

V5.100B1b Mini-Briefing: UK Opportunities for Social Commerce Investors

What is the UK opportunity?	UK consumers, with their "I want it now" drive are poised to make UK the strongest market for Social Commerce in which crowd preferences and recommendations challenge (or reinforce) the efforts of advertisers, especially on-line
Why is UK attractive?	<p>The UK is already the e-Commerce leader and UK citizens spend more time on-line and on social networks and more money per head on mobile</p> <p>UK consumers love to shop on-line; buy more things (over 3 items per month) and spend most money on-line and UK has the largest spend per head (around \$3,000 a year); not surprisingly much is also spent on internet advertising to UK consumers</p> <p>62% of UK internet users now use social networking, ahead of France and Germany and 24% of mobile owners access social networks this way; behind email and ahead of banking social networking is the second most frequently used on-line service in UK</p> <p>UK consumers spend around \$1000 per head on communications, more than those in any other EU country</p> <p>With 70% of households connected to broadband and 16% using mobile broadband, UK is the leading broadband adopter among the major countries of EU</p> <p>In addition there is no shortage of experienced business and world-class technology talent available to help realise the internationalisation opportunity</p>
Why is now a good time to invest in UK?	<p>The UK is an enthusiastic adopter of e-commerce, mobility, outsourced services, social networking and digital entertainment</p> <p>The UK advertising industry is one of the most successful in the world and supported by a deep chain of creative campaign, clip, game, music and advert producers</p> <p>UK business and government are world leaders in adopting ICT technology to raise productivity with 28% of UK jobs already ICT-related</p> <p>Key areas include rapid growth of EU's largest on-line retail market and increased competitive intensity and regulation of the financial services industries</p>
What are the Key Success Factors?	<p>UK buyers are impatient and know exactly what they want, creating clear opportunities for suppliers to focus exactly on the expressed needs; advertisers can leverage the power of social networks to create needs and influence purchase choice or timing</p> <p>In uncertain times, people will be cautious and avoid risks yet want to keep up; knowing what friends are buying or have already can drive behaviour</p>
Who might succeed in UK?	<p>Services providers able to enhance customer intimacy or operational productivity; able to understand what appeals or what delivers - fast</p> <p>Technology-intensive players looking to access UK talent and/or technology; able to find the guys who develop the clips, games, apps, tracks – and tools</p> <p>Gadget and service suppliers offering better information, entertainment or socialisation; able to draw in the audience, make 'em interact – and shop!</p>
Which are the strongest market segments?	<p>The segment is driven by entertainment, fashion and life-style; all attract, retain or win-back consumers and networkers</p> <p>Appealing ads, popular user-generated clips or photos, cool bands or singers, hot movies, even cool clothes, phones and players; we just want (some of them, but which)</p> <p>Cosmetics, hair-styles, even piercings and body-markings (ugh); who/which style do we follow/think we lead</p> <p>Clothing, Drinks, make-up, venues; just to hang out and look good</p>
More detailed and/or customised versions of this briefing can be provided	<p>If you found this useful and/or would like a free and confidential introductory discussion of how we might work with you</p> <p>please contact:</p> <p>Frank.Morris@vecta5.com</p>

Vecta5

www.vecta5.com

© 2011 Vecta Consulting Limited