

Digitisation of everything

With customer expectations driving rapid change across the consumer goods and services industry, increasing the demand for innovative and personal experiences, it's time to welcome the era of living services.



By Leigh Andrews 17 Jun 2016



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Accenture Interactive and Fjord recently launched a report on the next wave in the digitisation of everything. The era of Living Services is creating a new world for brands across the globe – in particular in the Consumer Goods and Services industry.

Teo Correia, senior managing director of Accenture's Consumer Goods & Services industry group, and Mark Curtis, founder and CCO of Fjord presented on this subject at the Consumer Goods Forum and here exclusively explain its true impact...

1. How will the 'Era of Living Services' impact on retail as we know it?

Correia and Curtis: In the 1990s, the PC was a revolutionary technology that transformed business and society forever. In the 2000s, smart mobile devices provided access to the same applications and services that computers provided, but from anywhere, any time. Now, the third wave of transformation comes in the form of living services enabled by the Internet of Things – that involves the convergence of sensors, cloud-based services, connected smart devices and real-time analytics deliver an added layer of connected intelligence that will create a new category of smart digital services. These services will be capable of wrapping around the consumer and responding to them in real-time, according to their individual needs and changing environments. Using advanced behavioural analytics and real-time location data, living services will be more contextualised and personalised than any we've experienced before. They will be able to constantly learn and evolve, almost as if they are alive, creating once unimaginable engaging experiences.

We know that consumers today are less loyal to brands than ever before. The change in shopper behaviour is being driven by a combination of two major trends in the retail and consumer goods industries. "Liquid expectations" and the data-capture enabled by the internet of things are converging to make the industry considerably more competitive. In turn, many companies have adopted the mantra "every product is a service waiting to happen". They recognise that buying the product is just the beginning of the journey for their customers.

2. What does this mean for the marketers and retailers of today?

Correia and Curtis: The digitisation of everything is transforming everything for marketers and retailers today and the ne

wave of living services will further disrupt the status quo. We should expect everyone from the CEO down to become involved in developing and implementing them in the near future. We also see leading CPG marketers using their skills in two areas that are key to successful living services: defining consumer archetypes, and developing a new level of customer insight.

Defining consumer archetypes

Marketers understand consumers better than anyone else. The skills they have honed in identifying archetypes – from a middle class office-worker to a working mother in the suburbs – will be central to inventing, designing and implementing living services. Marketers are best placed to say which consumers would most value a living service and which services will drive the most new sales.

Deep into the mind of the consumer

In recent decades, marketers have used focus groups and consumer surveys to segment the market. Successful living services call for a more in-depth, almost anthropological understanding of individual consumers – using ethnographic techniques to isolate pain points, habits and obsessions. This is an innovative approach, and marketers should ensure they are leading the activity.

Using empathy, creativity and wide-ranging customer knowledge, marketers will help amaze, excite and reignite consumer loyalty in a tough market. Consumers demand this now as the standards are being set by the best of breed across the entirety of their experiences, not restricted by sector—hence liquid expectations.

3. How can marketers best adapt to these trends in order to provide consumers with interesting and increasingly indispensable digital services?

Correia and Curtis: Personalisation and purpose are key for brands to win consumer affection in this digital age. The good news is that the sophisticated, real-time technology powering living services has the capability to meet the individual needs of consumers.

Brand owners who spend time really getting to know their customers and who embrace living services that are individually customised to their consumers' needs, will have the best chance of achieving success in the digital era.

There's no better time than now to really get to know your consumer. [Click here](#) for more on the Consumer Goods Forum.

ABOUT LEIGH ANDREWS

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