

# How scenarios can help you plan future brand strategy

Linda Hodgson, Future Cat, and Ray Algar, Oxygen Consulting, present a range of future scenarios and show how these could aid marketers' planning

**M**ANY BRANDS BENEFIT from 'trend watching' as a tool to provide insight into the rapid pace of change affecting their consumers. This is particularly acute in service industries, where the nature of the relationship between consumer and brand can be more volatile. A single negative experience can quickly turn a raving fan into a raging critic.

It is easy for organisations to understand the trends, with many companies dedicated to tracking the global consumer 'Zeitgeist' and seeking the next big thing, whether it be understanding 'youth culture', from the trend queen Faith Popcorn (1), or online trend watchers like [www.trendwatching.com](http://www.trendwatching.com). Their approach identifies cultural memes, and is consumer-focused and qualitative, using a global network of researchers to feed back their observations and reinforce the trend with examples of emerging products and services.

An organisation can also draw in help from more academic futurist organisations. They can also look at the life conditions – the social, technological, economic, environmental and political factors (STEEP) – that could affect people's lives and provide quantifiable evidence that helps organisations plan for the future.

Both approaches have the clear intention of helping organisations to be better informed about the rapidly changing world of marketing-literate consumers. Yet, often, the result is a client left suffering from over-stimulation, having sat through an information-rich presentation, which often contains new language such as 'podcasting', 'RFID', 'Gravanity', 'Inspirence' (2), and a large quantity of data. Then, once the stimulation of the presentation and the new knowledge has faded, many companies are left wondering 'So what does that mean for my brand?', 'How relevant is this to the consumer?', 'How does this help my brand now?' And while everyone can see that they need to understand the rapid pace of change, their ability to act on the

information is constrained by the need to deal with short-term business needs.

## Placing consumers at the heart of scenarios

Developing scenarios can help service brands to imagine how trends might affect their brand, their category, their market, by placing the trend information into a context that becomes relevant for them. It also enables them to put consumer needs at the heart of future brand planning. In order for this to happen, it is important to understand the depth of a trend, and consider the various layers that shape and form the trends that lead to a shift in attitude (see Figure 1).

By building in a constant factor (basic human desires, see box, right) and evaluating where the trend is positioned in terms of our evolving values (3) as well as understanding the cultural context, we can begin to express the trends in attitude and behavioural terms. This can provide a greater level of confidence in the scenario.

In this way the scenario not only draws on the information provided by the 'academic' and 'popular' trend methods, but also has an additional human behaviour perspective.

## An illustration: European health clubs

As an example, we have applied this approach to the health club industry, an important service sector, which could benefit from the increased political activity in the area of health.

In the UK, the government is planning to shift resources from the treatment of sickness to the improvement of health and the prevention of illness. Estimates in the UK suggest that the present UK National Health Service budget of £90 billion (€130 billion) may have to rise to £180 billion (€260 billion) by 2022 if preventable ill-health fails to be tackled. Similar challenges exist throughout Europe, to improve physical activity levels, nutrition and diet, and reduce smoking.

## Are health clubs ready to meet future challenges?

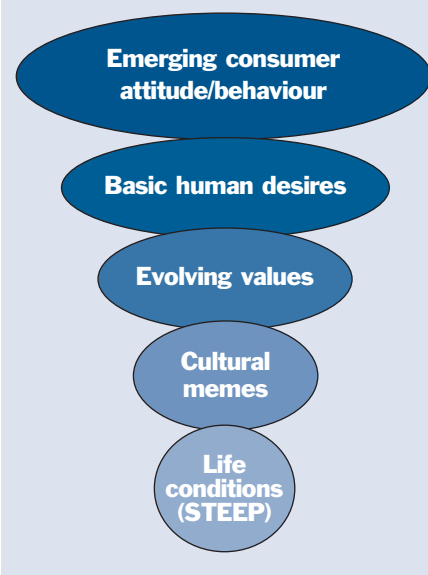
So what is the future role for health clubs within this 'preventative' scenario? And how can they become more pro-active in helping people take personal responsibility for their health and wellbeing? What other trends might affect the way that health clubs evolve and develop over the next ten years? Will we see more of the same or will 'niche' clubs emerge?

The European health club industry has undeniably prospered over the past ten years, with total membership now standing at 21.5 million, representing a 5.5% European penetration rate, with further growth anticipated (5). However, if we look more closely at what happens once people have joined, we see a sense of dissatisfaction emerging. In a recent report by Dr Melvyn Hillsdon (6) nearly 50% of new members who joined a club in the UK had quit when followed up just six months later. With visit levels among some members so low that health and

FIGURE 1

### Understanding trends

The multiple layers and depths of a trend





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## The 16 basic human desires

<b>1</b> Power	influence others
<b>2</b> Independence	self-reliance
<b>3</b> Curiosity	knowledge
<b>4</b> Social acceptance	inclusion
<b>5</b> Order	organisation
<b>6</b> Saving	collect things
<b>7</b> Honour	loyal family, friends
<b>8</b> Idealism	social justice
<b>9</b> Social contact	companionship
<b>10</b> Family	parenthood
<b>11</b> Status	social standing
<b>12</b> Romance	sex and beauty
<b>13</b> Vengeance	get even
<b>14</b> Eating	consume food
<b>15</b> Physicality	to exercise
<b>16</b> Tranquillity	emotional calm

Source: (4)

wellbeing benefits are unachievable, what is it that is missing from the health club proposition?

Somewhere along the way, members are having a 'negative brand experience'. Do members not feel emotionally connected to the brand, even though many have made a considerable personal investment? Clearly, the desire to be fitter and healthier remains, but something is missing from the experience and real needs are not being met.

## Preparing for the next ten years

Clubs that strive to genuinely understand the real needs of their members will prosper, while those that rely on buildings and equipment may struggle. The real challenge is winning the intangible space – atmosphere, staff behaviour and personalised content. If we are genuinely moving into an era of individuality, where sophisticated consumers want their personal needs met, then most health clubs are way behind and still treating members as a homogeneous group, providing an undifferentiated approach.

This sense of dissatisfaction and emotional detachment can be experienced by

many service brands, with consumers failing to receive interactions that engender a meaningful relationship.

## The health clubs of 2015

We have identified trends that we think are relevant to health and fitness, and have begun to draw up a picture of how health clubs might fit into this new era. As with all scenarios, we can explore only what might be possible in order to help organisations begin to prepare a future strategy.

The three scenarios are:

- 1.** experiensual sustainability
- 2.** urban pod
- 3.** pro-science.

All three scenarios are connected by the broad trend towards individuality. This is not just about personalisation of product and service, it is also about respect: respect me, show respect by the way you deal with me and attend to my needs. In Shoshana Zuboff and Maxim's book *The Support Economy* (7), this is described as 'the individuation of consumption'. They write that 'people want to be treated as individuals, not as anonymous transactions in the ledgers of mass consumption'. They claim that consumers are 'seeking advocacy versus adversarialism'.

Each scenario demonstrates how the delivery of individuality can be met in different ways – digitally, medically and naturally.

### Scenario 1

**Authenticity** Consumers expect honesty, integrity and transparency. This is shown by a growing desire to connect with nature, to treat the whole person and to give something back. The growth in fair trade, farmers' markets and the pressure on global companies to act responsibly towards their stakeholders all reinforce this trend.

**Meaning** People are looking for ways to bring meaning into their lives. Many people recognise that material possessions bring a fleeting feel-good happiness. In order to experience fulfilment, people

need to feel that their lives have meaning and purpose, expressed through spirituality, family, work and relationships.

**Quantifiable life conditions** Environmental issues dominate this scenario – renewable energy, sustainability and urbanisation. More people will be using renewable energy, such as wind and solar, as new technology makes it more accessible. The trend is towards urbanised living and global working. We already live 90% of our waking day inside and are becoming sensorially deprived. In a recent study conducted by Dr Charles Spence (8), from the Department of Experimental Psychology at Oxford University, on behalf of ICI, he concluded that 'We have a basic need for a balanced multi-sensory diet.'

### Experiensual sustainability

The 'experiensual sustainability' scenario is based on people's basic human desire for tranquillity and idealism. It appeals to consumers who have a holistic view of the world, with values of collective individualism, and believe that life is inter-connected. Individuality is delivered naturally and personally. In this scenario, the senses are stimulated and cared for just as much as the body.

People begin to question the authenticity of a health club that is meant to care for our personal health and wellbeing but is energy-guzzling, waste-producing and demonstrates a disregard for the environment. The 'experiensual sustainable' club treats members and the environment with equal respect. The quality of the relationship between the club and members is very personal and responsive to mind, body and spiritual needs, with natural solutions to the promotion of wellbeing.

### Scenario 2

**Speed** Everything is happening faster; we have become impatient, we do not like waiting; speed is what we expect when it comes to dating, information access, eating, shopping, communication and service. ►

**Complexity** Everyday lives are increasingly complex. Slowly, we are being overwhelmed with information and suffering from 'choice trauma'.

**Quantifiable life conditions** Digital technology dominates this scenario. By 2015, we will be continuously connected to friends, work, family, interest groups through ubiquitous technology. With technology such as RFID (radio frequency identification), the connections will be seamless, helping people to control and filter the information they receive.

**The urban fitness pod**

The 'urban pod' scenario is based on the human desire for order, and meets our need for efficient and fast fitness activities. This scenario appeals to the millennial generation who are technology-savvy, with no time to lose. In this scenario, individuality is delivered through technology, through the interaction between member and machine. The machines provide the personalisation of programming and speed of engagement that people demand. This is not a place to linger – it is functional and efficient. This is the health club equivalent of the Japanese capsule hotel. There is limited human contact, if you really need it. This is primarily about getting a quick dose of fitness and then going back to the office.

Imagine being greeted by a robot. A biometric scan quickly calls up your profile. It knows what you did last time and what you should do, based on your health status today. The machines are then automatically configured and ready to take you through your personally designed programme. Your results are emailed back to your office and copied to your virtual personal trainer to form a key part of your weekly video-conference.

**Scenario 3**

**Age defiance** Medical breakthroughs, better nutrition, rising affluence and improved wellbeing are some of the factors driving 'age defiance', resulting in a re-classifying of the terms 'middle' or 'old' age.

**Enhancement** Medical procedures that were initially developed to treat

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injury and disease are now commonly being used to service a burgeoning vanity market.

**Quantifiable life condition** Bio-medical breakthroughs dominate this scenario. The impact of technology over the next ten years will be all-pervasive as we move into an era where technology and the body begin to overlap. By 2015, it is predicted that nano-technology will deliver implantable devices that will act as advanced drug delivery systems, while digestible diagnostic devices will continually scan for a person's pre-disposition to a wide array of specific illnesses, automatically alerting our doctor at the very earliest detection of rogue cells. It is already possible to buy certain DNA testing kits on the internet. Cosmetic enhancement will become commonplace.

**The pro-science health club**

This scenario is based on the human desire for order, social acceptance and individuality. It appeals to older consumers who want to remain youthful. The pro-science health club brings the medical community into the health club, to create a seamless transition from diagnosis through to

treatment. Staff in this scenario will act as specialist interpreters of the complex health and wellbeing data that will be generated. They will be needed to advise on the blend of drugs, surgical interventions, exercise and diet required to promote good health. The environment will be professional, comfortably clinical, with a range of activities using science as a basis for understanding the workings of the body and the needs of the individual. This specialist service should provide gravitas to health clubs, in terms of being a more fundamental part of people's lives and facilitators of good health.

**Back to the present**

Developing scenarios can help service brands to imagine how trends might affect their market, and identify ways to leverage future potential. An understanding of the multiple layers of a trend helps to build scenario robustness. They enable organisations to turn information into a stimulus that internal teams can creatively engage with, particularly in strategy planning, innovation and risk management. They can help bring a human perspective to technological developments that might seem alien today, but commonplace in a decade. They help organisations to develop foresight and to be better prepared for the future. ■

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5. *International Health Racquets & Sports Association*, 2005.
6. *Revisiting the Retention Battle*, Fitness Industry Association, 2004.
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8. *The ICI Report on the Secret of the Senses, in association with Oxford University*, 2002.

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