**John Harrison** & Co
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# Monthly Newswire

Welcome to our monthly newswire. We hope you enjoy reading this newsletter and find it useful.

January 2018

## KEY TRENDS TO WATCH IN 2018

**Technology and innovation are driving the evolution of most businesses these days. Here are some of the key business trends to watch out for in 2018.**

**Blockchain and cryptocurrencies**
A blockchain is a digital, decentralised, public ledger of all cryptocurrency transactions. Blockchain is a way of bringing trust and transparency to the way businesses operate online, while mitigating many of the weakest points in existing processes. Cryptocurrencies such as Bitcoin are receiving a lot of press coverage. These online, digital currencies use blockchain technology to facilitate payments. Both are likely to be a big trend in 2018 and beyond.

**Artificial intelligence (AI)**
AI has developed in 2017 and looks set to continue to do so in 2018. Businesses are starting to find ways to utilise this technology in terms of automating tasks and creating efficiencies. Some are starting to use AI to automate document assembly or to analyse large data sets. Businesses are experiencing cost pressures and AI is front and centre when it comes to finding ways to deliver more with less cost.

**Millennials move into management**
Millennials are no longer children - the oldest of them are now 35. Millennials are starting to take leadership roles within businesses and in addition to managing their peers, they will soon be managing Generation Z employees. It will be interesting to see if Millennial managers complain about Generation Z as much as Baby Boomers and Generation X complained about Millennials.

**Cloud computing will continue to develop**
Software as a Service (SaaS) created a flexible opportunity for businesses and consumers to try out early cloud services. The growth of infrastructure and platform as a service (Iaas and PaaS) have expanded the number of cloud solutions available in the public and private sectors. Cloud based file storage will likely continue to be a big trend and this should drive ongoing developments in the cyber security sector.

## VALUE IS NOT THE SAME AS PRICE

**In order to create an effective pricing strategy for your products or services, you need to understand your customer's perceived value of your offering.**

Value is a complex issue. Different customers perceive the value of a product or service on factors varying from quality through to brand equity, ethical considerations, environmental sustainability and customer service etc.

Customers rarely purchase based on price alone. Most customers (over 50% according to a recent study), make a buying decision based on brand. As such, your brand must create a point of difference in order to achieve a competitive edge. The key is to add value to your brand's proposition so that price is not the key differentiator.



Understanding the demographics of your client base can pay dividends in adding value (perceived or otherwise) to your brand. Older or more sophisticated customers often place a higher value on quality and customer service. This is because they are financially more secure and tend to spend money on fewer items, while choosing brands that they trust to deliver an expected level of quality and service.

Younger customers tend to want cheaper prices because they are often less financially secure. As such they are more likely to purchase from disruptive brands and, as a result, are more likely to be happy with online delivery channels.

Most of all, customers tend to favour brands whose values match their own. So, if your customers tend to favour innovation then you should try to

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position your firm as an innovative player in your respective market.

If your clients favour ethical brands that are big on promoting environmental sustainability, you should try to reflect these values in the way that you market your firm. Your pricing strategy can then reflect this added value in order to deliver a product or service at a level that generates a sustainable level of profit for your business.

## MANAGING CHANGE

**In business, change is inevitable. The business landscape is constantly evolving and how effectively you manage change can determine the success or failure of your firm.**

### Communication is Key

Any time there is a major change in a business, there will be a natural dip in productivity levels as people react and adapt to something new. Explain what is happening to your team members, keep them up to date and encourage them to ask questions. This will help them to feel involved in the changes.

### Be Patient

Give people time to adapt. As a manager, by the time you have announced a change, you have probably had an opportunity to work through the details. Your employees will not have had this opportunity so it may take time for them to reach the same conclusion as you - that the change is a good thing and / or is necessary.

### Deal with Negativity

Your chances of getting everything 100% right are pretty slim. Be prepared for some people to react negatively to change and allow time for people to process the information. If you notice that some people have adopted a negative stance, chat with them with a view to addressing any problems. Ask for their view in terms of getting the changes over the line. They might be willing to share a few suggestions and this may encourage them to engage in the change project in a positive way.

### The Impact of Culture

Rather than trying to change the culture of your firm, you can draw energy from it. You and your management team can leverage the way your people think and work in order to provide a boost to your change initiative. To do this, look for the elements of your firm's culture that are aligned to the change, bring them to the foreground, and attract the attention of the people who will be affected by the change.



## ONEPLUS 5T

**Smartphone maker OnePlus**

**has a new offering, the OnePlus 5T. If you like the idea of the iPhone X but its price tag is a bit too high, then perhaps this is the smartphone for you.**

For those who are unfamiliar with the brand, OnePlus is a Shenzhen-based start-up and producer of smartphones which was founded in late 2013. The company's claim to fame is its bid to offer flagship-level specs in its smartphones, at more affordable prices. The 5T is the latest offering from OnePlus.

The OnePlus 5T has a huge 6inch AMOLED display which takes up most of the phone's face and gives it a similar look to the latest handsets from Apple and Samsung. Like those devices, it also features facial recognition to unlock the phone. The 5T has a 16-megapixel main camera, which has been optimised to take better low light photos. The 5T also has a fingerprint reader. A really nice feature is that if you have two different accounts for apps like Facebook or Twitter (perhaps one for work and another for personal) you can run them both by making parallel apps on the phone. Other nice features include the gallery app which can lay out the photos you've taken on a map (once you allow geotagging). The 5T runs Android 7.1.1, Nougat and is soon scheduled to get Android 8.0 Oreo.

In terms of processing power, the 5T features a powerful Snapdragon 835 chipset. Battery life is a strong point of OnePlus handsets and the 5T is no exception with realistic "all-day" battery life. It features the brand's innovative 'dash charge' technology, which means the 5T can reach a full day's charge in just half an hour. However, unlike some other high-end devices, it isn't water resistant, doesn't have wireless charging and doesn't have expandable storage.

The OnePlus 5T starts at £449 for the standard model with 64GB of storage.

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There is also a 128GB model available for £499. This compares to £999 for a 64GB iPhone X or £669 for a Samsung Galaxy S8 with 64GB storage (these are, of course, SIM Free prices).