessons from the boardroom and the classroom travel well because they are fundamental in nature. Global brands that function in the same way regardless of geography are equally successful. But global campaigns that touch humanity with a universal stimulus that appeals to audiences around the world are much more rare.

The reasons are obvious. Though people are basically the same everywhere, the environment within which they live moulds their everyday behaviour, the choices they make. In an affluent country, even the most humble of homes has the capacity to adjust to rising prices primarily by down-trading. In a developing economy, “pain at the pump” has even greater meaning for the simple task of feeding the family with basics. Recognising these differences is critically important to the welfare of the brand, especially if half its customers are families with modest incomes. Common-sense tells us that appreciating these realities are essential to success. How often is common-sense actually practiced?

Ask your brand manager when was the last time he visited a pasar, chatted with a fishmonger. Ask your account manager when was the last time she chatted with a taxi-driver to understand how he’s coping with rising prices. You could be in for a disappointment. Textbook phrases like ‘consumer inertia’ are more Western concepts than they are Eastern realities, yet they are often used here. That other mantra, ‘change is the only constant’, has much more meaning in a market like Indonesia. Some changes happen overnight. Like a product failure, or a successful promotion. Some changes happen over time, like changes in shopping habits. When that happens, is it enough to focus all your marketing efforts on the user, or should attention be paid to the main grocery buyer as well?

All stakeholders would agree that knowledge is essential, even if that data periodically reconfirms no change in fortunes. The more robust that knowledge, the more insightful the information, the more frequent the reports, the better equipped we all are. How is it then that the same global company espouses no real changes in Indonesia over years, when its American counterparts are talking about Single Source data linked to both sales and media, to be delivered overnight? Schizophrenia? Or is it that the marketing rupiah has little value in comparison with the marketing dollar?

Old colonials have made fortunes for centuries perpetrating myths to suit their convenience. There was a time when we had been led to believe that anything worthwhile had to be created in the northern hemisphere. Today, that mantle has seemingly been grabbed by the multinational, the new fountainhead of all marketing wisdom. Those of us who have left the multinational have apparently left our learnings behind in their cavernous vaults of wisdom. Presently, some of the world’s best minds have embarked on a new search for a marketing, sales and media regime that measures the correlation between stimulus and response, overnight, facilitating immediate and corrective actions. Those minds hail from both the Northern and the Southern hemispheres, from the biggest to the smallest of companies, even though this dialogue about marketing nirvana is taking place in the United States.

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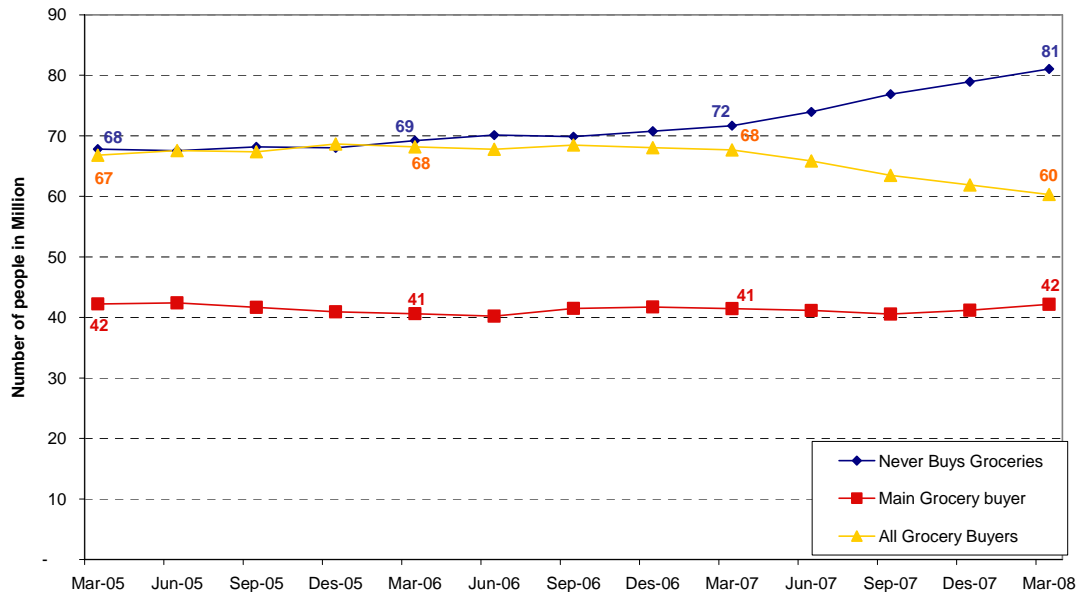
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FUNDAMENTAL CHANGES IN SHOPPING BEHAVIOUR



So the next time an iPod-toting charlatan masquerading as a marketing professional tells you that reading a textbook or even running an occasional survey is enough to reassure you that your marketing budget is being spent well, show him this simple chart. It reflects a fundamental change in shopping behaviour across Indonesian society. Since the second fuel price hike of September 2005, the Main Grocery Buyer in the family is exercising greater control on the domestic budget. The casual grocery buyer, occasionally buying an essential, is increasingly a dying breed. The sheer necessity to manage every rupiah in the face of rising prices is driving that change in behaviour. Who are you talking to? Marketers would do well to keep a finger on the pulse of their consumers, constantly.

Like everything else, change has its exceptions. In the skincare category for example, more than 80 per cent of women regardless of their age continue to buy their own favourites. These choices maybe influenced by inflationary pressures on the purse, but even then, the lady decides for herself. To add another layer of complexity, the common assumption all too often made is that more Indonesians are becoming more liberal over time. The opposite is in fact true, with more conservative views taking hold rather than liberal mores. How can it make any sense not to be aware of these fundamental changes, these vital nuances, all of the time?

These conclusions are based on Roy Morgan Single Source, the country's largest syndicated survey with over 27,000 Indonesian respondents annually, projected to reflect almost 90% of the population over the age of 14.

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