INDUSTRY WATCH

THE CUSTOMER **INSIGHT JOURNEY OF**

Amazing Grace

Make it personal!

Mondelez International is one of the world's largest snack manufacturers and distributors and makes some of the world's favourite brands such as Cadbury Dairy Milk chocolates, Oreo biscuits and Halls candies. Its current consumer-centric approach to the market originated in 2009 in the Philippines. As I recall, those were tough times; family budgets were stretched thin. Our products weren't even

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present in most sari-sari shops-the small neighbourhood convenience stores that met ordinary people's everyday shopping needs. It seemed hardly ideal for my company, with its portfolio of leading international brands, to capture local hearts and pesos. We had to do something.

How do you put consumercentric marketing into action?

By Pradeep Pant

To address this, we developed the Amazing Consumer Journey Programme, which was designed to enable the company to access the innermost thoughts and behaviours of its consumers, and get to know them better. As it turned out, that journey unlocked the power of our brands, and our employees. The Programme took our staff out of the office and into the shoes of ordinary people to see how they think, and

how they feel. Through that initiative we learned all about our customer's wants. needs and desires. We discovered what they valued, how they lived their lives and thought about the future. A pattern began to emerge, from which we generated our model archetypical customer. We named her "Grace".

By getting to know her... to relate to her... we embarked on a consumer-centric journey that would unlock the power of our brands, and the creativity and passion of our employees.

PROGRAMME'S 1ST SEASON 4 months 48 employee volunteers 6 cross-functional teams



Grace is a fictitious representation that personifies everything our staff learned through the Programme. This gave us a lot of insight. Not only did we better understand customer behaviour in the context of where our products were sold, but where our products should be sold, like a *sari-sari* store. This led us to an important realisation.

Prior to 2009, we acted only as a global player that skimmed the top of the market with our international offerings. We had never really gotten to know the consumer, and because of that, we had never committed to localising our offerings. Grace inspired and transformed our Philippines business. By getting to know her... to relate to her... we embarked on a consumer-centric journey that would unlock the power of our brands, and the creativity and passion of our employees.

Plotting the journey

The Programme was the brainchild of Elaine Limbaco, the consumer insights manager at Mondelēz Philippines. She knew that the company had to go beyond "desk marketing", where market research teams relied heavily on data analysis and reports. Rather, these teams should be engaged in field research. They needed to experience the lifestyle habits and spending choices of a typical consumer. This was a significant organisational innovation—as it was the first-ever attempt to rally our organisation into leaving the office and talking to consumers face-to-face.

In 2009, we began rolling out the Programme. This occurred over three phases, which we called "seasons". The first season lasted for four months, with 48 employees volunteering to take part. They were placed into six cross-functional teams that addressed specific category questions. It was quite a competitive environment with requirements to complete certain tasks under a clear deadline. In addition, it was extremely immersive. The teams listened diligently to our consumer hotline for feedback. They carefully profiled their target customer and went through all the touch-points of their life: daily routines, shopping habits, who they visited and the places they frequented.

The teams then came up with a profile for their target customer: a woman, someone in their mid-30s, with three children. Her name was Grace. She became a living part of the Mondelēz world—and the team soon began referring to this consumer-centric journey as "Amazing Grace". The name stuck. Her picture now hangs in our hallways and meeting rooms. When we make decisions, we ask ourselves, how does this make Grace's life better?

Amazing Grace was a real break from the past. It used to be that we approached consumer insights globally and then applied knowledge from those insights locally. Amazing Grace is a much more personalised approach, where we identify and connect with the local consumer. We've given her a name and face; she celebrates birthdays and attends family gatherings. That's what the first season was all about: establishing the Grace personal and relating to the consumer on a personal level. It gave us some real insight.

Results garnered included 659 insights and 22 new product development ideas with top scoring concept test results. These provided actionable outcomes to be activated within the next six to 12 months to apply consumer centricity to business outcomes.

Season Two went on to expand our emphasis on catering to low-income consumers, and in Season Three we shifted from a consumer insight focus to a focus on shopper insights. This empowered our employees and put the customer at the heart of everything they did. Mondelēz was transformed into a truly consumer-centric organisation.

WHERE IT ALL STARTED: THE PHILIPPINES' AMAZING CONSUMER, GRACE



Name: Grace Age: 34 Children: Jennifer, 11, Michael, 8, and Ryan, 4

Her husband Ronald was recently laid off from his job at a law firm and is now taking care of the kids during weekdays while Grace works. Family is the most important thing in Grace's world. She shops not only for food, but also for good nutrition. **She is practical and always looks for best value products.** On weekends, her family is happy going to Mass and then visiting the mall and eating at Jollibee. These small moments with the kids help bring them closer together. She feels she can guide her children on the right path when she's part of their lives, and that they will grow up to be good people.

Employee engagement soars

As employees became involved in the Programme, they gained a better sense of purpose about their role within the organisation. Sudip Mall, the general manager for the Philippines, expressed it best when he said,

Everyone began to understand that their basic purpose here was to work for their boss, Grace. Every meeting would be about Grace. People now had a sense of purpose about who they were, and that purpose was to make today delicious for Grace. If you knew Grace, then you would have an idea that would make her life better. And that meant everyone who worked here could influence the business. The cross-functionality aspect of the programme also strengthened employee morale. Staff came to realise the importance of their own role and the roles of others. It became apparent that each and every member of staff had the ability, and potential, to influence the business. This catalysed greater collaboration and synergies that brought about new opportunities, not just for the individuals, but for Mondelēz as a whole.

Suddenly, all functions and levels of the organisation began to contribute to the innovation process. It was no longer about the marketing people pitching for a new product and arguing over the validity of their ideas. Now manufacturing, logistics, finance, etc., were all working on product solutions together. The process had become about collaboration and consensus between peers and there was tremendous team energy.



Consumers are not static—they are always changing and if your product stays the same, you lose.

Rudi Ramin, regional marketing manager for biscuits in APAC, commented on how refreshing the new cross-functional team approach was,

People who don't do consumer work day in day out are now doing consumer work—finance, corporate affairs, supply chain, etc.—and this gives them a different experience, they all really feel there's a better purpose in what they do now... It was a marketing journey with a specific goal.

For example, when the packaging team began to understand the living conditions of Grace and the Filipino consumer, they came up with ideas about package shape, size, and how to better ensure freshness and quality. Product development teams

ELAINE RODRIGO'S FIVE INSIGHTS

Elaine Rodrigo joined the oraanisation in 2007 as consumer insights director for Asia Pacific. In the past, the company's approach to consumer insights was to take a alobal insiaht and apply it locally. That changed after "Amazing Grace". The Philippines was first in line to try the new approach, which has since become a blueprint for innovation in corporations throughout the world.

Elaine points to **five insights** that led to the success of the Amazing Grace Programme: **O1** Find a name and a face for the consumer – to enhance consumer "relatability" and help employees relate to her on a personal level. Grace and her picture helped to unify the mission of the organisation. We made her tangible and that made her real in the eyes of the team. Sometimes we work best when we know who we are working for.

02

Design the programme as a cross-functional activity, with cross-functional representation on the insights team – to introduce fresh perspectives from people less immersed in the brand and to build esprit de corps throughout the company.

03

Secure strong senior management endorsement as well as participation from the regional leadership team and the country general manager - to underscore the strategic significance of being consumercentric and keep the focus on actionable insights. Initiatives that are started at the top have an easier time gaining traction.

05 Activate insights and measure results - because this is not a feel-good programme; it's a critical lynchpin of the company's growth strategy.

04 Create buzz and

excitement through the spirit of friendly competition - to increase the fun, recognition and teambuilding aspects of the journey. Borrowing from the Amazing Race made the process of gathering consumer research fun and exciting. It was not a task but often a release.

began to create flavours, textures, and preservatives that could withstand the warm, moist and often erratic tropical climate. In turn, the Manufacturing team began to understand not just how, but why, we needed to produce and deliver products that might be different from our other global products. And marketers well they began to understand where Grace was, and where she was not; what she said and what she wanted. These marketing insights changed the way in which we communicated with the market. We had to constantly think about where, and how, to reach Grace.

Innovation became another key outcome of getting to know Grace so intimately. For instance, we produced winning concepts such as the Eden CookSarap Cheese, the world's first shelfstable pre-grated cheese meant for cooking—which met its sales targets within one month. And as a business, we went from single-digit growth in 2007 to double-digit growth in 2009, which has continued in the Philippines until today.

Tasting success

The Amazing Consumer Journey remains just that, amazing. All of Asia Pacific had been watching as the Philippines executed the programme in 2009 and the enormous success of this programme riveted the Philippines business.

In 2010, The Amazing Consumer Journey Programme was rolled out across the Asia Pacific. Transposed to culturally relevant names—the Programme was dubbed, "Amazing Xiao Fang" in China, "Amazing Su in Malaysia", and "Amazing Budi' in Indonesia"... the names go on. In 2011 the Programme was further replicated in Australia, India, Japan, Malaysia, New Zealand, Singapore and Thailand. By the end of that year, across Asia Pacific, 750 employees from nine markets had participated in the Programme for over 450 days, generating 300 new insights, and 600 new ideas.

Inspired by the success of the Programme in Asia Pacific, other emerging markets across Mondelēz set out on their own Amazing Consumer Journeys, including: Czech, Dubai, Egypt, Poland, Romania, Russia, South Africa, Turkey and Ukraine. In 2013, the Programme was adopted throughout Latin America. The countries were diverse, but the objective remained the same: to observe and understand consumers at a deeper, more intuitive level.

In the Philippines, Amazing Grace is now into its fourth year. The Programme continues to be a great source of innovation, transformation and engagement. Staff have a greater appreciation for their roles and are contributing to the company in new and different ways—one can really feel the momentum and excitement as their ideas contend for acceptance and implementation. We no longer need to muddle through the time-consuming research reports of the past. Our intuition has become an invaluable tool as we've transformed into a consumer-centric organisation. However, this intuition is more than a gut feeling. The Programme helps us to reveal actionable insights that are incubated through a competitive, cross-functional team-based approach to innovation. In addition to their ability to enable multi-functional teams to connect with consumers at a deep level, the campaigns also fully utilise people's curiosity and creativity to unearth fresh insights that inspire breakthrough marketing and sales. Our employees become better utilised and feel empowered. The results are visible and quantifiable in corporate performance dimensions.

Innovation, then engagement, has been central to the organisation's transformation. Indeed, the Amazing Consumer [Grace] Journey has fundamentally changed our perception of the company's consumer insights and strategy function itself, which previously wasn't rated highly in the organisation. Moreover, by adopting a consumer-centric approach throughout the whole organisation, we have become more agile and more competitive.

Final thoughts

There are two moments of truth for marketing executives: first, when the consumer confronts the product, does she take it home? And second, when the product is consumed, does she like it? If both outcomes are met, a virtuous cycle of brand equity commences. To achieve sustainable product growth, I believe these two moments of truth need to be mastered so that they are consistently met. But consumers are not static – they are always changing and if your product stays the same, you lose. The consumer has ever changing needs. For products to adapt, companies must have a strong emphasis on knowing their customer and recognise when they are ready for a change.

The Management team in the Philippines demonstrated better intuition and gained new perspectives on our product offerings through Amazing Grace, our consumercentric journey. They also displayed greater expertise in generating fresh ideas and, more confidence in their ability to implement such ideas in the marketplace. They could anticipate the latent, yet hidden desires of consumers, even before those consumers could conceive of such unknown desires themselves. These abilities are the crux of innovation. When consumer-centric strategies are in place, and the faces and personalities of consumers are understood—innovations become more powerful and create a sense of engagement far beyond the company's income statement.



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Pradeep Pant

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