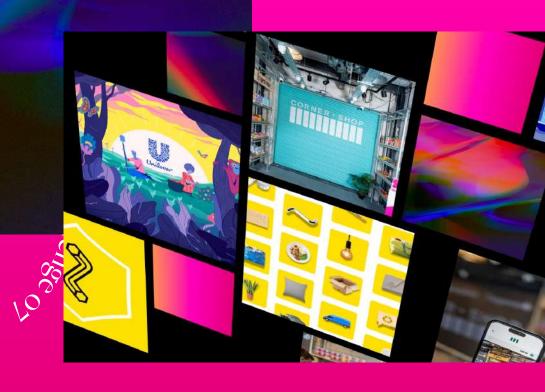


# The New Rules of Engagement

Unconditionally meeting consumer responsibility



Challenge 05

# o<sub>3</sub> A Time of Unconditional Responsibility

3 PILLARS

### o7 Interlocking Strategies

**os Impress:** Lead with experience

**14 Architect:** Build on purpose

**Extend:** Elevate your loyalty story

CONCLUSION

# The Consumer-First Order of Business

#### **Key Takeaways**

#### → Adopt radical consumer focus.

Rise above conventional notions of competition, working within an ecosystem of brands to achieve a consumer-first approach.

#### → Drive responsibility forward.

Reinvent business for the ecodigital economy by creating meaningful and rewarding experiences that support consumers and planet.

#### → Act quick, think long-term.

Move from transactions to carefully curated experiences over time, supported by Al and informed by data built to personalize, learn and evolve.

# A Time of Unconditional Responsibility

Today's consumers expect organizations to direct innovation efforts towards meaningful, seamless and sustainable experiences. The domains of marketing and commerce—with their integral links to how we buy and sell, as well as how we conceptualize consumerism itself—are central to realizing this transformation.

At frog, part of Capgemini Invent, we see this as a time of unconditional responsibility both in how consumers prefer to engage with brands, make purchases and holistically experience their customer journey, as well as in how organizations are required to shift to serve a more responsibly minded consumer. This mission of responsibility has completely rewritten the rules of engagement between brand and consumer.

In a report by the Capgemini Research Institute, 77% of representatives from organizations surveyed said they believe that we're transitioning towards a digital and sustainable world. Another found that most consumers still seek to buy from transparent, purpose-led organizations—especially those that are perceived to be sustainable—so that they might satisfy their own ambitions of reducing the impact of their purchases.<sup>2</sup>

#### Differentiating on consumer responsibility

An outcome of serving consumer needs first can be seen in the positive feedback loop in which disruptive startups emerge, incumbents find ways to adapt,

competition becomes fierce and sustainable shoppers increasingly find themselves in a buyer's market.

In addition, organizations are being tasked with clearly backing up their claims with science and data, or risk losing out to the competition. More climate-focused regulations are coming into effect, meaning that every year an increasing number of companies are held to higher standards by law. In frog's 'Futurescape' report, we explore how tolerance for greenwashing and superficial virtue-signaling is plummeting.<sup>3</sup> Technological advances mean that adding proof-points behind green claims is easier than ever. For example, the blockchain now enables brands to validate their supply chain.<sup>4</sup>

For marketeers and commerce specialists, these latest waves of change mean that encouraging and cultivating a responsible consumer base is becoming a primary activity. Brands are pivoting to engage shoppers who have expressed an interest in more meaningful and rewarding transactions, sustainable choices and quality interactions. These changes are taking place under the broader umbrella of the need to improve customer experience (CX)—something that, when surveyed, over 80% of business leaders consider a high priority, yet only 6% have seen a significant increase in CX quality.<sup>5</sup>

The new rules of engagement between brand and consumer reflect a shift that has been ongoing for decades. But the difference today comes in the sense of urgency around the climate crisis. From production to packaging, this shift can be felt in different ways across all aspects of the business, spanning all industries. For example, frog's article 'Changing Lanes' looks at some of the ways that today's ethical luxury consumer is influencing corporate strategy toward making more sustainable decisions in the automotive sector.<sup>6</sup> In addition to fast-evolving customer expectations, rapid advancements in technologies such as generative Al (GenAl) are supporting radical changes in ways of working.<sup>7</sup>



This all means products and services can no longer be sold in a vacuum. The best-loved offerings of the future will form part of a holistic tapestry. Human intuition and care will combine with cuttingedge tools such as GenAl and connected products and services, to provide robust, high-quality solutions to today's challenges. To stand out in this landscape, organizations must create structures that enable people, planet and profit to thrive.

#### From customer-centric to consumer-first

The concept of customer-centricity emerged in 1954 when the management consultant and educator Peter Drucker said, "It is the customer who determines what a business is, what it produces, and whether it will prosper." Especially in recent decades, customer-centricity has become a persistent, all-encompassing strategy. Back in 2017, Cappemini research found that 75% of organizations claimed to be customer centric. 10

But, arguably, rigid customer-centricity may limit the forward-looking organization. Without looking for signals in consumer trends and behaviors outside of your core customer base, it's possible to reinforce existing practices that can make a business vulnerable to disruption. It may be time to broaden focus toward a consumer-first mindset.

It's not uncommon for brands to become so focused on their own portfolios that they may inadvertently neglect consumers' evolving preferences. A familiar example is the way that Uber emerged and disrupted traditional taxi services, and in the process raised the standard with a new approach to helping people get from A to B. Indeed, the way disruptors find ways to fulfill unmet consumer needs can wreak havoc on the incumbents. During the past decade, these brands have upended industries and raised standards for CX. Take, for example, Spotify or Netflix.

The question now is: where will disruption come from next and in what way? To answer that question, brands must truly become consumer-first.

The mission of responsibility has completely rewritten the rules of engagement between brand and consumer.

Putting consumers first often means reevaluating the customer journey around a renewed mission. For example, home retailers no longer just have selling furniture to think about. Instead, they have to sell furniture with the mission of helping a consumer live better at home. Similarly, OEMs no longer sell just cars. Automotive manufacturers have to sell the experience of the journey and the quality of the memories that the car will unlock. In another example, supermarkets don't just sell food, but also the healthier lifestyles the food promises. It's this mission-focused, consumer-first thinking that inspires new opportunities for strategic growth and improved experiences.

The modern brand must enable consumers to make decisions that result in more satisfying daily experiences. In short, brands need to make a more significant and ongoing commitment to their customers. It's not just a one-off. To maximize customer lifetime value, it must be part of a relationship that is backed up by action. And it's important to remember that if one brand won't commit, there's always another that will.

For marketeers and commerce specialists, the latest waves of change mean that encouraging and cultivating a responsible consumer base is becoming a primary activity.

#### A balancing act

When a brand is in a position of authority and power, it has a responsibility to pass on the benefits and know-how to consumers whenever it can in a thoughtful way. However, it's important to remember

that brands are businesses. There is a fine line between delivering responsibly and making decisions that render the business unprofitable and unfit to deliver at all.

The decisions made by organizations globally have significant consequences for people's lives and the planet. Businesses of all shapes and sizes are coming under more scrutiny than at any other point in history. The cost of living is on the rise, meaning more consumers feel the squeeze. Meanwhile, the costs to the planet of human activities are also skyrocketing. With stakes this high, it's key that businesses find innovative approaches to taking accountability and elevating experiences for all.

As the world continues to experience social, political and environmental uncertainty, an increasing number of people are left with less disposable income. And it's not just individuals who suffer. Simultaneously, businesses must make decisions about where to put energy with tighter sales margins. With their fates inextricably linked, it is in everyone's benefit if the two parties work together and share the responsibility. One notable example of this collaboration in practice is eBay's recent sponsorship of the popular television show, Love Island. The online marketplace promoted preloved clothing to an audience looking for affordable, lower impact ways to find unique pieces. 12 In addition, Patagonia Worn Wear is a good example of brands bringing pre-loved to the forefront—shoppers trade in old clothing to get credits on new.13

How brands enact a responsible, consumer-first ethos very much depends on where they are in their journey of consumer responsibility. Rates of maturity vary. But no matter where you are, you can begin to take the steps that will enable you to future-proof your business and move towards more responsible offerings and operations.

# Listen to the podcast to hear from our experts on sharpening a consumer-first mindset during a time of unconditional responsibility.

# DesignMind frogcast

Subscribe to the Design Mind frogcast on **Apple Podcasts**, **Spotify** and anywhere you listen.

"Let's think about how we meet our consumer needs more holistically."

**Bhavesh Unadkat** 

Vice President Brand and Marketing UK, frog

"We find brands are less frequently able to articulate their future consumer."

**Kerry Lee** 

Head of Commerce UK, frog

"Loyalty has an interesting part to play in helping customers buy more consciously."

**Christopher Baird** 

Global Head of Loyalty, frog

To thrive in a responsible landscape, success lies in three interlocking strategies:

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#### Lead with experience

Social responsibility is a relatively new field of play. As such, it is less congested with competition than other areas. This gives forward-thinking brands the opportunities to stand out, build trust and set an example for others to follow. Building trust is a three-part play. First, listen to your consumers. Second, understand their needs. And third, act on it by creating impactful, valuable experiences. A brand that follows these steps is well on its way to creating trust—and gaining repeat customers.

Brands must get to know their customers before they can meet their expectations. Harnessing data is a key part of this. It's important to gain insight into the many complex (and often competing) priorities and desires held by target audiences. For example, a consumer may be interested in making more conscious purchases but must overcome barriers to actualizing it. To be a 'conscious consumer' puts an additional burden on the shopper since making informed decisions requires time, learnings and resources.

There is no excuse for brands to not take command of their data and fulfill their pledges to customers.



To support a consumer who is interested in more conscious buying habits, brands must recognize the significant socioeconomic factors influencing consumer purchasing decisions.

Leveraging data can help brands determine customer needs and priorities, including awareness of regional recessions, cost-of-living crises, rising energy prices and restraints on their time and attention. With the right information, alongside mindful strategy, brands can support their customers to make the decisions that serve them better.

#### Experiencing change

Many organizations have the Al-powered tech and the data infrastructure in place but are still serving the wrong content. By not using the data effectively, business priorities are failing to meet the needs of the consumer. It's time to fix the basics, use the data better and respect the value of audience attention.

On the other hand, there are many organizations that haven't updated their foundational data infrastructure, of which an increasingly key part

is Al-powered. For example, in 2022, around 39% percent were taking a "wait-and-watch" approach to GenAl adoption (this number drops to just 12% in a 2023 survey). 14 15

The result can be frustration in several ways. Here are some examples:

- Irrelevant or offensive offers: "If you know I'm a vegetarian, why do you keep suggesting I buy fish and meat products?"
- Inadequate monitoring: "You know my mother just passed and yet you still sent me a Mother's Day mailer."
- Unfulfilled promises: "You gave me a delivery window, but I waited the whole day for an item that never arrived."
- Disconnected services: "Why would you let me order something if the item is no longer in stock?"

We are all familiar with the notion of the tail wagging the dog. But today, in some cases, we have the data wagging the brand. With all the tools at

their disposal, there is no excuse for brands to not take command of their data and fulfill their pledges to customers. This is the best way to remedy all issues in the customer journey map—get it right and customers won't tell their friends about these bad experiences.

#### A little give and tech

There is nothing like quantitative data analysis to highlight where a brand can improve. Data is the best way to both get to know customers and pinpoint when their needs are and are not being met. As such, the most forward-thinking brands are busy developing ecosystems of education and inspiration across the customer journey, leveraging tech such as Al and GenAl. Al can be deployed to do much of the heavy lifting around data and GenAl can present insights in a more user-friendly way. The benefits of Al are now undeniable:

- Predictive analytics: All can analyze customer data to predict future trends and behaviors, allowing businesses to anticipate customer preferences and proactively tune their marketing strategies.
- Content creation and curation: GenAl can optimize content for specific channels and ensure audiences receive customized messages to maximize engagement.
- Personalized recommendations: Al algorithms can analyze customer data and preferences to generate personalized product recommendations.
- Virtual assistants and chatbots: GenAlpowered assistants provide more nuanced answers to queries, detail product information and assist with transactions.

# Forward-thinking brands are leveraging AI to develop ecosystems of education and inspiration.

#### A word of caution

However, it's important to note that caution is needed with Al adoption. We are still learning how to use these powerful new tools. Leaders must determine the right level of human intervention needed to create a secure path forward. GenAl has to be monitored, validated and trained correctly to avoid serious brand damage or failing your customers.

#### **KEY PROMPTS FOR LEADERS TODAY**

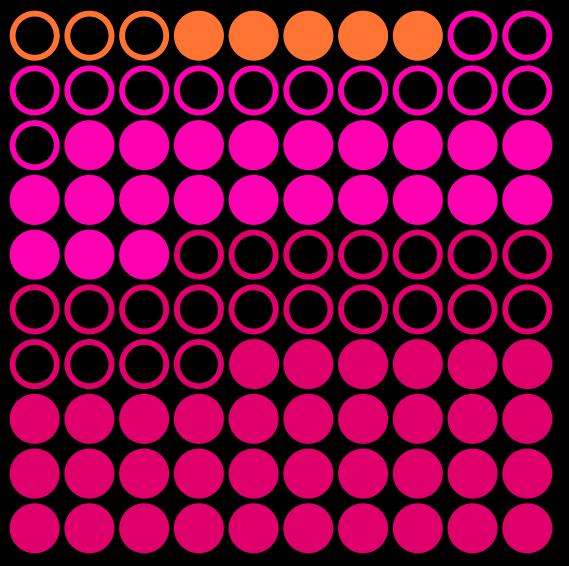
- What datasets does your organization have access to?
   What do these datasets have the potential to shed light on?
- What basic experience principles (e.g., relevant messaging, fulfilled promises) might be currently overlooked in your organization in favor of flashy innovation projects?
- · Where are you in your journey of leveraging emerging tech like GenAl to more meaningfully connect with consumers?

# Marketing and GenAI

#### Al adopters make the majority

Marketing executives from 1,800 organizations were asked about the state of implementation of GenAl in their organizations.

Capgemini Research Institute (2023)



#### 8% AVOIDING

- O 3% IGNORING
- **5% FORMER USERS**

#### 35% THINKING

- 13% STRATEGIZING
- 22% HESITATING

#### **57% MOVING**

- **21% EXPERIMENTING**
- 36% UTILIZING

We worked with <u>Unilever</u> to create the People Data Centre (PDC), a state-of-the-art consumer analytics solution. The PDC puts listening to consumer behaviors at the heart of everything Unilever does—creating elevated experiences that build trust with each engagement.



Today, Unilever PDC has enabled one billion consumer relationships, it sees 411 million reviews every day, has processed 500 million social posts and delivered more than 7,000 insights services to date. This is all geared around the goal of elevating Unilever's understanding of consumers.

Read the Unilever story  $\longrightarrow$ 

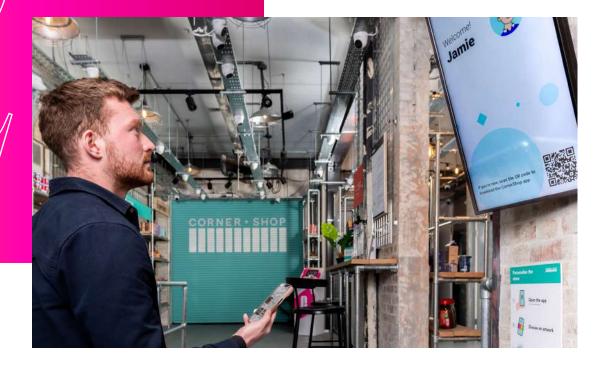
# Design Mind: Studio Sessions



DesignMind Studio Sessions In this episode of Design Mind: Studio Sessions hosted by frog's Bhavesh Unadkat, our consumer insight experts Matt Gratze and Sharon Jiggins share their perspectives on some of the key ways that brands can show up and take a renewed ownership of their impact. Learn how leading with responsibility can lead to fresh forms of creativity and open up new avenues of business.

Watch video →





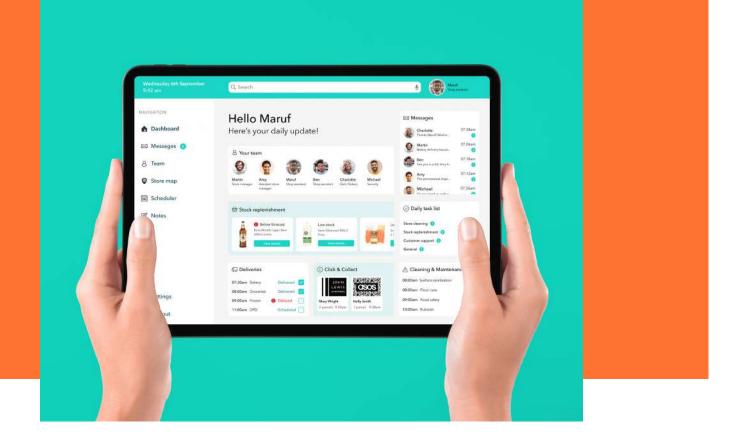
#### Build on purpose

As seamlessness becomes standard, we're seeing a shift in consumer expectations surrounding the very concept of convenience. In this time of conscious consumerism, tension between effortless transactions and meaningful purchases is emerging. To be successful, organizations must move from promoting more offers and products to promoting only relevant and appropriate offers while also helping consumers use less. To deliver on experience, we must build in cause at a fundamental level across products, services and operations.

Helping people consume less seems at odds with business success. After all, encouraging consumers to buy and waste less is in opposition with commercial KPIs. How can brands balance

sustainable goals with the need to evolve and grow market share?

Sometimes it's not about selling products, it's about finding the consumer-first service angle. For example, a fashion retailer may meet traditional business objectives by selling as much as possible. Yet, introducing a new, consumer-first service, whether that's providing custom tailoring, design services or advice, may be a more responsibly minded approach to unlocking growth. Or, imagine pivoting toward a repair or cleaning-led business model. An example of this is how Lowa have invested in a service and care system for their hiking boots, making it easy for consumers to access repairs and extend the life of their boots. 16 The brands who are helping consumers get more out of the product, and who are being creative about generating additional revenue streams, will encourage customers to make further purchases down the line.



#### Find the yin to your yang

What if to be truly consumer-first, brands must rethink notions of competition altogether? In a profound shift from branded interactions to brandagnostic personalization, could we see organizations recommending competitor products to best fulfill consumer needs?

It is possible that meeting customer expectations requires an organization to provide a product or service beyond its capabilities. In such a situation, business leaders can either invest in filling the gap with in-house talent or look for partners with the missing expertise. Unsurprisingly, given the cost of the former, many leaders choose the latter. For example, 70% of B2B platforms collaborate with consulting partners for scalable integration and installation.<sup>17</sup> In the spirit of radical customercentricity, brands work together to support the delivery of transparent and verified propositions

that protect people and planet across production, transportation and product afterlife.

For too long, corporate culture has been that of intellectual property and fierce competition. It would seem absurd to expect one brand to recommend another because the latter better meets the customer's needs. But there was a time and place when this was common. In the brick-and-mortar realm, if a vendor is out of stock of an item, they can point shoppers to a store down the street who might have it. What if this could happen in the digital space? Can you imagine Nike's online store linking people to Columbia's to browse their selection of mountaineering gear instead? Certainly, this transparency would build trust, a quality on which consumers place a high premium. Now imagine if Nike and Columbia were partners: shoppers could fill one basket with items from each. It could lead to both cost and emission cutting—why send two couriers if just one is enough? As such, this scenario—which

is currently limited to marketplace scenarios—could soon be a regular occurrence. But if two brands were inclined to make such recommendations, they would need a technological bridge to bring them together. How might roles and responsibilities within and between brands shift in this multi-player world? For a start, there would need to be a data-sharing agreement. This is something many brands are beginning to realize and implement.

To deliver on experience, we must build in cause at a fundamental level across products, services and operations.

#### **KEY PROMPTS FOR LEADERS TODAY**

- Could you imagine telling a customer "Don't buy this, it's not right for you" and instead suggesting a different option? What knowledge would you need about the individual to be able to confidently say that?
- How could your brand collaborate with another brand to better serve and protect the customer? And what stops you from doing that today?
- How far can you go to unconditionally meet consumer needs while maintaining commercial gain?
- What's right for your brand: strategizing for hyper-niche or forging open collaborations across boundaries? Is it possible to do both?

The physical retail environment can present a challenge to a fast-paced and iterative innovation process. CornerShop helps our clients get concepts and prototypes in front of real customers.



In collaboration with The Drum, we've created CornerShop, an experimental retail environment that enables retailers and brands to ideate and test tomorrow's shopping innovations. CornerShop helps our clients to gain that all-important consumer feedback, from real customers in the heart of London.

Read the CornerShop story →



#### Elevate your loyalty story

Leaders seize the sales opportunity while curating lasting connections that expand customer lifetime value (CLV). Brands must strive to bring customers to a point of brand advocacy—where consumers believe in the brand so much, they will be vocal about it in some way.

Forming these connections does not happen overnight. It requires a sustained dedication to serving a customer's evolving needs, demonstrating a human-centered, purpose-driven approach.

Remember, keeping customers around does not

mean locking them in to overwhelming and rigid contracts. Instead, remaining adaptable enough to evolve alongside the customer is a way to reflect the values of consumer responsibility.

Of course, prioritizing loyalty means remaining laser-focused on cultivating a long-term relationship with customers over time, which requires strategic foresight. How willing an organization is to evolve alongside technology can deeply influence a customer's preferences over the long run. In the context of VR/AR and GenAl, loyalty is set to get more complicated. How will you protect your brand from losing that human connection necessary for lasting relationships? How will you influence authentic

engagements with your brand against an inherently inauthentic virtual backdrop?

#### How willing an organization is to evolve alongside technology can deeply influence a customer's preferences over the long run.

Elevating your loyalty story means delivering across the board. Customers now expect support across multiple sources. Tapping into human-centric, automated, conversational interfaces means brands can expand their footprint with each consumer.

It's key to know: what's the consumer's intent at each and every interaction? Take, for instance, a common touchpoint of the customer journey: websites. It varies by market and by industry, but for many ecommerce websites there is generally only a 2–3% conversion rate. What are the others looking for? Are they researching? Browsing? Recommending for a friend? If you had this data, how might you leverage it accordingly? What new products and services might it inspire? How might it change the way you offer recommendations that keep consumers on your site?

Websites are still just a small piece of the puzzle. The picture becomes much clearer when looking for signals across multiple data sets at once. Brands will need to have a holistic view of customer activity both on and offline to have a more accurate understanding of behavior and preferences.

Whereas loyalty was traditionally part of the marketing function—such as a membership club on the side—it is now truly at the heart of the organization. To truly drive loyalty, initiatives that promote a lasting relationship with a customer must be woven into the very fabric of the experience, anchored in the brand's

purpose and values. Ultimately, brands must develop member-centric experiences that can act as a golden thread for connected experiences, supporting more purpose-driven decision-making. With a backdrop of converging sectors and competitors, brands must conceive, design and deliver ecosystems that keep customers engaged.

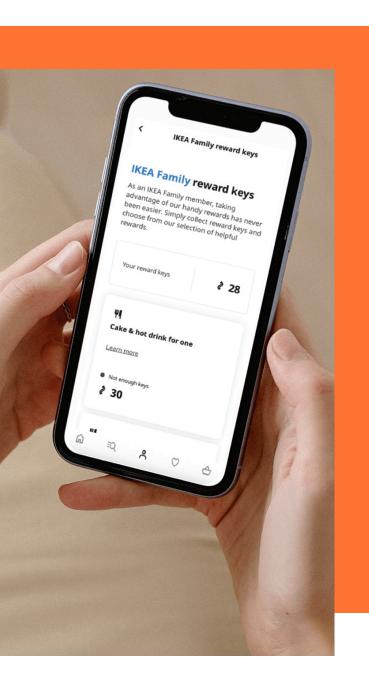
#### Deploying GenAl

In a world where GenAl is increasingly ubiquitous, evidence is mounting that while consumers value the benefits of AI, there are instances in which they expect human interactions. For example, a Forrester report on chatbots suggests that 63% of customers expect the option to talk to a human agent. 19 In the immediate future, brands will need to accurately assess the right moment to deploy GenAl. Along with providing human interaction at key points along the customer journey, brands can also look at how to make the GenAl more human. Going forward, brands will look to answer the question: do consumers want the ability to speak to a human agent, or do they simply want their experience of engaging with a chatbot to be indistinguishable from engaging with a human agent? At frog, we've worked with clients to personify their brand via chatbots using much more human-like responses that better fit brand attributes. Striking the right balance of human and machine interaction will make a difference in scaling consumer intimacy, which 77% of consumers say they're seeking.20

Success here will depend on the ability to promote responsible purchases and influencing consumers with new technologies. To that end, brands will need to cut through the hype of the endless 'innovations' and zero in on emerging technologies that can affect meaningful and lasting change. This means novel solutions that can bring brand and consumer closer. Fortunately, technology is rapidly dissolving the boundaries between the two.

In fact, it is even blurring the lines between brands. However, it is important to learn from the mistakes of the past.

Of course, the backbone of all GenAl success is data. Too often, organizations collect an incredible amount of customer data, including information for which they have no use. Additionally, they have no idea how to leverage the data they can use. Moving



forward, brands must have a clear vision of the types of data they want to collect—and strategic partnerships will be key in this consumer-first data ecosystem.

What can you learn from observing customer behaviors on your website? And how can you use these learnings to modify your website so it better serves your customers? Available analytics tools can already reveal sources of website traffic, the number of page views, the bounce rates of specific pages and the number of conversions on individual pages. Now imagine how GenAl can supercharge reach, providing insights about consumer trends sooner and predicting behaviors from enormous amounts of data at a speed, cost and scale never before possible. The same is true of click patterns, navigation paths and interaction durations.

Another vital stream of data comes from customer feedback. This type of qualitative information has historically been difficult to leverage without dedicated resources to comb through the data. Yet the potential value in doing so is well known. A Senior Analyst for Forrester points out that 53% of customer feedback includes opportunities to improve CX.<sup>21</sup> Deploying GenAl to gather this feedback can accelerate insight loops considerably.

Embracing customer feedback and incorporating it into future iterations of products, services, messaging, partnerships and even business models will lead to greater customer satisfaction, which can in turn drive sales. In an example from the automotive sector, one Forrester report suggests that automotive manufacturers who improve their CX by just one point can expect an additional \$1 billion in revenue.<sup>22</sup>

#### GenAl use cases for driving loyalty

By no means exhaustive, here are some examples of possible GenAl use cases frog is exploring for

deepening and extending the relationship between brand and consumer.

- Content creation and adaptation: Deploying GenAl to help create and adapt creative content at scale, safely
- Personified brands: Training models on data to create bespoke chatbots that can generate messages on brand every time as well as personalize experiences 1:1 across the endto-end customer journey
- Design co-pilot: Creating GenAl tools to check whether brand experiences are aligned to inclusive design principles, plus optimized to automate brand compliance and ensure employee engagement
- GenAl for system integration: Embedding GenAl into existing systems, such as Salesforce, to optimize performance
- Insights trend prediction: Preparing for customer longevity by using GenAl to scrape external data sources, like social media feeds, to translate it into actionable insights
- Expert advisor: Creating Al-augmented employee experiences that bring every staff member to a new standard of operational excellence, freeing time to focus on keeping customers happy over time

#### Is it marketing or sales?

Marketing and commerce are so interlinked that it can be difficult to determine where one ends and the other begins. One example of this convergence is how retail media networks auto-populate ads in retailers with product info.

Marketing automation platforms can handle tracking and monitoring—tasks that once required a significant amount of the workforce's time. By automating such tasks and storing the data on a

platform, sales teams can better understand when a customer will be more receptive to engagement. Another example comes in the form of integrated Customer Relationship Management (CRM) systems. Giving marketing and sales teams access to live customer information—which can include customer preferences, how customers interact with the brand, and significant leads—has long been the promise of CRMs. Looking forward, we have the prospect of better data, managed by teams that are better equipped to understand this data, that is better integrated with the rest of the marketing ecosystem to push personalization. Together, these advances in technology will help take CRM from a customercentered platform to a consumer-first movement designed to enhance loyalty. The future of CRM will be about using data about consumer behavior to understand customers better than they know themselves, recommending offers before they know they need it. It will mean using CRM data to bring to life best-in-class experiences and customer service.

#### **Expanding capabilities**

As in every industry, Al is changing the role of the C-suite. Nowhere is this truer than in the evolution of decision-making. Data-driven decision-making results in more optimal outcomes: the accuracy of targeting, CX and holistic growth. One article in the MIT Technology Review found that "datadriven companies are 58% more likely to beat revenue goals than non-data-driven companies" and that they are "162% more likely to significantly outperform laggards."23 As we witness AI enabling data-driven decision making at another level of speed and accuracy, leaders who incorporate Al into their strategy and everyday operations will have a competitive advantage over those who do not. This means executives will need to upskill in the sphere of Al.

Initiatives that promote a lasting relationship with a customer must be woven into the very fabric of the experience.

#### New responsible landscapes

How is the concept of loyalty changing, bearing in mind new consumer landscapes built on consumer responsibility? In some cases, it's about asking how you can help drive change for the better to inspire longevity. Looking forward, there are many human components to 'loyalty' that no ordinary punch card promising discounts could fulfill. A customer may only remain loyal to your brand if it satisfies their own personal loyalties to their health, their values and their community.

One such example comes from purpose-led brand partner, 23red, part of Capgemini Invent. The 23red team worked with the 'This Girl Can' campaign to explore the gender gap in exercise. They uncovered hundreds of reasons why women and girls don't exercise as much as they might like to, such as a lack of childcare, classes not offered at convenient times, leisurewear price premiums, concerns about street harassment or just a lack of support. In partnership with Strava, the collaboration resulted in the This Girl Can Club, which, in only six weeks after launch, saw 18,500 new joiners, encouraged 39,000 women across the UK to engage in a fitness challenge and most importantly saw a sustained behavior change—75% of those women who completed the challenge reported doing more exercise than they did prior to the campaign.<sup>24</sup>

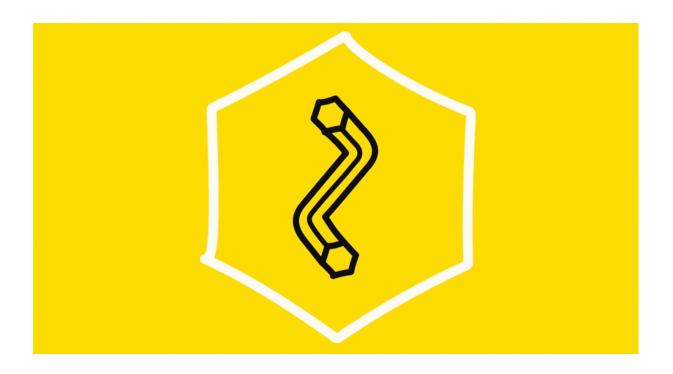
Another aspect of consumer responsibility is for brands to support the growing number of those interested in extending the lives of their products, such as how to keep items out of a landfill or where to find replacement parts. As many consumers will be looking for green options, these options must be delivered at the right time in the right way. Brands must contextualize sustainability at various stages of the journey. For consumers who want to purchase from organizations with eco credentials, a simple helping hand, such as giving clear care instructions (e.g., suggesting a cold wash or using a washing bag to catch microfibers) will demonstrate a brand's commitment to more sustainable practices.

Generally speaking, it may be helpful for brands to think of consumers saying, "I've done you the honor of buying your product. Now, help me make sure it's going to live on to justify the purchase." This might unlock new ways to support customers in getting more out of their purchases.

#### **KEY PROMPTS FOR LEADERS TODAY**

- To support customers who want to make more responsible purchases, what are some of the key steps you can take?
- How can we break down this exciting yet daunting journey of becoming more responsible into first steps and interim milestones? What might success look like at each stage?
- How can you create internal structures and ways of working to support enabling people, planet and profit to thrive?

## IKEA Retail (Ingka Group)



IKEA wanted to revitalize its membership experience. Together we partnered with IKEA to develop a proposition, shape core operational components and deliver the global strategy—all centered around the shared goal of deepening customer engagement.

With 170+ million members, if IKEA's iconic customer club, IKEA Family, was a country it would be the eighth largest in the world by population. Learn how frog and IKEA worked together to transform an underutilized customer club into a core part of its customer engagement strategy.

Read the IKEA story →

# The Consumer-First Order of Business

Maximizing customer lifetime value in this era of responsibility will take innovative outreach imbued with deeper meaning, the ability to support shoppers in their own evolution and more incentive than ever to stick around. Achieving a truly consumer-first approach requires different aspects of the business speaking to each other. Likewise, conscious consumption doesn't happen within a vacuum—it comes out of an informed and impassioned community. It takes an awareness of the interconnectedness of systems and a recognition that their actions affect humans, non-humans and ecosystems worldwide.

#### How frog can help

At frog, we guide our clients in turning a commitment to consumer responsibility into lasting competitive advantage. Our expertise spans the following:

#### → ENABLED BY TECHNOLOGY

Innovate to reach new levels of performance and stand apart from the competition

#### → FUELED BY DATA

Capture and utilize new categories of data that can supercharge your business

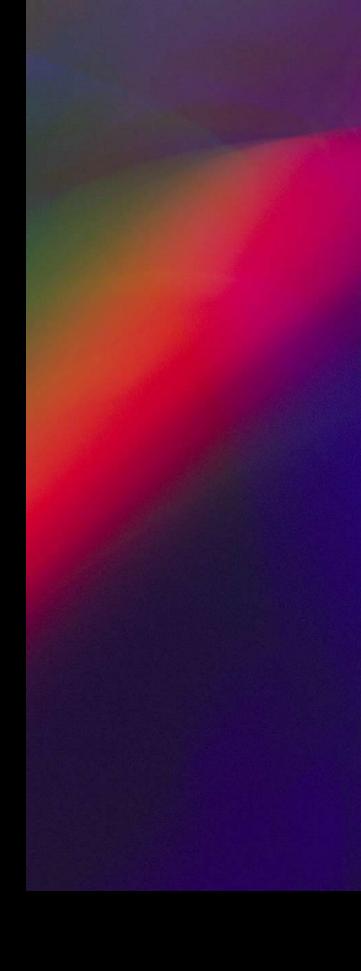
#### → PERSONALIZED THROUGH INSIGHT

Take customer engagement and operational efficiency to the next level by acting on novel insights

#### → DIFFERENTIATED BY DESIGN

Envision, craft and manifest products and services that people fall in love with

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