

# How is 'On-Demand Economy' changing consumer behaviour?

*The On-Demand Economy is revolutionising consumer behaviour around the world. But what is it exactly?*

The new on-demand economy is the immediate real-time provision of goods and services by companies using smart technologies, and consumers have embraced this trend with a frequency that is unprecedented. The increase in the number of smartphone connected consumers, simple and secure purchase flows, and location-based services are a few of the market conditions and technological innovations that propel the explosion in on-demand services.

The always on, always connected revolution has made convenience, efficiency, and simplicity critical ingredients in purchasing decisions — never before has a consumer been able to buy anything they want at anytime with simply the tap of a button.

Despite the relative youth of on-demand businesses, it is expanding at a rapid pace. Supply is driven via an efficient, intuitive digital mesh layered on top of existing infrastructure networks.

Is it then as simple as developing an app to put your business 'online'? "Not at all," says Lloyd Ball, Managing Director of the PLP Group. "Consumers aren't interested in downloading 150 different apps to perform different tasks. Today's on-demand market leaders have created successful business models which can satisfy the needs of consumers in a far more scalable and efficient manner than before. They've managed to combine a host of services and goods into one simple platform," he continues.

"Take Uber, for example," says Ball. "While the on-demand car service was pacing at a \$1 billion gross revenue and \$200 million net revenue run rate in 2013, according to CEO Travis Kalanick they are at least doubling revenue every six months, putting the company above a \$3 billion gross in 2015. Uber's current revenue in San Francisco is larger than the entire San Francisco taxi and limo industry revenue. However, Uber still has a significant opportunity for growth, as it is building a digital mesh — a grid that goes over the cities. Once you have that grid running, in everyone's pockets, there is a lot of potential for what you can build as a platform. Uber is in the empire-building phase," Ball explains.

For companies to be truly competitive in this market, it is essential to provide collaboration of complementary, non-competitive businesses to provide added value to users. These range from cross-promotions to close partnerships. Creating a memorable, frictionless user interface is equally important to provide greater simplicity and convenience.

The On-Demand Economy is here to stay. It will represent the fastest and most significant shift in spending since the advent of internet commerce. Soon every need we have, every car we take, every purchase we make will be available at the tap of a button. Make sure your company is ready by partnering with the right people.

PLP has been providing on-demand services to a host of companies for over 18 years. Soon they will be launching a new app, called Hey Jude, which will enable consumers to find, negotiate, organise and deliver any product or service at the best possible price. Backed by a large efficient team of people and a digital mesh of existing infrastructure in the background, it combines everything a consumer needs in one simple interface. "We will be able to supply anything a customer needs, provided it is morally and legally available. Supported by Artificial Intelligence and Smart Assistant, customers will have more options than simply choosing from a

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predetermined menu of services – they will be able to ask for anything they need and receive a personalised service, catering for their unique needs in one simple app,” Ball explains.

The On-Demand economy has lead to a new trust-relationship between suppliers and consumers. As customers make use of the services, they are rated by suppliers and vice versa. “It is applications and services like these that have impacted consumer dynamics and has changed the way we do business drastically. It’s innovations like these that will keep us at the forefront of the market,” Ball concludes.

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