

# SME

## secrets to success in Fashion retail



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## MOBILE CONNECTIVITY AND THE FUTURE OF MONEY

**G**rowing smartphone and Internet penetration is bringing inspiring new approaches to the business of financial services. Collaborative, transparent and cost-effective, the most inspiring new models are emerging from Africa and Asia and look set to not only transform the way we manage money, but also drive social inclusion and economic growth.

**Collaborative values and money** When we consider the huge impact of smartphone and Internet access, one of the key innovations is in financial services. Kjaer Global's Trend Atlas classifies major change drivers into the scientific, social, emotional and value-related dimensions – and it's the 'value' dimension that is most interesting to the Financial Service sector, with the rise of collaborative models such as micro banking and crowd funding. A new wave of alternative and open-source approaches are currently disrupting the traditional banking system. Bitcoin is digital money in action – a global, decentralised currency without physical borders or middlemen – and without doubt similar P2P (person to person) models will emerge, alongside mobile-

enabled local currencies created to assist communities to thrive.

### Financial access and social mobility

This trend for mobile money is in tune with the 4P economic model, where People, Planet, Purpose and then Profit are a requirement for successful 21st-century business operations. Uptake of mobile payment technology has been slow to evolve in western economies, in part because of barriers to entry in this highly regulated market. But clearly, existing banking regulation hasn't worked for customers and levels of trust in banks are low, so the market is ripe for disruption – and inspiration on where the future may be unfolding is to be found in rising economies. In Africa, a substantial unbanked and underbanked population that travels distances for work opportunities presents enormous potential for financial services innovation and 4P thinking. In several African countries, mobile payments have completely replaced credit cards and the mobile-enabled trading service Esoko now operates in over 15 nations to convey market data and ensure fair commodity prices for farmers. The African continent

accounted for 15 of the top 20 countries for mobile money in 2013, but India also has vast potential, with services such as MoneyOnMobile and Easypaisa gaining market influence.

### Collaborative networks and the global brain

Mobile networks will continue to connect us, while chipping away at the power base of conventional financial institutions and smartphone technologies are already major empowerment tools for two of the 4Ps – People and Planet. But, beyond digital platforms for the transfer of money, goods and services, smartphones are an enabler of education, information, work, health, social participation and sustainable solutions. In 2009 Ericsson predicted that up to 50 billion devices will be connected to the Internet of Things (IoT) by 2020. In effect, this 'global brain' will become a platform for navigating a better life across classes and conventional geographical borders. In The Big Re-Think: The World 2030+ (Future Snapshots, December 2013), I described how China is pioneering open-source through low-cost ASOP (Android Open Source Platform) smartphones, while

South Korea's high smartphone penetration is enabling Seoul to champion a sharing economy to drive city-wide prosperity. These are more than mobile-enabled ripples in the pond; they are early signs of a future in which smartphone and Internet access drive financial prosperity and social mobility.

**Transparent financial ecosystem** Blurring of online and offline commerce has seen a greater demand for seamlessness, causing most sectors to adopt new multiple channels for financial transactions in order to stay competitive. We are also witnessing 'betapreneurship' – in which products and services are developed through interaction with customers – emerging across the business spectrum, and this is enabled by mobile platforms. A new generation of global citizens that wants easy, barrier-free access to money is pioneering and supporting these commerce models. But support is not restricted to Millennials, Edelman (Trust Barometer, 2014) has found that 84% of people believe business can pursue both its own interests and that of society. When everyone and everything that can benefit is connected to the Internet, organisations – including financial institutions – simply must evolve to match this new global mindset. In short, mobile money may become a major springboard to achieving a more inclusive, equitable and prosperous future across the world.

*Anne Lise Kjaer is a futurist and Copenhagen Goodwill Ambassador and the founder of London-based Trend Management consultancy Kjaer Global. Client includes Accenture, BBVA, European Union, EY, McKinsey, IKEA, Samsung, Sony, Telefonica and Toyota. Anne Lise Kjaer is also a visiting lecturer at Cranfield University, Hertfordshire Business School and Lund University. She has written the book, TREND MANAGEMENT TOOLKIT: How Businesses can Understand and Shape Key Trends in Tomorrow's Society, published by Palgrave Macmillian business in 2014. Follow Anne Lise Kjaer on Facebook and Twitter@kjaerglobal SME*