
Walking past the trail: a roadmap to end-to-end consumer engagement

By Alexandre Vandermeersch
Foreword by Patrick Willemarck

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Stay ahead of the game by truly engaging with consumers

At the beginning of economic success, we often find a big idea. Think about Thomas Edison and the successes booked by General Electric for more than a century. We could also mention Louis Pasteur, Graham Bell, King C. Gillette, Henry Ford, Ernest Solvay, and others.

Today, the fusion of economy and information technology makes these types of exploits ever less likely because growing uncertainty creates growing prudence and the informational nature of many new ideas makes them quickly susceptible to imitation. New ideas therefore appear to have shorter life cycles, creating competitive advantages that may last only a few months. As any great chef will tell you, his value does not lie in how many meals he can serve, but in his ability to invent new and unique recipes. The same is true for a CEO or CMO.

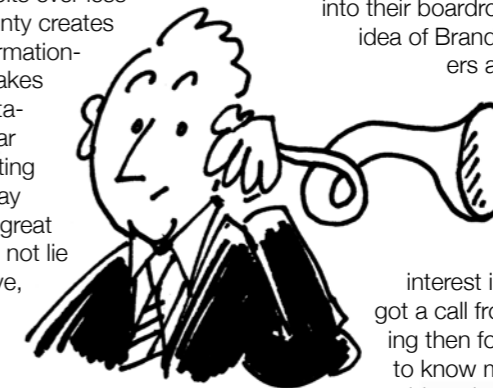
Inventing new things is vital but companies are having trouble coping with it. Roderick White, chief editor of Admap formulates the issue very clearly: « While the flow of new products required to satisfy consumer needs shows no signs of slowing, the process that fuels it is full of flaws. Raising the derisory success rate of innovations should be the top priority for company bosses and marketing people. It won't be easy: all the trends are against it.»

And what if Web 2.0 happened to be the phenomenon that could guarantee economic success and sustainability for those missing innovations ? In my book, I was encouraging companies to think about the development of superior value of use for their pro-

ducts or services. I was encouraging them to focus on one single priority: to thrive on becoming indispensable in their clients' and prospects' daily life. Easy to say, not easy to do. Because it requires a paradigm shift. **Companies should stop shouting and start listening.** They should stop considering consumers as sheep. They should realize that the mass marketing game obeys new rules. They should invite lead users into their boardroom. That's how I came up with the idea of Brandialog, a Web 2.0 tool where consumers and companies can interact with one objective in mind: improving their mutual satisfaction in dealing together.

Two years later, through prototypes and tests, Brandialog is becoming a tool that raises a lot of interest in many markets and industries. I even got a call from Alexandre Vandermeersch, working then for McKinsey&Company. He wanted to know more about Brandialog. We met. He told me how P&G decreased its concept testing costs by 75% by leveraging consumer groups online for feedback. And, last but not least, he showed me the business plan of the company he was about to launch in the field of participatory marketing. By accident we discovered that we were both developing a similar business idea. Instead of competing against each other we quickly decided to join forces. Alexandre has now joined the management team of Brandialog.

Here is a white paper we wrote on the fundamental beliefs underpinning Brandialog's solutions. I hope it will trigger interesting thoughts and discussions in your company.



Walking past the trail: a roadmap to end-to-end consumer engagement

"For the first time, marketers trail the consumers – Consumers are discussing and recommending products and brands, creating new worlds, launching innovations, and marketers are barely catching up on those trends"

(Steve Ballmer, CEO Microsoft. Speech in Belgium, April 2008)

INTRODUCTION

A couple of real, first-hand stories... During a recent child workshop organized by a non-profit association, my 4-year old had the opportunity to make her own detergent – it only took a few spoons of cheap ingredients and lots of water. The teacher was a cleaning lady, passionate about environmental issues. For her, there was no question that a self-built detergent was not only cheaper but used ingredients that were safer for our health and the environment, and limited the use of plastic. What's more, it was so easy and safe to create that a 4-year old could do it. The last bit of the workshop, as an ultimate 'pied-de-nez' to the P&Gs and Henkels of this world, was to transform the old, now useless detergent bottles into toy cars by adding caps and wooden sticks as wheels...

More recently still, I received a typical e-mail newsletter from a famous fruit-logo company which was advertising great ear speakers for its MP3 player. It was an apparent case of great 1:1 marketing, as I was planning to buy exactly that. However, the link to the company web site displayed not only the product description, but a dismal consumer review score, with multiple complaints about the poor quality of the product. The result was, off course, a no-buy.

What those two stories have in common is that they feature lead users and influencers who do not seem to use their energy in the direction that marketers would

First, let's consider for a moment the key consumer trends in developed countries. Put simply, three major trends should be top of mind for every executive in consumer industries:

1. An ever present participatory Internet, with rising consumer power. The Web is the world's first ever truly participatory media, and, according to research by Microsoft, will be surpassing TV as Europe's first media by 2010-11 (by hours spent). The Web is today the prime source of information for much of the shopping basket, be it online or offline. For high involvement purchases such as consumer electronics, about 65% of people buying in stores did so after going online first... and online research led more than 40% of consumers to change their mind on a product (Nielsen research). In addition, through the latest smart phones, the Mobile Internet is finally picking up, leading to new consumer behaviour. For instance, you'll see more consumers checking online reviews and price comparisons of products while in the store. Shops will install kiosks enabling consumers to get personalized recommendations based on their shopping history. Net, the frontier between online and offline shopping are blurring.

But that's not all. Social networks have now reached 75% of all Internet users according to Comscore, and since anyone can send a brand bashing (or praising) message on Facebook to their average 120 "friends" in seconds, everyone becomes a potential influencer... and yesterday's influencers are becoming "super-influencers", with immediate access to hundreds or thousands of people, and indirectly to millions. The overall power of the consumer has drastically increased in the space of just a few years.

"With all the rage about Web 2.0, many companies have started to experiment with it and extract benefits, which is a great start"

want them to. With all the rage about Web 2.0, many companies have started to experiment with it and extract benefits, which is a great start. But we believe that the changes needed by consumer companies are much more fundamental, and, as shown by those stories, will need to go beyond merely experimenting to transform the approach towards consumers, both online and offline. We would like to propose consumer companies to address this transformation through a new concept, called 'end-to-end consumer engagement'. We will introduce it and explore it in the rest of this paper.

2. Drivers of consumption are evolving: green consumption, sustainability, health incidence and functionality are increasingly important as criteria for consumer decisions. Other factors are also evolving such as the need for convenience, superior shopping experience, individualization and customization. It is difficult to predict the exact weight of these new trends in the future consumption landscape, but some categories already see major transformations. For example, the green trend is seriously impacting TV sets and car purchases, and the customization possibilities and convenience of photo Internet printing is causing a strong decrease in small retail photo shops.

3. Sophistication is on the rise. Consumers are becoming tech-savvier, proud of getting the best deal or something unique, and making the best of each channel through the purchasing funnel, while keeping an eye on their spend and consciously allocating time spent for research. Sophisticated consumers are unforgiving towards mistakes and have limited attention spans. Lastly, they have learned to ignore irrelevant material. For instance, Web banners show today a dismal average click rate of less than 0.2% vs 2-3% in the early days of the Web. This trend is likely to spill over to traditional media such as TV as more opportunities to switch your attention abound (e.g. using apps from your smart phone on your sofa).

Maybe you have read all this in other articles or presentations, and anyway this might seem like the traditional homework of a consultant. Well, here is a statement. Those trends, coupled with socio-demographic changes (aging and household structures evolving to smaller and independent decision units) are probably the strongest consumer changes since the industrial revolution and the rise of the middle class. And while much research has been dedicated to the evolution of the Web and its implications on companies, few studies have actually addressed the impact of the combination of these major consumer trends.

Our belief, building on the point made by Steve Ballmer in the opening quote of the article, is that since marketers are trailing consumers, neither barely playing catch-up by 'joining the conversation' on the Web 2.0, nor copying competitors will make the cut. What is truly needed for consumer industries is strong, fast evolution towards consumer-centric corporations – what we call end-to-end consumer engagement.

Engagement means going beyond listening and marketing to truly engaging, in a dialogue of equals, with consumers. End-to-end means that it won't be solely at the point of understanding the consumer problem or testing the prototype that interactions will happen. Engagement will need to occur throughout the value chain, from the initial idea to the test release, and continuous in time, enabling the company to accelerate and guide product/service development and enhancements.

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Why could this be the answer? The combination of mass participation, power and sophistication with new drivers of consumption is potentially explosive in all industries. Losing touch has happened very quickly for many companies, both small and large, in many segments. Examples of attackers surprising the established leaders abound, from Vizio - a start-up in the LCD TV market launched in 2002 which became market share leader in the USA in less than 5 years - to the iPhone and Blackberry hitting the mobile market leaders. And yet the attacked companies all had "great-everything": R&D, manufacturing, marketing, distribution, and top management. But for many, they lost the relentless focus to provide superior consumer value and experiences, no matter what – even if it meant radical changes away from past and current investments, approaches, organizations and recipes, and even sometimes putting at risk some of the 'established' business.

While the concept we invented is nascent and certainly not (yet) a science, we propose here to paint a possible destination for consumer companies, be it in retail or consumer goods/services, and a few hints on how executives will need to proceed to get there. Your company is probably somewhere along the way – we would find very few companies which do not display any sign of consumer engagement. But only very few, if any, have figured it out completely. We do not pretend that we have, but we propose a few points to provoke your thoughts.

TOWARDS END-TO-END CONSUMER ENGAGEMENT

Companies will need to change in 3 major ways to move towards end-to-end consumer engagement:

- Mindset: from silos and company wishes to consumer centricity
- Consumer insights techniques: from old recipes, spotty and scattered to, innovative continuous and pervasive
- Marketing toolkit: from air flow only to participatory marketing



1. Mindset: from silos and company wishes to consumer-centricity

The first move is to conduct a ritual murder of consumer ownership. The consumer is too important to be 'owned' by marketing or a consumer insight department. The consumer should be in the heart and minds of every employee, and consulted in almost every step of the value chain.

Consumer centricity is also a commitment – every department will need to be coherent with the promises you are making to the consumer. So will your key design choices, from strategic sourcing choices to pricing, down to your customer service. For instance, BBVA, the Spanish bank, publicly stated and documented its commitment to 'centre its strategy on customer delight', and is 'working to become a worldwide reference in customer insight'.

How does that play out for departments less in touch with consumers? R&D will need to be much more flexible, and adapt quicker to new consumption drivers as well as ever rising expectations. Manufacturing will need to change deeply to take those consumption drivers into account, for two reasons. Firstly, those new consumption drivers go beyond product attributes to touch the complete behavior of the corporation, such as its environmental and societal role, for which manufacturing is the key influencer.

Secondly, manufacturing will need to become much more flexible to meet individual customization requirements, as well as the pace imposed by competition and ever-rising consumer expectations, just as Dell did in the PC industry.

Customer service will need to move from a cost center to a strategic asset, and become a vital center for flagging and initiating changes.

Many companies build their plans based on incremental wishes by management (sometimes called 'business planning'), which are too burdened with internal negotiations and discussions, and the sole company agenda, focused on shareholders. But what the company wishes may not be what the consumer wants. And the impatient, sophisticated, and powerful consumer will, at best, move on and forget you, and at worst, create a backlash. For instance, when in 2000 AG Laffley was appointed CEO of P&G after two profit warnings, he quickly admitted that the company had lost track of the consumer, and urged the organization to refocus on the two 'moments of truth': when a consumer buys a product in their category, and when (s)he uses a P&G product.

Established companies with solid brands have the right to be slower or make mistakes, but they will not be able to rely on brand equity or switching costs forever. Discipline and sound planning are still fundamental, but the plans need to be directly backed by adequate consumer facts – be it research or analysis on customer satisfaction or service. Net, strategies at category and product level should be directly underpinned by fundamental consumer needs and opportunities to provide much better, innovative shopping and user experiences, while exceeding other consumer drivers.

All other traditional "assets" which flourish on the balance sheet - such as existing platforms, patents, manufacturing facilities and partnerships - are useful to notice but come far down the list (easier written than done, we agree, but this could be your aspiration). This is why focused new entrants such as Vizio have done so well over the last few years: they do not have any of those "assets" to start from. And they guard against building too many: Vizio is leading the US TV market with less than 200 employees.

2. Consumer insights approach: from old recipes, spotty and scattered research to innovative, continuous and pervasive

Most companies have spotty consumer interactions. They may conduct research to prove the need, push (after long debates) their R&D department for a few years to meet those needs, test the prototype product/services for a while, take some time to prepare for manufacturing (even years), then hand over to marketing for the launch and ongoing management. In the process, multiple managers push their own agenda and biased beliefs, while many consumer insights are lost and needs change, resulting in high failure rates for new products (about 50-65% within a year in Consumer Packaged Goods).

In the new model, consumer engagement does not follow the old established recipe and is continuous – ie, it happens all year long, like an uninterrupted conversation. In addition, beyond the mindset change stated above, new techniques will need to be used across the value chain to truly bring change and ensure that you stay on top of the game at every step:

- Listen & truly understand needs and opportunities by using more in-depth, qualitative research and alternative research techniques, such as online focus groups, consumer diaries, anthropologist, etc...
- Reach out to lead users and influencers, who will welcome being asked for feedback and generate early buy-in. The good news is that in today's world, they are easier to reach as you will find a bunch of them online. Not all of them are there, especially for non-tech or low-tech industries - keep in mind the cleaning lady.
- Dialogue with consumers to get their feedback on concepts and design; ask for new ideas and get opinions. For instance, many Fortune 100 companies are tapping into continuous online forums with their 'customer communities' - which may be either a representative set of consumers interacting in a private setting or a general community open to everyone - to constantly stay on top of their needs, testing their fit with products, packaging and marketing, and the experience they propose.

Beyond the continuous aspect, which enables companies to test various elements of product development up to marketing and advertising, the continuity in the relationships creates a real 'sense of bonding' between the company and those

engaged consumers, enabling the company to get much more than traditional research can offer, as well as strengthening the positive Word of Mouth of those consumers.

- Co-create in partnership with consumers, 'prosumers' ('professional' consumers, willing to spend for high-end products and early adopters of innovations) and other resources (e.g., designers, inventors) by asking ideas, design for products, services, and marketing (including advertising).
- Service. You can see your customer service as a source of cost or even, as some companies do, refuse to answer any queries, but the truth is that consumers taking the time and effort to contact you are probably lead users and influencers. Not only will you have an opportunity to delight them, which they will return to you 100 times through positive word of mouth, but this will be a source of invaluable insights. In the 'Lean' methodology for continuous improvement and waste reduction invented by Toyota, and now used in all fields, it all starts by truly understanding 'the Voice of the Customer' on what matters. No need to mention that customer service is one of the right places to hear it. A great, prominent and marketed customer service is an opportunity you cannot miss.

3. The marketing toolkit: from air flow only to participatory marketing

We will focus here on the most difficult topic. Since marketers are trailing behind consumers and tend to use old, proven recipes, the question is how to revert that trend. Let's be clear: there is no new recipe – marketing will actually evolve to a new mix of creativity and craftsman work, combined with data-driven analytics and solid business judgement. We will first use a simple analogy. The techniques to get your products/services into the hands of consumers can be compared to heating transfer methods: hot air flow, radiation, and conduction.

- Hot air flow (or convection) is the most brutal, albeit in general fast and effective. Typically, about 40% of brands enter the consideration set thanks to advertising, according to McKinsey research. Obviously, we refer here to traditional advertising, from Web banners and TV ads to billboards and below the line campaigns. This off course is usually not very cost effective, since only a small minority may be firstly in your target and secondly actually influenced, and will require multiple 'impressions' before anything happens.

- Radiation is emitted by radiators and light bulbs, as well as the sun, but the most interesting form is the laser ray: targeted, crisp, relevant and timely. In marketing, you can compare laser radiation to 1:1 marketing (a tailored newsletter or permission-based marketing), and SEA (Search Engine Advertising) since you only display your ads when consumers are looking for answers on a related topic. This method is highly efficient yet typically has lower reach and is slower to get traction.

- Conduction is the last heating method, in which every molecule will 'heat up' its neighbor, and so on. Viral marketing is the typical weapon of conduction, but the most important is certainly simple Word of Mouth, as research shows (19% for entering in the consideration set according to McKinsey research). And it is one that can be influenced, by tapping into bloggers and lead users, making it easy and fun for people to share with friends (via Facebook, virtual gifts, etc). It is the most effective and efficient method, but also less reliable as success is never guaranteed, since it requires other people to take action. Last, backfires are always possible through negative Word of Mouth or Word of 'Mouse'.

Today, while many companies are still at ease in the first category, they fail to capture the value potential of the second and especially third categories. However, the prominence of social networks and Web 2.0 offer new opportunities for those companies who are able to re-think their marketing along those lines. In addition, while conduction is not fully under your control, the techniques to master it are being established. For instance, P&G, by exchanging employees with Google, discovered the importance of reaching leading bloggers.

While indirectly influencing 'millions of customers' may sound like a terrifying challenge, companies need to realize that they have less customers than they think. A recent extensive study by Catalina Marketing on the actual shopping behavior of 54 million Americans shows that, on average, 2.5% of customers account for the purchase of 80% of a typical CPG product, in contradiction with the traditionally assumed Pareto law of 80/20. Those are your main buyers, or the so-called 'Pivotal Point Consumers'. Let's consider now that a subset of those are key influencers for others (about 5 to 20% of users, who are 'super-influencers' depending on the countries, according to research by McCann). Properly targeted and tapped into, those consumers can become a key source of Word of Mouth, or even formal 'ambassadors' of your brands

in exchange for recognition and rewards. Multiple companies have done it, from P&G ('Vocal point' program for influential moms) to retailers like Karma Loop, and of course, Tupperware.

In addition, this process is cost effective. Compare it to mass advertising: reaching 1 million consumers will cost millions of Euros to ensure repeat impressions on your target audience, which is in general a subset of the total audience reached. Net, you typically end up buying tens of millions of impressions. On the other hand, getting to the, let's say, 10% of lead influencers among your 2,5% of main buyers is about 2500 people... The trick off course is to identify them, reach out to them and then influence them. But in today's increasingly self-disclosing Internet world, achieving this is easier than ever before.

Companies will need to radically re-think with these methods, raise their organization capabilities in the latest 1:1 marketing tools and techniques to successfully reach and convince lead users and influencers, and then balance their portfolio of actions against those 3 fundamental tactics using a good mix of investment vs risk and rewards. Of course, from yoghurt to luxury cars, the final outlook will depend greatly on the industry and market positioning of the company. But what will be common is that marketing will actually be different: it will look like an R&D initiative portfolio, leverage external resources such as bloggers and other influencers early in the process, ensure creativity and proximity to consumers by constantly testing marketing initiatives before full launch, and provide a good mix of 'safe bets' and audacious moves, all backed up by thorough analytics.

Lastly and most importantly, marketing will be even more tightly integrated with R&D and consumer insights departments, as both will tap into the same resources (lead users and influencers) and will need to stay coherent continuously. Marketing will then truly become 'participatory', or, if we take the consumer point of view, companies will offer "products/services I feel part of". Consumers will feel engaged into the innovation and improvement flow, as well as the marketing and customer service activities. Leaders have shown the way. Starbucks was successful with 'My Starbucks Idea', so was Dell, who moved in a few years from a customer service laggard to darling through many initiatives, the most famous being the 'Dell idea storm' to ensure continuous improvements of their products. Even without touching other functions, participatory programs can help sales. For instance, Karma Loop, an online apparel retailer, uses 1% of customers as 'reps' to generate 15% of sales. Without going that far, the example shown by the Nike

'Photo ID' campaign in which users can customize their shoes, demonstrates that participation does not necessarily require a revolution, but a true desire to give the consumer a part in the play...

THE ROADMAP TO GET THERE

While you may start to get a clearer picture of the destination, you may want to ask what needs to be put in place today to get your organization moving. Here is what we believe are the major success elements for companies to really and fully engage with consumers along the value chain.

Get fundamentals in place

- **Build a base of lead users and influencers** – find out who they are, reach out, and recognize/reward them, as they are critical for new product adoption. But especially, interact and learn from them, online and offline.

- **Change your culture, from company-process centric to consumer centric; from (potentially) rigid to flexible, innovative and participative.** First, implement the mindset changes by making visible changes in processes and approaches. For instance, don't think in terms of 'assets' to leverage, think about the 'superior consumer experience' you want to build both in your products/services and your marketing. If you have a great website but your consumers are on Facebook, then you should be there too. If your budget process is self-centered, turn it around, or minimize it. In addition, changing culture often has another common element: the critical importance of role modeling by top management. When the CEO's of P&G and Walmart meet, they always include a store visit, taking the time to dialogue with shoppers during their busy agenda - something that might be seen as a waste of time by many other CEO's.



- **Get the infrastructure and organization right.** Be it your formal organization, processes or software, your organization needs to adapt to the new reality. Are your R&D and Marketing silos? Are you slowed down by your legacy systems and Web technology? Is your innovation approach incremental or does it allow for disruption? Would you be better off tapping into external R&D networks vs relying on your own force? Should you raise your marketing capabilities to include other tactics? If you sell your products or

services directly to consumers, do you have a solid CRM in place? As a retailer, do you use the wealth of data from your loyalty program as a strategic weapon to get closer to your customers through personalized offers? A strategic review might save you some time, even though it could include some radical decisions. For instance, maybe you would be better off with small, integrated category or product units, each using a small R&D/Marketing and Sales team supported by external resources.

- **Monitor and measure** – ensure that you not only monitor the progress and results of what you do, which is critical, but also 'what is going on' with your brands, on the Web and offline. This will enable you to really understand the impact of your actions and react accordingly, to both capture and react early to positive phenomenas (eg. adoption in certain groups) and control incidents before they spread too fast.

Ensure engagement is end-to-end

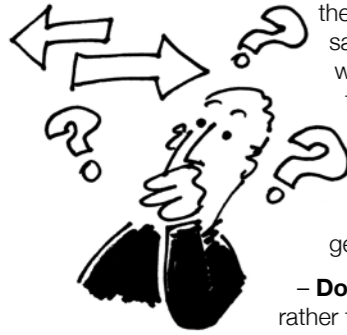
- **Engage continuously throughout the value chain and in time**, with preference for depth rather than breadth: continuous focus groups and forums; co-creation of new products by gathering ideas and feedback from initial idea to final prototype; testing products, marketing campaigns and ideas; online communities and leveraging lead users as 'consumer-consultants' and ambassadors.

- **Review your brand attributes, and your organization's full consistency vis-à-vis these.** For over-solicited, time-strapped consumers, brands are as important as ever. However, consumers will increasingly dismiss brands that have an unclear value proposition, make undue compromises on their value and promises, or worse, try to trick them (e.g. disguised price increases through volume changes). Keep in mind that it only takes one single 'smart guy' to see the trick before he publishes it to thousands or millions of others.

This is the reason why the best brands in this world have thrived. Beyond seeking a clear promise, they ensure a 100% consistent experience before, during and after the consumer purchase and consumption. Your whole brand-level organization should therefore be aligned with your brand attributes and promises. A great example in Belgium is Colruyt, a discount retailer who relentlessly focuses its whole organization on implementing a simple and powerful brand proposition around value for money. After years of solid growth, it recently became Belgium's leading grocery retailer.

Shift your marketing tactics

– **Ensure you are building a fair mix of air flow, radiation and conduction.** The very first step is to visualize your marketing budget along those 3 lines, and get a good understanding of the sources of sales on those same 3 lines – the imbalance will give you a first indication. The second step will be to close any capability gaps in the second and third sets of tactics, then run idea workshops to generate a list of initiatives.



– **Do 'R&D-like marketing':** rather than traditionally investing 5-10% more or less than last year, create a portfolio of marketing initiatives. Rank them based on financials like ROI or RCQ (Reach, Cost, Quality) vs risks and strategic objectives (e.g., product launches). Ensure you keep some balance in the portfolio: the safe bets vs audacious moves, and a fair mix of the 3 tactics. Then make the cut. Of course, review regularly, challenge the portfolio and combine initiatives to gain critical mass, just as with R&D, and do this more often than the yearly budgeting cycle! Finally, leave room for experimentation.

Adapt your corporate branding to the new realities

Corporate branding is no longer a matter reserved to PR, investor relations, or recruitment. Most consumers have an image associated with the company they are buying products or services from. Industry leaders such as Ben & Jerry created a very strong corporate brands attributes around sustainability as much as they created great ice creams. Yet for many companies, the "consumer-version" of the corporate brand is probably the equivalent of Dark Father: a large, isolated corporation in an ivory tower, with executives solely or mostly preoccupied by making more money.

Alas, when a company itself gets into the consumer spot light, it most often is to face an incident (e.g. iPhone breaking up mysteriously)...and too often its reaction is simply comforting

this ivory tower image: denial or silence.

Fortunately, this does not need to be the case. Amazon CEO Jeff Bezos, one of the most admired



executives in the e-commerce industry, apologized deeply to consumers when gay-related products were withdrawn by mistake earlier this year. And when in 1982 Johnson&Johnson faced a safety incident with Tylenol suspected to be responsible for the death of 7 people, J&J did not wait for any investigation to take the lead to inform nation-wide on the public health threat and organized quickly the recall program. J&J was praised for its swift actions and gained public recognition. This is now a class example for superior PR management.

Today, the highly networked and transparent world, coupled with rising concerns over environment and sustainability, should force companies to strongly transform their corporate branding towards consumers. At minimal, showing the greatest care, proactive ownership, and full transparency to handle incidents and issues will contribute to build the corporate brand. But even counter-intuitive steps, like for instance changing one's mind to a given decision after a backlash, is actually a brand-building move, as it shows a great care to the public's opinion, and trend to dismiss the 'dark father' image in the public's eye - after all, the company is led by humans who do can mistakes like everyone else.

But fundamentally, **building a transparent set of superior values and mission visible by the consumers**, like Johnson&Johnson or Ben&Jerry did, might be the best way to achieve this transformation in a sustainable way.

Get more innovation and disruption on the agenda

– **Collide consumer and technology trends to innovate.**

Are you playing with disruptive ideas and concepts addressing consumer needs and trends, and using new technologies? For instance, Walmart, better known for its proven retail recipes and not necessarily for its innovation, has announced that it will introduce a sustainability index for the products it is selling, to ensure transparency of the new consumption drivers for its shoppers, all technology enabled. Nike received international recognition for its 'Photo ID' campaign, letting consumers get their Nike customized shoes using the two dominant colors of digital photography taken by consumers – again a great mix of consumer trend (individualization) and technology.



– **Get out there and become 'multi-modal' with your brands.** Are you on Twitter / Facebook and how? If relevant for you, are you present in Teen virtual worlds (audience of 200+ million Teens)? While Second Life fell short of expectations, virtual worlds have found their home on the Teen planet. For instance, Pimkie (apparel stores) sells virtual goods in Taattu (a teen virtual world), making some money from it but most importantly using the opportunity to cross-sell in the real world by giving online coupons to Teens.

'Multi-mode' is the ability to use multiple 'modes of consumption' for brands. Media brands have been multi-modes for decades (ie, selling toys with movie characters). In today's world, brands in all industries have the potential to do so, by extending themselves to virtual worlds and goods, providing new experiences (e.g., Branded stores) and (potentially) even extending to adjacent industries (cfr Apple). Many have already started, and while this may sound as if it is reserved for giants like Google, Microsoft or Sony, the Pimkie example shows that it is far from being the case.

FINAL WORDS

It's a fast evolution that has happened over the last 5 years, not a revolution... but those are the most dangerous ones. As the story goes: if you throw a frog alive in boiling water, it will jump out immediately. If you put it in cold water then progressively raise the temperature, it will boil. True leadership from top executives will be required to jump. The good news: there are role models and tools to get you there, and not many companies have figured it out completely yet. The bad news: as they do, consumer tolerance for the poor performance of laggards will decrease, resulting in an acceleration of their fall.

If companies take radical steps to change and move towards end-to-end consumer engagement, they may still not convince all cleaning ladies to switch back to their products or get positive reviews for the products they want to push - but they'll feel much closer to the game, and maybe even manage to walk past the consumer trail.

About the authors



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Alexandre is the CEO of Brandialog, a company proposing online solutions for end-to-end consumer engagement.

Prior to that, he was senior project manager at McKinsey&Company, where he specialized in marketing, innovation and business development. He also worked at Procter&Gamble.

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Patrick Willemarck

Patrick is the Executive Chairman and founder of Brandialog.

He has 25 years of experience in advertising. He is the author of an award-winning book on innovation

'Innover pour durer', and teacher at Solvay business school

Prior to that, he was CEO of advertising agencies such as Grey, Young & Rubicam.