



**12th-15th
JUNE 2018**

SINGAPORE

tcgfsummit.com

[#CGFSummit](https://twitter.com/CGFSummit)

**GLOBAL
SUMMIT**

SINGAPORE
2018

Executive Summary



Consumer Centricity
in a Data-Driven World

We each have a responsibility as business people and individuals to not be prisoners of History but to shape History in order to make the future brighter than the present or the past.

Madeleine ALBRIGHT



It starts simple with a mission: create greater transparency to empower consumers to eat safer and cleaner food, more mindfully.

Matilda HO



Speed and agility are key: bureaucracy is an enemy.

Masahiko UOTANI



90% of millennials distrust big institutions and big global brands, and this makes smaller and more relevant brands more likely to succeed.

Mitch BARNS



Understanding your audience, adapting value and quality to a market's expectations is important.

Ian McLEOD



Consumers are asking for new services, from roller coasters to movie theatres, that are now being integrated to the hypermarkets.

Shafie SHAMSUDDIN



We do know where risk lies as there are flashing warning lights. It's a matter of working together, sharing good practices and moving from embarrassing denial to discussion and action. We must pledge to that.

Guy RYDER



GLOBAL SUMMIT

SINGAPORE 2018

When brands stand for something, consumers respond.

James QUINCEY



The whole idea of convenience store has completely changed from a store to a person, and all it takes is just a mobile phone.

Anthony TAN



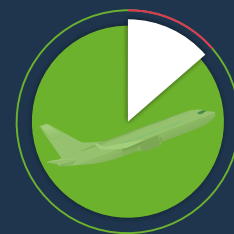
Executive Summary session texts brought to you with the support of James Naylor, Senior Manager of Learning

McKinsey&Company





1,000+
DELEGATES
from 47 countries

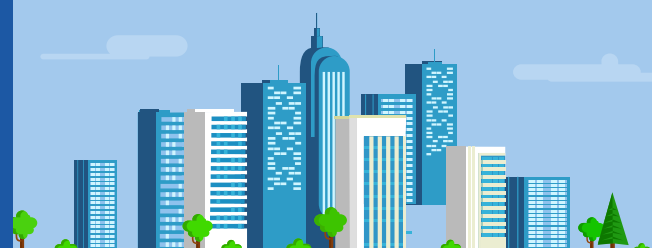


86%
of the delegates attending
Singapore said they would come
to Vancouver in 2019

TOP COUNTRIES

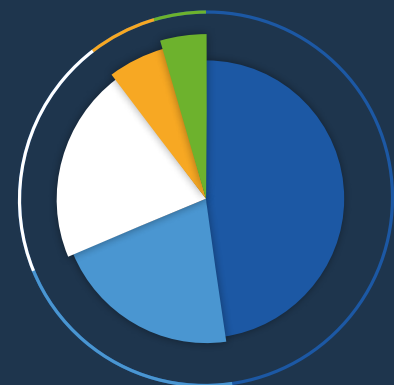
1. USA 
2. SINGAPORE 
3. CHINA 
4. GERMANY 
5. JAPAN 

293
COMPANIES



27
JOURNALISTS ONSITE

67 SPEAKERS



- 32 PLENARY SPEAKERS
- 14 SPECIAL SESSION SPEAKERS
- 14 I-TALK SPEAKERS
- 4 RETAIL EXPERTS ON STORE TOUR BUSES
- 3 I-CHAT CEO SPEAKERS



142
NEWS ARTICLES
SYNDICATED AROUND
THE WORLD

Consumer Centricity in a Data-Driven World

The 2018 edition of the Global Summit took place at the Marina Bay Sands in Singapore. We focused on “Consumer Centricity in a Data-Driven World”, and Singapore provided the perfect backdrop for such discussions as we brought together traditional players and innovative startups. Singapore also proved a perfect location as it is focused on becoming a “Smart City”. Sustained investment in technology is already turning Singapore into a connected, data-driven city that is perfect for trying new ideas.

Delegates learned that consumer centricity is not just about making your consumers like you; it’s much more than that. If your company is interested in understanding the current and future needs of your consumers, you need to ensure that the right internal and consumer-facing strategies are in place. It’s 2018, and it’s time to do away with traditional business-driven strategies; the Singapore Global Summit showed how leading FMCG companies around the world are doing just that.



The Global Summit Committee

Chairman : Anders SVENSSON - ICA AB

Mark BATENIC - IGA

Jerry BLACK - Aeon

Peter CHILD - McKinsey & Co.

Antonio COTO GUTIERREZ - DIA

Klaus DOHLE - Dohle Handelsgruppe Holding

Julie HAMILTON - The Coca-Cola Company

Alfred OETKER - Dr. Oetker

Alexis PERAKIS-VALAT - L’Oréal

Jeff SCHOMBURGER - Procter & Gamble

The Singapore Summit Taskforce

Maximilian BITTNER - Lazada Group

Andy DASGUPTA - Fonterra Group

SEAH Kian Peng - NTUC Fairprice

Win Win TINT - City Mart

Carrie YU - PricewaterhouseCoopers

1.7k
TWEETS USED THE
#CGFSUMMIT HASHTAG

CONTENT GOT ENGAGED
WITH
4.8k
TIMES

9.4M
POTENTIAL REACH



The Official Programme

Wednesday 13th June

09.00	Special Sessions	▶ 8
Afternoon - Asia Pacific: Driving Tomorrow's Retail Scene		
14.00	Welcome & Introduction IAN COOK - CEO, COLGATE-PALMOLIVE	▶ 8
14.15	Opening Keynote: Preparing for a Digital World S. ISWARAN - MINISTER FOR COMMUNICATIONS AND INFORMATION & MINISTER IN-CHARGE OF TRADE RELATIONS, REPUBLIC OF SINGAPORE	▶ 9
14.45	Investing in the Age of Disruption CHIA SONG HWEE - PRESIDENT & COO, TEMASEK	▶ 10
15.15	Evolving Retail for the Smart Consumer SEAH KIAN PENG - CEO, NTUC FAIRPRICE	▶ 11
16.45	Combining Data and Entrepreneurial Instinct ANTHONY TAN - CO-FOUNDER AND CEO, GRAB	▶ 12
17.15	The Power of Digital: Strategies for a Digital Future Ms CHUA SOCK KOONG - GROUP CEO, SINGTEL	▶ 13
17.45	The Future of Work: People & Technology GUY RYDER - DIRECTOR GENERAL, INTERNATIONAL LABOUR ORGANIZATION	▶ 14

Thursday 14th June

Morning - Global Brands and Global Trade

09.00	Positive Change in Action: Driving the Circular Economy JAMES QUINCEY - CEO, THE COCA-COLA COMPANY	▶ 15
09.30	New Retail: Creating New Value for Consumers DANIEL ZHANG - CEO, ALIBABA GROUP	▶ 16
10.00	Leadership Lessons from the Trenches of Disruption SCOTT ANTHONY - MANAGING DIRECTOR, INNOSIGHT CONSULTING ASIA-PACIFIC	▶ 17



11.30	Panel Discussion - the Changing Face of Retail in Asia WINSTON CHENG - PRESIDENT OF INTERNATIONAL, JD.COM NICOLO GALANTE - CEO, CENTRAL RETAIL THIERRY GARNIER - CEO, CARREFOUR CHINA SHAFIE SHAMSUDDIN - CEO, TRANS MART MODERATOR: PETER CHILD - HEAD OF RETAIL AND CONSUMER ASIA-PACIFIC, MCKINSEY & COMPANY	▶ 18
-------	--	------

Afternoon - Consumers in the Digital World

14.30	Leadership in Retail - An Interview by Sally Elliott, Spencer Stuart IAN MCLEOD - CEO, DAIRY FARM	▶ 20
15.00	Panel Discussion - Global Millennials: the Data-Driven Facts MITCH BARNES - CEO, NIELSEN KEVIN LEE - COO & MANAGING PARTNER, CHINA YOUTHOLOGY JOHN ROSS - CEO, IGA MODERATOR: MICHAEL CHUI - PARTNER, MCKINSEY GLOBAL INSTITUTE	▶ 21
16.45	Entrepreneurial Story in Retail from Myanmar WIN WIN TINT - CEO, CITY MART HOLDING CO LTD	▶ 23
17.15	What Does Scale Mean Today? DAVID TAYLOR - CEO, PROCTER & GAMBLE	▶ 24

Friday 15th June

Morning - Impact of Technology and Innovation

09.30	The Most Local and Personal Retailer in a Digitalised World DICK BOER - CEO, AHOLD DELHAIZE	▶ 25
10.00	Inspiring Healthier Lives: One Community at a Time DICK BOER - CEO, AHOLD DELHAIZE EMMANUEL FABER - CEO, DANONE MODERATOR: SHARON BLIGH, DIRECTOR, HEALTH & WELLNESS, THE CONSUMER GOODS FORUM	▶ 26
10.30	Transforming Customer Experiences Through Big Data ALAIN G. BEJJANI - CEO, MAJID AL FUTTAIM HOLDING	▶ 27
11.45	Disruption in Latin America: How a New Model Challenges the Traditional Value Equation SEBASTIÁN MEJÍA - CO-FOUNDER & CHIEF STRATEGY OFFICER, RAPPI	▶ 28
12.15	Corporate Culture Shock: a Story of Change MASAHIKO UOTANI - CEO, SHISEIDO	▶ 29

Closing Afternoon Session

13.30	Disrupting Food Through the Eyes of an Entrepreneur MATILDA HO - FOUNDER & MANAGING DIRECTOR, BITS & BITES	▶ 30
14.00	Closing Keynote: What to Expect from the World? MADELEINE ALBRIGHT - 64 TH US SECRETARY OF STATE	▶ 31



WELCOME AND INTRODUCTION

Ian Cook

Co-Chair of The Consumer Goods Forum and Chairman, President and CEO, Colgate-Palmolive

Ian Cook welcomed the 62nd Global Summit to Singapore and said it was appropriate to dedicate the event to data and the consumer. Over three days wide-ranging dialogue would bring together a diverse range of voices from across the world, and with a better gender balance than before. Over 1,000 members from 44 countries were in

Singapore this week for a Summit that was set to be even richer and more varied than before. There was much to learn from the formal presentations, but just as much from the interactive zones outside the plenary space and from networking with each other. He welcomed Minister Iswaran to the stage.



OPENING KEYNOTE: PREPARING FOR A DIGITAL WORLD

S. Iswaran

Minister for Communications and Information & Minister in-Charge of Trade Relations, Republic of Singapore

Minister Iswaran said he was delighted to join the Global Summit. He noted it was the summit season in Singapore, and echoed moderator Sharanjit Leyl's acknowledgement of the importance of the Global Summit and the work of The Consumer Goods Forum. On the international stage, like-minded nations had to come together to forge new relationships for co-operation and common trade. The ASEAN region had seen steady growth over the last five decades to reach a \$2.5tn collective GDP, and its growth was set to continue through both traditional and digital channels. If anything, the growth of digital businesses would be even faster than the quadrupling currently forecast for the next few years, driven by increasing numbers of young consumers and the application of new technologies.

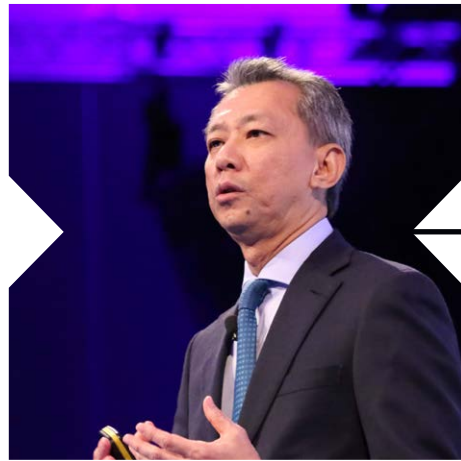
South East Asia was diverse and required significant investment in understanding as well as infrastructure. But technology could play an important role in accelerating this. In Singapore, one example was Carousell marketplace for mobile classified advertising. From its launch in 2012, it had tapped into the rapid adoption of mobile in the region.

Notwithstanding the growth in mobile and e-commerce, traditional retail still accounted for 70% of FMCG sales in the region's cities. Indonesia's Warung Pintar redesigned an existing product to meet the needs of street vendors, enabling them to upgrade their kiosks with digital POS systems, digital routers and powerbank chargers. The first traders adopting this system had seen a fivefold increase in sales.

Innovation had been and would continue to be a cornerstone of Singapore's development strategies, but the government regarded partnerships between different stakeholder groups as being of equal importance. It had sought to drive innovation in retail through partnerships, with an industry transformation map which organised planning in terms of innovation, productivity and trade and internationalisation.

One retailer which had successfully used innovation to grow was Commune, founded in Singapore in 2011, using virtual reality simulation to visualise their products in their own homes. They had also engaged economic agencies to work in partnership with the industry, sharing knowledge, insights and learning points. They also continued to work on solutions for existing SME traditional players to go digital.

With regard to its people, the Singaporean government was committed to implementing skills frameworks for their workforce to make sure they were future-ready. Mapping out the framework, setting out the qualifications workers would need and ensuring employers recognised them were all necessary for this initiative to work. A wine waiter in the food and beverage industry could either choose a vertical career progression to sommelier, or progress horizontally through levels of supervision in the food and beverage industry. Because of the major changes taking place driven by technology, the disruption to existing labour patterns made it incumbent on the government to provide citizens with the skills to thrive in the future.



INVESTING IN THE AGE OF DISRUPTION

Chia Song Hwee

President & COO,
Temasek

Chia Song Hwee said his topic of investment stood out somewhat from the Summit agenda, but was driven by the same focus on technology and the consumer.

Taking a longer-term perspective, there had been a gradual process of democratisation that had started with industrial production in the eighteenth century, knowledge in the early years of the internet, services in the twenty-first century and now most recently, experiences. In doing so, this process had triggered the formation of new business models at each stage. Technology had always changed behaviour and consumption, but this drive was deeper and faster than ever before. Mobile phones alone had migrated from two-way communication in voice and text to live streaming in just a few years.

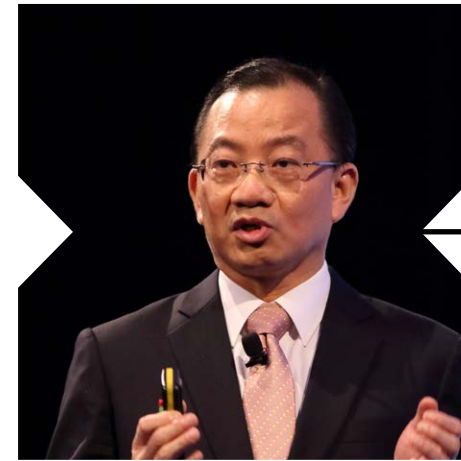
Consumers were relatively more willing to pay for convenience, were more willing to switch brands, could express their individuality through social media and were more polarised between value and luxury purchases. And they were prepared to pay for experiences as well as products. From the supply side, the barriers to entry had been dramatically reduced. This had tremendous implications for investors.

Chia explained that Temasek's growth had been marked by distinct leaps as they first invested outside Singapore, and subsequently on a global basis. For 15 years, they had employed four investment themes: transforming economies, growing middle income populations, deepening comparative advantages and emerging champions. The first two of these were macro, and the latter two micro ones. But growth had slowed in some of their most important

sectors, and in the last few years they had made a conscious decision to focus on technology, non-bank financial services, life sciences and agribusiness, consumer and energy and resources. Their share in their portfolio had tripled from 2011 to 2017 to 24%, partly through fresh capital injection and partly from asset growth in those areas. In technology, for instance, investments included Alibaba Group and DiDi; in consumer, examples included AS Watson and Moncler.

Their recent global expansion had strengthened Temasek's ability to add value to investee companies, providing strategic support for new market entry and facilitating strategic partnerships within their investee network. Thus, they had been an initial investor in Lazada, and had helped Alibaba Group first take a minority and now a controlling stake in Lazada (in which Temasek remained the other shareholder). They were also in a position to observe some general trends.

One was sector convergence – it was progressively harder to place investees in clear categories. When looking at an on-demand platform in Indonesia, they had ended up deploying four separate industry teams to evaluate it. Another was sustainability, both in terms of performance and environmental impact. A third was the speed of growth in ASEAN, with a near doubling of the number of households in the consuming classes by 2025. And a fourth was a question as much as a trend: was there a continuing role for conventional retail? They believed there was, especially where offline retailers could harness big data and put them to work across the entire value chain.



EVOLVING RETAIL FOR THE SMART CONSUMER

Seah Kian Peng

CEO,
NTUC FairPrice

Seah Kian Peng welcomed the Summit back to Singapore after a 20-year absence. He explained the background to NTUC FairPrice, and its multiple stakeholder mission. The business served over 600,000 customers a day in Singapore, with over 50% market share in the modern trade.

Seah argued that in the past, consumers were genuinely more homogenous in their behaviour. But we were living in an era of hyper-personalisation, with rising inequality and polarisation leading to a much more distinct segmentation between millennials, seniors, young families and other groups. The consumer wallet was fragmented between modern and non-modern trades, as well as online retail, gourmet, value and wellness-oriented options. And consumers' technology adoption presented a series of tricky strategic choices for the retailers serving them.

There was generally an increasing convergence between offline and online, exemplified both by bold acquisitions such as Amazon's purchase of Whole Foods and by the investments being undertaken by traditional industry leaders such as Walmart and Tesco. But retailers in Singapore faced a unique challenge from being small and having little scale, while at the same time representing a very high cost operating environment (both in terms of labour and land cost).

NTUC FairPrice had embarked on a customer-centric transformation to respond to these challenges. That started with tailoring to different customer segments. For an ageing population, they had remodelled some stores to be more wheelchair and senior friendly. For families, they were piloting

play areas in their hypermarkets. But customer-centricity also involved a broader recognition of what was important to customers, and NTUC FairPrice had anticipated the introduction of sustainability reporting from 2017, tracking performance against UN Sustainable Development goals. Taking action on food waste had led to the Great Taste Less Waste campaign, highlighting the value to be had from differently shaped fruit and vegetables, and they were the first South East Asian retailer to join the Roundtable on Sustainable Palm Oil.

Other innovations included unmanned convenience stores, personal scanning solutions and omnichannel retailing powered by the latest robotic solutions for fulfilment and click and collect options in both stores and dedicated automated refrigerated lockers. All of these initiatives were motivated by the need to drive up labour productivity as well as enhancing consumer experience.

NTUC FairPrice had also entered a number of strategic alliances, including with Singapore's local Uber equivalent, Grab. Both groups of customers nominated benefits with the other as their number one wish for alternative redemption opportunities. Another alliance saw the development of a number of Tesco Finest* shops within NTUC FairPrice stores.

Against this background of commercial innovation, NTUC FairPrice continued to honour the original mission of its foundation with a wide range of community activities through the FairPrice Foundation, donating more than \$92m to over 200 projects since 2006.



COMBINING DATA AND ENTREPRENEURIAL INSTINCT

Anthony Tan

Co-Founder and CEO,
Grab

Anthony Tan said it was a privilege to share a little of what they had learned at Grab about the use of data to deliver consumer value. They had started with a single aim: how to help women commute safely across the region. But they had quickly moved beyond transportation to a whole range of everyday services in both consumer and business to business activities. With the largest fleet in South East Asia, they had significant capacity for delivery as well as transportation, but had also extended the Grab offer to include payments and unsecured lending.

The transaction volume involved was awesome. In order to match supply and demand for six million transactions a day, Grab used a geolocational prediction model to price according to unmatched demand. But on top of the underlying transportation business, they had worked to develop discoverability for all of the other services available through their ecosystem, and to ask more generally what they could do to enhance the lives of their customers and partners. Part of the answer to that was a payment platform robust enough to work first time; another part was personalised incentives to shop at location-relevant partners.

In an interview with Sharanjit Leyl, Tan said that the extensions to the Grab service had been based on a mixture of data and instinct. Sometimes data alone did not tell you everything. In Malaysia they had quickly gained 97% market share with a taxi-based service. The financial and qualitative data said everything was fine. But by being aware of developments elsewhere, they had had the courage to anticipate the move to ride-hailing apps. Even running multiple A/B tests

on multiple questions required some gut instinct to determine them. Grab had also tried to inculcate a culture of making mistakes and failing fast, as well as building a permanent testing team who were mandated to have a certain level of failure in their experiments.

With regard to Grab's success in ASEAN, Tan said that mastering distribution fundamentals was essential (in Indonesia there were over 17,000 islands). They had a million vehicles on the ground which could represent last mile distribution. But it was also important to have access to rich data. Grab had a \$700m lending portfolio with a less than 1% default rate, because overlaying transport use data on standard lending criteria gave a more accurate risk and loan pricing profile than conventional methods.



THE POWER OF DIGITAL: STRATEGIES FOR A DIGITAL FUTURE

Chua Sock Koong

Group CEO,
Singtel

Chua Sock Koong said that digital was throwing everyone's lives into disarray and forcing them to change their business models in order to retain their customers and even gain new ones. As a telco, Singtel had been as affected by the digital tsunami as anyone else. Smartphones were only 10 years old but were already connecting the majority of the human population.

So how had Singtel responded to this existential challenge? What strategies had they developed to underpin a digital future? To start with they had to re-install their entire network capacity to support greater data transport. The consumer business had changed profoundly, but so had their B2B group enterprise services, including the development of a cloud business and cyber security services. Again, they had been required to move very fast to keep up, still more to gain new business.

The pace of this disruption was different for different parts of the business. And Singtel had tried to avoid being over-reactive, or to walk away from existing businesses too quickly. They embarked on remaking the company at the same time as placing longer term bets in businesses like digital marketing, data analytics at scale and over the top ("OTT") video.

Data streaming quality content such as Netflix and the Premier League had helped Singtel to build its market share. Singtel was also at the forefront of 5G planning, and the first operator to launch an IoT network. Looking more broadly at digitalisation, they had migrated to more and more real-time customer service, whether through web

chat or account management online or through traditional branch and call centre handling, albeit with a greater degree of voice-activated response and self-service in the latter. Over 20% of all sales transactions were now online, with three million customers using My Singtel and My Optus self-service account facilities. Underpinning these customer-facing services, they were using real time traffic monitoring to load balance network capacity.

The new businesses were growing fast. Their cyber security division was grossing over S\$530m in revenue with 10 advanced security operations centres around the world, and Amobee Digital Marketing serving over 2,000 companies. Smart city initiatives, linking smart urban infrastructures with automation and robotics, had the potential to anticipate service needs as well as improving maintenance execution and management. In healthcare, Singtel were deploying robotic technology in pharmacies.

Chua noted that like the other major players in the region, Singtel was building a true digital ecosystem, and in turn, entering further new markets had become easier. Thus, they had just announced the introduction of a multiple function mobile digital wallet which would incorporate e-sports as well as an enhanced content offer.

The first movers and fast followers could hope to survive, but "if you snooze, you lose." And strategy formation itself had to be agile when all the old assumptions proved inadequate. In the digital world, anyone could be a competitor and anyone could be a partner.



THE FUTURE OF WORK: PEOPLE AND TECHNOLOGY

Guy Ryder

Director General,
International Labour Organization

Guy Ryder was interviewed by Sharanjit Leyl and explained that 100 years after its foundation, the ILO had embarked on a major enquiry about the future of work. There was widespread concern about the fast, profound and global transformation of employment by technology, exacerbated by differential demographics in both youthful and ageing populations, climate change and disruptive times in the history of globalised trade. The Commission was chaired by President Ramaphosa of South Africa and would produce a short, action-oriented report by January 2019.

Ryder said there was a long-standing assumption that we would be heading for a world of work scarcity, but realistically it was more likely it would be a world with transformed work. We would have to learn to engineer our institutions and labour markets very differently. Even now, 15-20% of workers would almost certainly have to plan for alternative employment in the foreseeable futures. But by working together, there was a great opportunity to grasp in restoring and building confidence in the future.

Noting how much disquiet there was about data disclosure, and how fast moving that debate was, Ryder said there were no hiding places and blank spots in public opinion about custody and use of data. The good news was that the same technologies around data gave firms a greater opportunity to respond to scrutiny. Consumer companies could use satellite technologies and blockchain to map their supply chains in accordance with, or even ahead of, the expectations of the public.

Sharanjit Leyl asked Ryder whether international organisations such as the United Nations (the umbrella underneath the ILO sat) were really able to keep up with times that were changing as fast as these. He said the UN fully understood the need for change, but argued it faced a more existential question still about countries believing in the need for multilateral dialogue. Despite this, the Paris Climate Change Agreement was one of the greatest achievements of multilateralism, and the UN was engaging more effectively with the private sector than at any time in its history – in turn a vital condition for implementing that and similar agreements.

Ryder said he was massively encouraged by the CGF's call to action on forced labour: that nobody should have their freedom of movement restricted; no worker should pay for a job; and no worker should be coerced or forced to work. 25 million people were still victims of forced labour, so there was much work to do. The ILO had a good sense of the areas where the risks of forced labour were the highest, and the people the most likely to be victims: progressively, being a migrant, being undocumented and being a woman steadily increased your risk. 152 million children were still made to work, and half of them were made to work in occupations which had a high risk of life-limiting consequences.



POSITIVE CHANGE IN ACTION: DRIVING THE CIRCULAR ECONOMY

James Quincey

CEO,
The Coca-Cola Company

James Quincey said that The Coca-Cola Company were operating in 207 countries around the world (and might be aspiring to add one more after the Summit in Singapore earlier in the week). But they operated locally, and were continually learning lessons in each of those markets.

In adapting to an ever-changing world, Asia was perhaps the epicentre of change, and digital was at the heart of it. The \$30bn online to offline food delivery business in China was comparable to the entire restaurant industry of Italy, and had sprung up in just a few years. The digital age rewrote what was possible, and how Coca-Cola could grow and develop its brands. Amongst others, blockchain would provide more certainty around supply chains, ingredient purity and supplier practices. Robert Woodruff had famously said that he wanted to put a Coke within an arm's reach of desire, but now that had to be changed to a Coke within a click's reach.

What would be different about brand activation? In large part, it was to bring the old analogue practices into the digital age. Coca-Cola had been very aggressive in building a strategy based around a consumer-centric portfolio. Implicit in that was an obsession for understanding consumers, listening and learning about what beverages they wanted, what they wanted delivered in them, what they wanted from packaging and their concerns about health and wellness. One clear trend they were hearing was that it was only the brands with edge which would become leaders, so while

listening was important, so was giving consumers something to react to.

Quincey said that while the digital revolution was exciting, it was also vital to be where the consumers were, and that was living in an omnichannel world. That in turn drove how they would have to think about their brand portfolios. The explosion of categories to meet consumers' needs was ever-increasing. As they had been doing this, Coca-Cola had been embracing their core as a company who could create, nurture and keep relevant great brands.

In driving an innovation approach, they had to be willing to embrace making mistakes and moving on – something which had not been historically a strength for the company. But there was no future without growth, and they had to build an environment where they could test, learn and scale. Quincey described the progress of the Innocent Drinks brand, which was now the leader in Western Europe in chilled drinks. Even now, their development kitchen was still operating at their London headquarters. Conversely, they were prepared to kill off the “zombie” products whose time had come. Brand portfolio management required them to innovate, renovate and delete as appropriate. But innovation also included tackling waste and undertaking economic empowerment initiatives for women within and beyond the Coca-Cola business. Sustainability was not a department but who Coca-Cola were, and how they operated.



NEW RETAIL: CREATING NEW VALUE FOR CONSUMERS

Daniel Zhang

CEO,
Alibaba Group

In an interview with Sharanjit Leyl, Daniel Zhang said that Alibaba Group had continued to evolve and grow from their original e-commerce base at foundation in 1999. Their first business was a B2B platform for Chinese SMEs to reach overseas buyers. Observing the use of digital by consumers, they had extended their platform to enable brands and SMEs to sell directly to consumers, now with gross merchandise value of \$760bn a year. Their model had enabled them to scale especially quickly.

Consumer lifestyle changes drove business evolution. They had observed the growth of digital content and local services and added streaming video, a social media platform and food delivery. From a business perspective, they were migrating from a pure trading platform to include payments, logistics and cloud infrastructure for digital commerce.

Zhang talked about Alibaba Group's "New Retail" strategy. It was based on the foundational belief that the online and offline worlds were closely connected, with the same consumers participating in both at the same time. People went out and visited stores, and were using their smartphones as they did. Creating new value for customers would sometimes involve the physical world, and sometimes could be achieved digitally.

Asked about differentiation in a global market, Zhang observed that Alibaba continued to have an entirely different philosophy to other digital platforms, because it was based on a culture of enablement. They did not want to be an intermediary between brands and customers but the means of connection.

In investing in physical businesses like Sun Art, they recognised that they had to digitise existing assets, not least to generate the data that they enjoyed in their digital operation, understanding both customer behaviour and operations to make adjustments on a real-time basis.

Asked about the prospects of trade wars, Zhang said that the big picture was one of a transformed China: one which had moved from investment to consumption. The Chinese government had clearly stated its willingness to import more. So, for global brands, China would remain a great opportunity: first because of inherent appetite for overseas products, but also because of this longer wave of consumption-driven growth.

Looking to the future, Zhang said that they would always have a core, which was data: the creation of data from real business situations and then extracting value from it, feeding back into the ecosystem which produced it. But an underlying value of Alibaba Group was constantly to embrace change, and that would be driven by more and deeper connectivity, and increasingly seamless transactions. In the future, every eyeball would be a wallet.



LEADERSHIP LESSONS FROM THE TRENCHES OF DISRUPTION

Scott Anthony

Managing Director,
Innosight Consulting Asia-Pacific

Scott Anthony told his lessons in five acts.

Act 1 was the origin story. He had moved to Singapore in 2010, leaving his original business behind to join an investment start up, itself looking for unicorns. But he had learned he had framed the question incorrectly. The best place to engineer change was within existing large companies. The challenge for start-ups was that while it was easy to start companies, it was also just as easy to copy them. In comparison, companies like Medtronic – who made pacemakers – were very hard to emulate because they had valuable and privileged assets.

Act 2 was the challenge. The barriers to innovation were barriers to creativity. Schools and corporations alike were very good at setting out the rules against doing things; organisations were sets of coherent systems and structures which supported doing what they were already doing, and preventing them doing anything else.

Act 3 was the answer. Anthony and his colleagues had written a book called Dual Transformation which set out a two-step model for change. The first transformation was to reposition today. He used the Netflix example: a company which had stayed in media and entertainment but gone from shipping other people's content to making it themselves. The second transformation was to create tomorrow. Amazon Web Services, a \$20bn company in its own right, had been created almost as an accidental by-product of ongoing

innovation activities. But all of this was dependent on catalysing core assets. Anthony pointed out that Singtel, who had earlier spoken at the Summit, had themselves managed dual transformation, reinventing their telecom business and creating a marketing services business.

Act 4 comprised the implications. Four things followed. The first was the courage to choose, and choosing before the platform was actually afloat (or fix the roof when the sun was still shining). The second was the clarity of focus. A few bold decisions really could create the future, setting out the destination but also the key steps to get there. The third was the curiosity to explore. Anthony pointed out that the Wright brothers had spent time studying how kites and gliders worked, and had built a rudimentary wind tunnel to find out how air moved over wings. And the fourth was the conviction to persevere. That was perhaps the hardest. It required a story about the future and a grounding in purpose.

Act 5 was a declaration of innovation, holding as self-evident the truths that all have the ability to innovate, all are endowed with certain unalienable capabilities and that amongst them are curiosity, creativity and the desire to grow.

All of these applied with the power of scale had the capacity to move the world. Anthony reminded the Summit that they were exceptionally well positioned to lever change.



PANEL DISCUSSION - THE CHANGING FACE OF RETAIL IN ASIA

Winston Cheng

President of International,
JD.com

Nicolo Galante

CEO,
Central Retail

Thierry Garnier

CEO,
Carrefour China

Shafie Shamsuddin

CEO,
Transmart

Moderated by : **Peter Child**

Head of Retail and Consumer Asia Pacific,
Mckinsey & Company

Peter Child introduced Nicolò Galante, Thierry Garnier, Shafie Shamsuddin and Winston Cheng.

The panel discussed the connection between offline and online businesses. Across Asia, the level of online varied significantly. Shamsuddin said only 1% of sales were through these channels at present, though they were anticipating the coming digital wave and building an ecosystem capable of integrating both. Garnier said that in contrast in China the turnover of even the largest offline retailers was dwarfed by that of the online leaders, but equally they believed a strong physical presence would always be relevant. At Carrefour, they had developed a smaller mall-based hypermarket and

worked with Tencent to allow customers to pay by phone and even facial recognition.

Galante said that at Central, they had to start from the specific requirements of South East Asian customers, for whom shopping was much more about experience and social recognition than their counterparts in the West. Shopping was also more driven by food – and food that looked great and could be shared on social media. So, they would continue to operate large, experience rich stores and invest in smaller, functionally efficient convenience stores, but he saw no future for the middle ground in between.

With regard to online, Galante said that in China and the West, pure play leaders were driving the game but South-East Asia was again different. First of all, in most ASEAN countries there were at least three or four major online players, not one or two. Second, there was an especially intense battle for owning data. Third, the leading retailers had been able to observe the mistakes overseas retailers had made in their omnichannel transformation.

Cheng said although JD.com had been built on online sales, they were very conscious of the 80% of total Chinese retail sales which remained offline. But they were able to lever their data-driven approach to help them open their own fresh food stores.

Garnier said a blended online-offline future was one they could readily believe in. He described the Carrefour-Tencent partnership as one based partly on sharing two rich pools of data, partly on driving physical traffic to stores through social media and partly building on the WeChat mobile payment platform. He added that they were developing non-bank credit alongside experiments with cloud solutions and voice recognition.

The panel discussed the management and use of data. Shamsuddin said Transmart's group already benefited from a number of online assets and their associated traffic. For the future they were working hard to merge the databases within the group, measuring the different customer needs across Indonesia's 98 cities – for these varied significantly. Using insights from each of their data pools, they were able better to match the retail provision for stores in each of these new markets, as well as enabling more decentralised decision-making.

Galante said the challenge with data was usability, and in particular, usability at the front line. Though data science and personalisation were important, making data available in real-time in the store was the priority. Central's other objective was to improve the use and coherence of internal data within the organisation. They were experimenting with social media platforms to empower the frontline.

Garnier said that three questions were uppermost on his mind. One was the ability to track customers in real-time through payment software, and thus be able to trigger situationally relevant personalised offers.

Second, there was a rich connection between social media and commerce. Carrefour had used it to send very targeted offers. Third, and beyond the pure use of data, there was proven demand in China for delivery within an hour. But that in turn required localised storage, and reinforced the importance of the physical store network.

Shamsuddin added that there was a significant opportunity to apply new technology to the traditional trade, and in a market such as Indonesia, B2B was potentially as important as B2C. He added that transitioning from broadcast promotional messages to targeted, sniper shot ones was one which would require careful collaboration with their suppliers.

Cheng observed that many suppliers needed help with brand-building, and JD.com could feedback data to help them understand what was working best, both in terms of marketing efficacy but also determining the contents of their product portfolios, not least in a region where different markets had such different requirements and customer preferences. They too saw an opportunity to help mom and pop retailers with their sourcing.

Child asked the panel whether they saw a regulatory challenge in the use of data. Galante said that if there were an explosion in scrutiny, retailers had to be conscious that they always needed to demonstrate a clear consumer benefit from holding that much data in the first place. The worst prospect was being found to have lots of data, poor protection and no good reason for having them in the first place.

Garnier agreed, saying they were making intensive efforts to protect customer data. Shamsuddin speculated that some future data regulation might even be backdated, but that in any case the priority was to work proactively with government to build together a robust data ecosystem. There was a role for retailers in helping this happen.

Cheng said that the most important thing to remember was that good technology companies understood the importance of good customer experiences, and were thus naturally self-interested in protecting their reputations.



LEADERSHIP IN RETAIL

*An Interview by Sally Elliott,
Spencer Stuart*

Ian McLeod

CEO,
Dairy Farm

Sally Elliott said she could think of few better positioned people to comment on leadership in retail than Ian McLeod, who had led Celtic Football Club, Halfords, Coles in Australia, Southeastern Grocers and was now eight months into leading Dairy Farm in Hong Kong.

McLeod noted that when you were an established CEO people could read up about you in advance, but there was always wariness about a new boss. But he recalled the advice of rapper LL Cool J, whom he'd encountered in a lobby in Australia: "you only get one chance to make a good first impression".

Asked about the elements of great leadership, McLeod said that people came to work to do a great job. They needed a vision and the means to succeed, and leaders who would stay resolute on their behalf, find the quick wins to make some space for the team and be prepared to act boldly in the interests of customers on the shop floor.

After three decades of working in retail, McLeod still thrived on the rapid feedback of decision-making and implementation in retail, but he observed the cycle was shortening even further, driven by technology. Conversely, the death of physical retail had been foretold for a very long time, and the largest online players had now themselves started to move into offline. For incumbents to survive, however, overcoming the tendency to complacency and denial was vital. They had to grow and adapt to change, learning how to manage data and applying AI, and recognising the speed of transition to a cashless society with instant payment. He recalled seeing a

busker in China with two QR codes for the two main means of payment by phone.

Reviewing his global experience, McLeod said that differences in food cultures were profound, but everywhere customers wanted quality and value. The indicators varied, as did the competitive context. In Australia, specialist high street competitors were the biggest threat to supermarket service counters, but in Asia, wet markets continued to thrive.



The cultural context for leadership and managing change also varied. He recalled working for Walmart in Germany, and making sure the local team knew that as a Scot, he would be supporting Germany versus England. In Australia, people laughingly appreciated self-deprecation, but in telling a story against himself in the United States, there was a stony silence.

McLeod said that the best piece of advice he had received as a leader came from Lee Scott, CEO of Walmart. He told him "Wherever you go, be humble. That will make you a great leader". And his own best piece of advice? Surround yourself with great people. It made the difference between success and failure.



PANEL DISCUSSION - GLOBAL MILLENNIALS: THE DATA-DRIVEN FACTS

Mitch Barns

CEO,
Nielsen

Kevin Lee

COO & Managing Partner,
China Youthology

John Ross

CEO,
IGA

Moderated by :

Michael Chui

Partner,
McKinsey Global Institute

Michael Chui introduced Mitch Barns, Kevin Lee and John Ross.

Barns said there were a few features about Millennials worth bearing in mind. They did indeed live via their phones, and they were living more fragmented lives. Ross agreed and warned against assuming Millennials would end up living like their predecessors. Lee said that Chinese Millennials were fast becoming more like their global peers.

In a discussion about media use, Barns confirmed that the Millennial generation consumed much less on traditional platforms, were more likely to use digital platforms and had been the fastest to adopt voice. Ross said that communicating with a generation of customers who assumed that their say mattered, and were always ready to share

their lives, changed marketing: customers wanted to be known and recognised. Personalisation was an attribute on which no bricks and mortar retailer scored well with shoppers, which was a significant underperformance for businesses who provided so much direct personal service.

Lee said that being a digital native meant that your identity was first created and expressed using online tools. Social media use did not reflect identity but actually constituted it. Online interaction was potentially so much richer than the offline alternative that it was understandable that Millennials would spend so much time on their smartphones. And their online experiences shaped their expectations of the offline world. The street bikes that you just picked up and dropped off was really a development of a use case from gaming,

where players were used to temporarily using and then discarding tools and weapons.

Barns observed there had been a three-point share shift in the US from big brands to smaller brands. Partly that was due to Millennials being more adventurous in their choice but also to lower trust in big institutions in general, not just the owners of big brands.

Chui fielded the panel a series of quick fire questions. What was the most surprising thing about Millennials? Ross said their potential for fear. Barns said the fact that they were no less loyal, just differently and more broadly loyal. Lee said it was

how different their perspective was from previous generations. When it came to the product category for which serving Millennials would have to be most different, Lee and Ross said fresh produce, and Barns said beer. And in offering one piece of advice to Summit participants about addressing Millennials as customers, Ross said it was too easy to be judgemental. Barns said not to be deceived into thinking this was an up and coming or marginal group, for it was now the mainstream. And Lee highlighted how much data use often was still retrospective behaviour analysis, and not harnessing the inherent desire of this generation to co-participate and collaborate.



ENTREPRENEURIAL STORY IN RETAIL FROM MYANMAR



Win Win Tint

CEO,
City Mart Holding Co Ltd

Win Win Tint said that Myanmar already had a smartphone penetration of 80% amongst the 35 million phones used by its 52 million people. Phone penetration had been 7% just four years before. It was the fastest mobile adoption in history; in comparison, only 5% of citizens yet had a bank account. 90% of retail sales were still generated in the traditional trade.

Myanmar had experienced a challenging path to democracy. 14 years after independence, a socialist government had nationalised assets and been followed by a long period of military rule during which markets were very gradually liberalised. Tint herself had been brought up during the years of socialism, and came of age in 1996. She had been educated in Singapore and exposed to the modern retail trade for the first time there.

Tint's parents identified a site which they thought might be suitable for a supermarket, and she promptly left Singapore to take charge of their first store. Subsequently they had grown to operate over 200 stores nationwide, amongst which were the original City Mart supermarket format, hypermarkets, convenience stores and a mixture of home grown and overseas franchise foodservice offers. Their real estate arm now operated 22 shopping and neighbourhood malls across Myanmar, and their distribution companies served some 40,000 mom and pop retailers.

She reflected on some takeaways from their journey. The first was the importance of customer

centricity. Even as a single outlet business, they had benchmarked other, larger businesses and setting explicit standards, with commitments to variety, freshness, quality and reasonable prices. But following their customers had also taken City Mart into new businesses. A second learning was about people development culture. They had been gender equal from inception, now enjoying 58% female participation in their workforce. They had worked hard to catch up fast with the knowhow required to operate in the modern trade.

A third was that challenges could be turned into opportunities. When City Mart started, they struggled with poor or non-existent supply chains, but they had developed their own distribution companies first to cope with this, and then to sell on a B2B basis. Similarly, they had embarked on property development initially just in response to the landlord of their best performing store evicting them, and the need to ensure they had sites to trade from. Their fourth learning was the importance of resilience and taking a long-term view. They had survived a nine-year trade embargo, bomb blasts, cyclones and a banking crisis by resolutely believing in the future being better.

Looking to the future, Tint said they would expand to digital operations, both in customer-facing e-commerce and in building an end to end solution for the retail business. They would strengthen their backward integration and implement a comprehensive sustainability plan.



WHAT DOES SCALE MEAN TODAY?

David Taylor

CEO,
Procter & Gamble

David Taylor said scale had many meanings. In the business world, it often implied the economies and advantages of size. But to consumers and shoppers it was much less important. You could win being big, and you could win being small, provided you delivered great products, packaging, retail experience, communications and value to consumers. But scale had not always led to a win for them, and their increasing expectations were raising the bar for everyone in the industry. Analytics and technology were dominating the manner in which consumers connected with retailers and manufacturers alike. It would never be business as usual again.

But with this disruption came opportunity. Only 45% of the world's population had access to the internet right now, but that would increase to an estimated 76% in just 12 years. And shoppers who were online spent more both online and offline. Demographics were also supportive to growth, especially in Asia, and both Millennials and their parents had both the appetite and the means for brands.

Taylor asked how that growth potential would be captured. There were three elements in his answer: data and analytics, innovation partnerships and sustainability plans. Data could be captured and fed into virtuous feedback cycles of product and process improvement, not least in digital ad spend and highly targeted trial and sampling. Combining data with retail partners allowed both to understand better the precise requirements of local markets, as well as improve production planning.

When it came to innovation, Taylor said retailers and manufacturers alike had a common enemy in commoditisation. Innovation led to market growth and value creation, and partnerships enabled the scale and speed required. Taylor mentioned experiments run with Walmart in the US, Coop in Italy and Alibaba Group in China.

Consumers also wanted to see positive steps and real impact in terms of sustainability. Procter & Gamble had recently performed a rigorous reassessment of their environmental impact and had started to ask bold questions. What would be the impact of reducing laundry detergent operating temperature? How could plastic use be transitioned to recycled plastic? And how big a target for carbon emissions could they set themselves? Although their scale was vital in achieving aggressive targets, Procter & Gamble could only realise their full potential by working with a range of partners.

Taylor concluded with remarks addressed to the issue of gender equality. He said that major consumer goods companies could engage their voice to unlock the \$28 trillion of value represented by realising the untapped economic power of women across the world. The industry could use its scale as a force for good and a force for growth.

In conversation with Sharanjit Leyl, he emphasised that however big any single company's influence, it was nothing in comparison to the collective power of the industry working together in non-competitive areas.



THE MOST LOCAL AND PERSONAL RETAILER IN A DIGITALISED WORLD

Dick Boer

CEO,
Ahold Delhaize

Dick Boer said that Ahold Delhaize was based around the concept of great local brands offering fresh inspiration every day. They took pride in the heritage of those brands, just as they were embracing change in every aspect of their business. Boer said that customer needs were shifting and reshaping the sector. They were looking for high quality products at affordable prices. They wanted an efficient shopping experience. They wanted healthy products, and they wanted a seamless omnichannel experience.

Retail had to be reimagined and reshaped. But it was also important to be authentic and to protect heritage. In a world which was customer-centric, having 80% of their sales being captured by loyalty cards gave Ahold Delhaize vital insight into changing demands. Whereas before it might have been possible to make actionable predictions about the future, the sheer speed of current change meant it was more important to be able to detect and act on trends fast. Boer said that with customers' permission, technology could enable the hyper-personalisation of shopping and household management.

Supermarkets were here to stay, but they would have to change to become more convenient and more social. Technology would enable frictionless payment, and online provision of basic commodities would free up some of the space for fresh inspiration and meeting places, both for customer education and socialising. Many of these ideas were beginning to emerge in the stores of the present. But just as car makers were beginning to think about broader solutions spaces than just building cars, retailers should also be thinking more broadly.

Boer talked about health and wellness. He emphasised the value of lifestyle management and healthcare prevention over care and cure strategies, and the importance of the role retailers could play in promoting healthy eating, making it easier and more rewarding. In removing salt and sugar and communicating better about products in private label, Ahold Delhaize were setting themselves ambitious targets across their business. But health and wellness was not just about eating more broccoli. Health was, by definition, personal and individual, and there was an opportunity to combine personal data with shopping data to provide a healthy dashboard for customers. And health was also intimately linked to local communities and their level of affluence.



Boer acknowledged the efforts of Peter Freedman and his team and said that The Consumer Goods Forum represented a unique conjunction of major industry players and NGOs, working together to make a difference in the world. Effective execution, though, would require great communication and storytelling.



INSPIRING HEALTHIER LIVES: ONE COMMUNITY AT A TIME

Dick Boer

CEO,
Ahold Delhaize

Emmanuel Faber

CEO,
Danone

Moderated by :
Sharon Bligh

Director, Health & Wellness,
The Consumer Goods Forum

Sharon Bligh moderated a discussion with Dick Boer and Emmanuel Faber. She asked Boer about the distinction between being leaders and being victims in the health and wellness space. Boer said food had never been safer, and food products were the most beautiful products in the world. Food was not inherently dangerous; it was simply that customers sometimes needed help to make the best choices.

Faber said there was a food revolution under way. Assumptions which had held for 50 years or more were now being challenged by consumers, who were actively looking for alternative ways to buy food. Just by looking at the range of additional brands available through the internet it was clear there had never been so wide a range of local product available, and brands with a clear sense of purpose. If large retailers and manufacturers were unable to match that purpose, they would continue to lose share, point by point. Boer said that it was important to integrate incentives into retail organisations to reward engaging with local communities and advocating healthy eating. He added that as an industry with millions of employees, they should start by attending to their health.

Faber agreed, noting that employee consultation was at the heart of Danone's response to the food revolution. They were asking the opinions of more than 100,000 people around the world, both to help shape strategy and to make their work itself sustainable. Equally, consumers wanted to know who were the people behind the brands they consumed, and what they stood for.

Boer described an in-store initiative in Colombia where local university sports scientists had joined retail staff to pilot exercise classes to encourage customers to try out routines for free, and another one in the United States with nutritional advice available from experts in-store as part of a broader community initiative to tackle rising levels of obesity. Faber talked about another pilot in Turkey where customers were able to compare an ideal personalised shopping list with their most recent purchases as recorded by loyalty card data before they went around the store. They had quickly been able to see a shift towards more healthy purchases. In a scheme in Japan aimed at the needs of older customers, proximity retailers had started to offer health and nutritional advice to a generation less familiar with digital delivery. Other projects, such as health screening outreach in Costa Rica, were due to rollout across the world. Faber stressed how important a multi-local approach was, because real progress would be made one shop at a time.



Boer said that the consumer goods industry could catalyse a movement, but it had to engage a range of stakeholders across government, education, families and health providers. Consumer companies should also be looking at existing initiatives which could be scaled up and amplified by the voice of the industry and its capacity for impact measurement.



TRANSFORMING CUSTOMER EXPERIENCES THROUGH BIG DATA

Alain G. Bejjani

CEO,
Majid Al Futtaim Holding

Alain Bejjani noted that there was real apprehension about "Big Brother" and surveillance through the use of big data, but the difference was not that we were now under scrutiny, but rather that the observations being made of us were being stored digitally and not in human brain tissue. As stakeholders in the industry, retailers and manufacturers had to work out not just how to personalise and protect the management of data, but also how to monetise it.

Bejjani said that big data had quickly become central to Majid Al Futtaim's operations across the Middle East in retail, leisure and entertainment and banking. Their ambition was to bring great moments to their customers every day, enabling a more modern lifestyle for a very young population. Three years before they had committed to a major transformation and building the capabilities required to deliver it, taking a holistic approach to winning the hearts of their customers. Bejjani argued that the industrialised, supply-driven model of the recent past had led both manufacturers and retailers to lose the sense of individual connection that made a consumer a customer. Mass media had amplified the effect.

New technology had started to reverse this trend. And consumers were themselves becoming more conscious of the wider implications of their consumption, and more demanding of the experiences they had. Big data solutions were the key to personalising service, and retailers had to get closer to the technology companies who had developed them in the first place.

At the same time, their customer expectations were no longer driven by the strategies of local consumer companies, but now by players in other industries and from every other part of the world. For instance, the Uber app, a taxi hailing service from San Francisco, had changed the game for banking services in the Middle East, setting far higher levels of expectation for intuitive user experience.

The reality was that the change afoot was not just about customer behaviour, but also about technology and the pivot that consumer goods companies would have to make into offering richer experiences. In doing so, they would be following the money; growth rates for leisure and services far outstripped those for consumer goods. Majid Al Futtaim's approach relied on developing their human capital, building a technology environment as an enabler and going back to the drawing board to redefine customer experience for each one of their brands with the aim of delighting customers. This was the new normal. Growth would only be generated from better experiences.

In all of this, there was a fine balance between humans and machines. Bejjani recalled Jack Ma's observation that having tried to make humans more like machines, it was now time to make machines more like humans. But the answer was both.



DISRUPTION IN LATIN AMERICA: HOW A NEW MODEL CHALLENGES THE TRADITIONAL VALUE EQUATION

Sebastián Mejía

Co-Founder and Chief Strategy Officer,
Rappi

Mejía said that in founding Rappi, he and his co-founders had three purposes. First, they wanted to produce something to transform the quality of life for Latin American consumers. Second, they wanted a business which had social impact at scale. And third, they wanted to put tech-driven innovation on the map in Latin America, and not just rely on the usual West Coast sources from the United States.

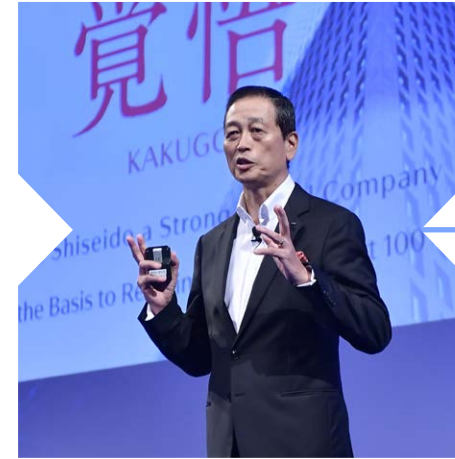
Latin American cities were tremendously dysfunctional, and poorly served by their infrastructure. Sao Paulo had the largest urban fleet of helicopters in the world, but they could serve only a tiny minority of residents. And Latin America had underperformed in both innovation and e-commerce development. Historically there had been three barriers. The first was near non-existent logistics service provision. The second was very low credit card and bank account penetration. And then finally there had been very little development in e-commerce user experience.

Rappi was a 30-minute delivery service, deploying 50,000 motorcycle couriers who accepted cash as well as credit cards, and which operated with an exceptionally simple user interface to connect customers with some 10,000 local vendors in retail and foodservice. Because the service was so radically better than the existing customer experience, they were enjoying 30% monthly growth, doubling their size every two or three months.

From the consumer's perspective, the Rappi service was a super-app. Their power users were able to organise a significant number of their daily activities through the same platform. Couriers were paid 100% of delivery fees, and were able to earn three to four times the minimum wage. Rappi recognised that their couriers were the living face of the brand, and celebrated them in their advertising.

Partner companies included the leading retailers in each market, many of whom had already attempted to develop their own e-commerce businesses, and directly with leading consumer goods manufacturers to offer targeted, segmented sampling. In foodservice their partners ranged from large foodservice operators through small family chains all the way down to the most popular street vendors. Rappi had a deep understanding of consumers because they mediated so wide a range of purchases, and another element of their business was the provision of data insights.

Mejía said there was still tremendous room for growth in an \$800bn market which was currently only receiving 10% of the venture capital investment currently going to India. The shift from the offline world to the mobile one was under way, and he confidently predicted the rapid growth of e-commerce penetration in Latin America from its current level of just 0.5% to levels closer to the rest of the world. With a scrappy, can-do entrepreneurial attitude, he believed Rappi would continue to lead the way.



CORPORATE CULTURE SHOCK: A STORY OF CHANGE

Masahiko Uotani

CEO,
Shiseido

Masahiko Uotani said that he had joined Shiseido from Coca-Cola as the first non-industry CEO of a very traditional, 140-year old Japanese cosmetics company.

Shiseido operated in 120 countries and 57% of sales were abroad, but when he joined, Uotani was confronted with a long history of declining domestic sales. He had spent many hours talking with some of his 65,000 new colleagues who said they had tried to kick start growth on many occasions without success, and who therefore questioned the ability of an outsider to do any better. Listening more, he realised the company harboured a deep underlying desire to win, but that it was trapped by a very inwardly focused organisational structure. It was product-focused rather than brand and customer-focused. It took a short-term view of targets. It was a monoculture as much male as Japanese, and was characterised by hierarchy and silos. And the business was in the grip of a vicious cycle as it attempted to maintain profitability by cutting marketing investment.

In developing its turnaround plan, Shiseido had reaffirmed their long-term vision to reach sales of ¥1tn with an operating profit margin of 10%. The Vision 2020 Strategy had focused on three areas: marketing, innovation and people. It set out a series of culture reforms to adopt a clear brand focus, emphasise a mid-to-long term strategic view, increase diversity and move to a flatter and more agile structure, merging fragrance and cosmetics in not just Japan, but in every country management structure.

Uotani had studied the transformation story at Samsung and understood the importance of symbolic change. He had introduced the idea of "one half": meetings should take half the time, and presentations had to be half the length, they had been before. The Shiseido brand was sharpened to align with prestige positioning in all of its categories, and other mid-price and value products given clearly distinct identities. They had acquired Laura Mercier and the licence for Dolce & Gabbana. And they had supported all of these brands with incremental marketing spend of \$1bn in just three years, and increasing research and development activity from 1.5% to 3% of sales. They were exploring new opportunities in digitisation, enabling consumers to measure their skin type and have it matched to suitable products, and they had recently acquired an innovative new "second skin" technology to cover up wrinkles, lines and blemishes.

Underpinning these changes, the organisation had been changed to a matrix design around their "think global, act local" principle. The executive team now had only two Japanese members, and from October 2018 they were establishing English as a common language across the business.

The turnaround was working, and the value of the company had quintupled. But as a previous CEO at Coca-Cola had observed, the world belonged to the discontented. Uotani said that they wanted to double their business within 10 years, and maintain operating profit margins of at least 15%.



DISRUPTING FOOD THROUGH THE EYES OF AN ENTREPRENEUR

Matilda Ho

Founder & Managing Director,
Bits x Bites

Matilda Ho said that food safety and nutrition management were urgent issues in China. She had built her first business with a simple mission: how could she create greater transparency from farm to table, and empower consumers to eat safer, cleaner and more mindfully? She developed an app to disclose full sourcing history and nutritional contents.

They now supplied more than 750 products from 70 or so farmers to 50,000 customers across the Shanghai metro area. In doing so, they had discovered extraordinary products, and started their own private label for organic and traditionally produced food. They brought communications and quality assurance expertise to their farmers to maximise the value of their produce.

Although they were a digital company, they had found that offline customer acquisition was still much more effective. They were running some 500 sampling and education sessions a year. Once onboard, customers could order online and receive products in as little as three hours.

Quickly she had run up against the absence of support for innovators in the food space in China, and in 2016 had decided to found Bits x Bites as China's first food tech accelerator platform. They backed companies who were shaping the future of good food across the country and tapping into the vast opportunities presented by that market. They extended across agriculture, production, and distribution and retail. And they also included learning and sharing across that value chain.

Ho said there were two major food trends under way in China. The first was better-for-you foods,

and the greatest opportunities were upstream, whether in ingredients and sourcing, manufacturing technology or packaging. She described startups they had backed in drinkable fruit (preserving fibre and nutrients), tea and healthy snacks.

The second major trend was transformative technology. China was not just the largest consumer market in the world, but the one with the propensity to adopt new technologies the fastest. Because China was less invested in old technologies, it was more able to leapfrog to the newest. Part of their work involved bringing some of the most innovative new systems and solutions from around the world to Chinese manufacturers. Bits x Bites supported its startups through three 'C's: capital, coaching and community.



A lot of Ho's friends asked her what gave her so much determination to pursue a slow, sustainable path in a market so wedded to speed. She often cited Wes Jackson: "If your life's work can be accomplished in your lifetime, you're not thinking big enough". She said we didn't borrow the earth from our parents but from our children. Every cent spent on food was a statement about what kind of world we wanted to live in.



CLOSING KEYNOTE: WHAT TO EXPECT FROM THE WORLD?

Madeleine Albright

64th US Secretary of State

Secretary Albright said her speaking assignment was not an easy one at any time. Predicting the future required rare skill. Her own mother had the habit of palm-reading, but her forecasts had rarely been accurate. Indeed, few people would have predicted just a few months ago that President Trump and Kim Jong-Un would meet together rather than hurl insults at each other.

She said there had been two other periods of comparable change in her lifetime. The first saw the establishment of the United Nations in the post-war settlement. The second had been the end of the Cold War. Europe had been whole and free. China had been brought into the global economy and Russian and Ukraine had been brought into co-operative relations with the West. But in the current century, the positive momentum of that period had been challenged. In the face of this, she was an optimist who worried a lot. What worried her most was that in almost every region of the world, democratic values and institutions were under attack. The euphoria accompanying the end of the Cold War had been succeeded by doubts. Globalisation and technology had both brought the world closer together, and reinforced a desire for insularity.

Leaders swept into power on the promise of change were fated to disappoint their voters, and in turn further undermined the faith of their populations in democracy. A psychology of collaboration had been replaced by one of fragmentation. At the heart of this controversy was a fundamental divergence between the current US administration

and both its allies and predecessors. History taught us that emotions generated by disruptive change found expression in dangerous ways: fascism, protectionism and a tendency to dogma.

After leaving office, Secretary Albright had led an enquiry into globalisation. Generally, people were positive about multinational companies and new consumer technology. But people had a tendency to point a finger of blame at outsiders and governments when things weren't going so well for them. National self-interest would bring us back to the politics of the 1920s and 1930s, and question the role of the United States as a guarantor of global safety and security.

The rise of the non-state actor was also reshaping the international terrain. The larger members of The Consumer Goods Forum had turnovers in excess of the GDP of whole states. Reforming the political system to incorporate those actors was akin to reengineering an aircraft while it was still in the air.

Secretary Albright said that without underestimating the challenges, she still believed firmly in the capacity of humankind to learn from the past and create effective institutions. Those who felt threatened by globalisation could be counted upon to make their fears known, and there were still those who wanted to fight the religious battles of the middle ages. To survive, we had to reassert the role of democracy, the rule of law and the principles of international co-operation. And we had to believe in each other.



SUMMIT CLOSING

Olaf Koch

Co-Chair of The Consumer Goods Forum & Chairman of the Management Board, METRO AG

Olaf Koch closed the Summit in echoing Secretary Albright's words that we were living through a time of profound change. He said that turning challenges into opportunities, and working collaboratively together, would help navigate that change. He thanked all of

the speakers for their contributions and Sharanjit Leyl for her moderation, and the Summit Committee for their organisation of the event. He looked forward to seeing everyone in Vancouver.



I-Talks at the Presentation Theatre

A centre-piece of the 2018 I-Zone, the all-new Presentation Theatre added even more to the Global Summit experience. In 2018, we brought some of the brightest minds and the best ideas to the networking breaks to further demonstrate excellence in action and how companies around the world are driving positive change, and building better lives through better business.



I-Chats

Delegates were able to register on a first-come first-served basis and join the Conversation Corner, where a handful of carefully selected leading CEOs each opened-up to questions in personal, 15-20 minute I-Chats. It was a valuable opportunity to get face-time with leading CEOs from around the world: delegates asked, they answered.



SPECIAL SESSION

AlixPartners
 when it really matters

Michael McCool

 Managing Director,
 AlixPartners

David Garfield

 Managing Director and Global
 Lead of Consumer Products,
 AlixPartners

Cracking the Code on Consumers' Health and Wellness Preferences

David Garfield said that in the face of exploding demand for products with enhanced health and wellness benefits, consumer goods companies who were responding effectively were significantly outperforming their peers, and those who were not were struggling. Companies had worked all the way along the value chain in eliminating undesirable ingredients, buying or building new artisanal products and focusing on transparent labelling and initiatives around sustainability. But none was a silver bullet.

He explained how the results of the 2018 AlixPartners Global Health & Wellness Study made this clear. Using a multidimensional approach – asking the views of consumers in multiple geographies and in respect of multiple categories, and then further segmenting them by demographic characteristics – significant differences emerged as to which of some 20 different health and wellness related factors were the most important at different consumer intersections.

At an aggregate level, you could easily establish that health and wellness was significant for consumers: indeed, the numbers were impressive at 85% for food and beverages, 72% for health and beauty and 62% for household products. As soon as you subdivided those data, however, there were important differences. Just at geographical level, the number one decision factor for food and beverage purchasing in China was the

of produce and in the US, what Garfield described as “less bad stuff”.

Looking along the entire value chain, however, it was fair to observe that consumers generally valued upstream attributes the most. Source and quality of ingredients, and to a lesser extent manufacturing process, weighed more heavily on consumers' minds than proximity, transportation, packaging and labelling. Even so, there were important variations by product category.

Michael McCool described a series of specific case examples in which this finer discernment of difference had yielded valuable insight. In China personal care products, the simple rank order of factors disguised a significantly greater proportionate weighting to ingredient sourcing and quality, but this in turn obscured a significant difference between generations (those over 35 gave these about as high a rating as they saw anywhere in the world for any category). Using bakery in Germany as another example, he showed how rated importance had to be teased apart from willingness to pay a premium (Millennials would and Baby Boomers wouldn't); as to frozen food in the US, he showed how the importance-willingness to pay drop off was almost non-existent for food which could reliably claim to be “minimally processed” for families with children, but not for those without.

34 effect on physical health, in Germany it was quality

SPECIAL SESSION

ATKearney

Greg Portell

 Lead Partner, Consumer
 Industries & Retail Practice,
 A.T. Kearney

Abby Klanecky

 Chief Marketing Officer,
 A.T. Kearney

Recommitting to the Consumer-Centric Model: From Idle to Agile

Greg Portell and Abby Klanecky wove together survey responses from their audience with insights from a global survey of more than 270 CXOs, responsible in aggregate for over \$1.5 trillion in annual turnover. They demonstrated how a marketing model based on affluence was being supplanted by one based on influence: a change comprising of a series of profound shifts. Consumers were defining themselves not so much by what they earned as to who they were, and what they did. Relationships were moving from being transaction-based to being trust-based, and marketing was moving from mass to personal. And generating insight as to the future was not so much about known trends, as the detection of emerging signals.

Their survey work with corporate leaders showed that most planned to use data and omnichannel to move to a more consumer-centric model. Much depended on consumers being prepared to share data, and their finding here was that most were indeed prepared to trade privacy for convenience. But what was concerning was that more than two thirds of their executive group admitted to relying on relatively stale methods of data collection which were designed to drive foot traffic and a benefit for which was more for companies than their customers.

Making true connections with customers required a much greater degree of agility, but the prize at stake was huge. Their executive survey respondents had estimated some \$345 billion in additional revenue

could be generated. A few examples could already be observed in practice. For instance, Mens Wearhouse were rolling out an app which enabled associates to connect with their customers via video chat as well as make appointments to meet in store and get personalised advice. And Coca-Cola in Japan were working with BrainPad to look at their consumers' social footprint and search for the Coke logo in their images to determine how they were interacting with the brand. That was driving actionable insights from R&D through to the point of sale.

One of the questions put to the audience was how much they relied on competitive benchmarking. Portell and Klanecky observed that the challenge with benchmarking was that it was by definition retrospective. Likewise, following trends represented the same trap. A more agile approach was much more nuanced. It involved combining indications from across the market landscape with all the interactions you had with consumers, piecing together a story that in turn allowed you to influence the future. Agile companies shaped trends.

A truly agile approach would also move authority and accountability closer to the consumer. For years, the prevailing trend had been to pull power to the centre. But that was quite literally taking companies further away from their consumers. To be able truly to push down through the organisation two or three levels, and two or three market nodes closer, was really valuable.



Mass Marketing or Tailored to Your Tribe? How to Grow Your Brand in the Era of Data-Driven Retail

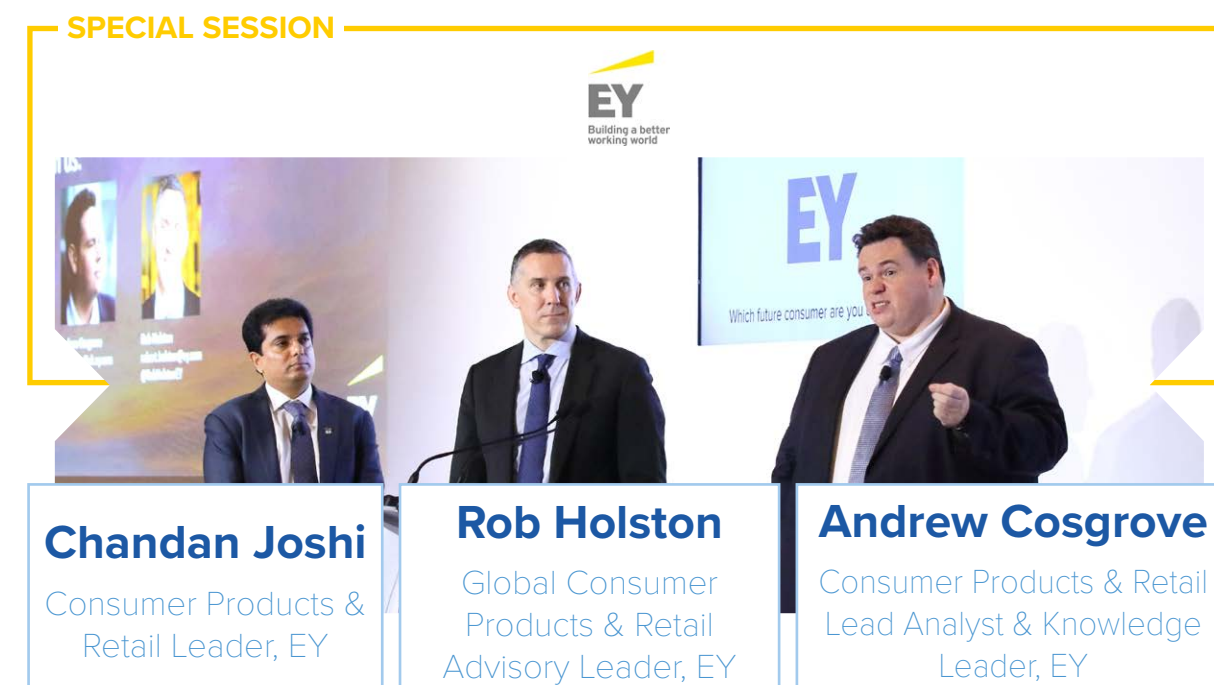
How much marketing budget and resources should be devoted to mass marketing vs tailored engagement? It's a question that is becoming more and more complex, said Guillaume Bacuvier. Increased data provides a challenge for companies who are faced with more information to process. Today's retail environment poses many new pressures and challenges for brands, such as retailers investing in private labels and the proliferation of channels through which to sell products. Key questions for brand marketers are now multi-dimensional. How much budget should be spent on mass marketing? How important is innovation? Is D2C even an option for my brand's products?

Bacuvier explained that dunnhumby has carried out research with global partners to examine the importance of customer loyalty in a world where brand loyalty is on the decline. Their studies, which looked at a variety of global brands in different retail categories included the following key findings. First, the top 20% of customers (those who are consistently buying a brand's products) represent 80% of sales of any given brand. Second, the loyalty of shoppers is essential for driving overall brand growth. Their data showed that 73% of incremental growth came from high spending, loyal shoppers, or those that were also there all along but spending less. Using the various data sets available to them, brands can find the

attributes of their loyal shoppers and effectively target them in their marketing and nudge them to spend more. Third, Bacuvier shared that loyalty is most certainly not guaranteed and that brands only retain about half of their shoppers, year-on-year.

Apichat Saligupta, VP Customer Development from Unilever then took the stage to give delegates insight in to how Unilever tackled this challenge. He shared that the brand has worked to understand their shoppers' profiles and measure their long-term shopper value by calculating shopper lifetime value, shopper acquisition cost, time to pay back and return on shopper. They target their "loyal shopper" segment (representing 66% of sales) by a targeted approach including personalised direct mail and in-store touch points. Their strategy has been a success, and they have seen a solid retention rate and uplift in sale amongst those who received the mail.

In summary, while many marketing campaigns are dedicated to chasing new, fickle customers, developing a greater understanding of existing, loyal shoppers helps brands to create more effective marketing campaigns - for retention and acquisition. Make use of new tools to personalise marketing approaches on online channels to effectively hit shopper segments.



Which Consumer Future are You Designing for? Understand the Future Consumer Today to Shape Your Business for Tomorrow

People are fundamentally changing the way they discover and interact with products, said Chandan Joshi. Many disruptive brands are revolutionising the industry landscape. On the flipside, renowned companies are falling into oblivion. No one can predict the future, but you can shape the future if you are willing to think and act different. Companies are often too focused on protecting what they have, instead of getting busy creating the type of organisation they need to become. It's a time of tremendous possibility to become the pioneers of the future of this industry.

Rob Holston then took the stage and reflected on a poignant quote from "The Sun Also Rises" by Hemingway: "gradually then suddenly". What does this mean for our industry today? The signs of the emergence of the online marketplace have been present for the past 20 years, yet we still seem surprised. What are the gradual changes we see today and how will they shape the future? With this in mind, we must consider what consumers want, what makes them different, and how the value system has changed. Data privacy is now at the heart of consumer values, alongside speed, convenience, personalisation and trust.

Andrew Cosgrove then spoke about the shift in dialogue, as companies now know they need to change

but are searching for the "how". After speaking to more than 50 industry leaders ("disrupters"), EY created 150 "drivers of change" which they believe will change the world of the consumer in the next 10 years, for example, the rise of personal concierges, and the rise of mega cities and slums. They used the results to create eight hypotheses representing 360° of the consumers' lives. How they will shop, live, play, work, move and stay healthy? Cosgrove then shared with delegates some examples of consumer segments ("worlds") that they have built, based on the drivers for change, to better understand potential future consumer tribes, including "Sam", a socially mobile consumer, in her 20s, who shops for brands that reflect her values.

In a world where many consumers lives will become more fluid, we need to be a lot less "sticky". Time will become more precious, and value for time will replace value for money. Consumers will choose to own less and subscribe to lifestyles. Elevating your products to become lifestyle services is thus an essential shift, said Cosgrove.

To conclude, EY highlighted three common, essential themes for companies to navigate the future and shift their industries: superfluidity, ecosystems and abundant data.

SPECIAL SESSION

IBM

**Laurence Haziot**Global Managing Director & General
Manager, Consumer Industry,
IBM**Melody Dunn**Director,
IBM MetroPulse

Leapfrog Competition. Accelerate Growth Neighbourhood by Neighbourhood – The Power of AI to Unleash Hyper-Local Data

Laurence Haziot set the use of data for better localisation in the broader context of consumer industry disruption driven by changing behaviour, demographic trends and constant innovation, both in technology and the strategies of the major tech players. Indeed, just as offline retailers were moving online, so the pure players were increasing their investment in physical networks, both to capture customer contact and to support last mile operations. The move between bricks and clicks was in both directions.

Nevertheless, both the retail store and e-commerce were morphing. The newest formats were dispensing with checkouts but adding space for sampling and socialising. In the new era the store would either be very convenient and allow you to purchase and leave as quickly as possible, or to be designed to make you want to stay for as long as you could afford. Meanwhile, voice shopping, virtual and augmented reality and cognitive and artificial intelligence processing to shape user experience were transforming e-commerce. 22% of voice assistant owners had already shopped using voice commands.

Haziot said data fuelled all innovative technologies, whether artificial intelligence and machine learning, blockchain, natural language processing, the Internet of Things, augmented reality or virtual reality. And it was clearly behind the new wave of localisation analysis.

intuitively been the case: not all neighbourhoods were cut from the same cloth.

Socio-demographics varied not just street by street, but from one block to another. Demography was not a constant either. Some neighbourhoods were one thing during the working week and something else at the weekend. Stores close to tourist attractions or social institutions like schools traded differently. And finally, there would never be another day exactly like this one, nor like tomorrow. Weather was probably the single most impactful influence on sales. It was for this reason that IBM had bought The Weather Company for the insights discoverable with their data. As a simple example, she explained that only after three successive days of temperatures of 20 degrees plus did people switch from hot to chilled coffee drinks. But overlaying meteorology with geolocation data allowed much more subtle analysis. Hypoallergenic products would be triggered by pollen levels, but the exact timing of these seasonal symptoms was determined by proximity to parks and other sources of vegetation.

Haziot and her colleague Melody Dunn demonstrated IBM's MetroPulse system, which helped its clients improve store and other asset location planning, product mix optimisation and demand forecasting. Their clients had achieved revenue and margin uplifts of 3% and more by working on each of these functions.

38 Combining internal and external data allowed us finally to make accurate judgements about what had always

SPECIAL SESSION

nielsen

**Jeanne Danubio**Head of Retail,
Nielsen

The “I” in Retail: Data-Driven Personalisation

Jeanne Danubio said that the ways which consumers engaged with brands were fundamentally changing. They were looking for exclusive products and niche experiences. That in turn would rest upon personalisation - the “I” in retail. Danubio said the traditional retail business was being disrupted in three kinds of ways: discovering differently, shopping differently and buying differently.

Online was constraining discovery. 84% of online shopping clicks went to only the first page of search results. If your brand was on the second page, it just wasn't being seen. And the power of trade promotion to drive exploration and discovery was diminishing. 59% of trade promotions failed even to break even. Retailers and manufacturers were still operating in a mass market world even though consumers were already living in a much more personalised way online. The brain really responded to personalisation. A Nielsen Consumer Neuroscience team had demonstrated with eye tracking that contextually relevant and directed ads generated 40% stronger cognitive processing.

When it came to shopping differently, it was hard to ignore voice. A high proportion of voice activated device users in the US (over 40% on both Alexa and Google Home) had already used the platform to order household goods. Thanks to technology, consumers could interact with brands in new and exciting ways.

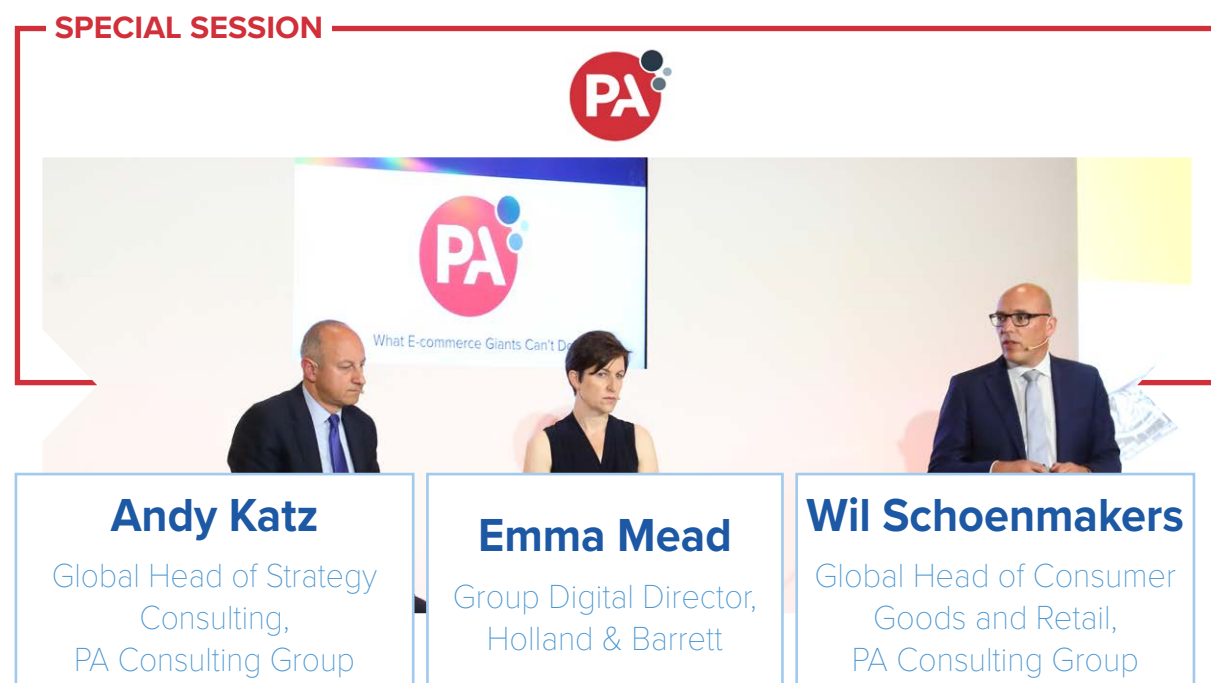
As to buying differently, Danubio said that globally online sales were growing four times faster than both offline sales and GDP itself. E-commerce penetration was especially high in China and South Korea, at 18% and

20% respectively. Another way in which e-commerce was changing shopping was the simple and increasingly ubiquitous click and collect model, notably in France, where the Drive channel had accounted for 22% of FMCG growth in 2017.

She said that to win on personalisation required consumer companies to master some specific skills. One was using artificial intelligence and machine learning to ensure that they were talking to the right customer, at the right time, with the right offer. They also had to use smartphones not just to reach consumers but also deliver to them new experiences, and keep up with new ways of completing transactions.

True loyalty management required a truly outside-in, holistic view of consumers, which meant improving significantly on the data sets of most retail loyalty programmes, which were confined to that which consumers did in their own stores. There was complementary value in linking to manufacturers' insights about demographics, brand engagement, brand performance and category trends across stores.

Personalisation at scale allowed consumer goods companies to change the focus from the store and the category to understanding and knowing the person. It also held out the prospects of calculating true ROI on marketing investment and extending access to the rest of customers' lives. The retail world of the future would be everywhere that people lived, played and worked.



What E-Commerce Giants Can't Do: How Consumer Goods Companies and Retailers Can Seize the Direct-to-Consumer Opportunity

"Bringing ingenuity to life" is the raison d'être of PA Consulting Group, explained Wil Schoenmakers. Faced with the challenge of coming up with innovative solutions for clients, the company began the session by sharing some of their recent success stories, such as on-shelf experiences that they have developed for Hershey's, Ora and Virgin Hyperloop.

The retail landscape is changing fast and industry giants such as Amazon and Alibaba Group have grown dramatically. 90% of consumers would rather buy directly from a brand if they could. At the same time, convenience supersedes this and consumer are gravitating to online retailers. Many brick and mortar brands are struggling to survive in this new environment.

Schoenmakers went on to share how D2C plays an important role for traditional brand owners seeking to personalise their offering, and 82% of companies now have a D2C strategy in place. It gives consumers greater choice, gets the product to them faster, provides brands with the possibility to provide personalised products. Imagine buying a shampoo formulation created specifically for your hair, skin and specific environmental conditions. The potential of D2C to increase sales is huge, said Schoenmakers. The ability to cross-sell to consumers, greater control of the buying experience and relationship with the consumer, and greater access

to consumer data were just some of the key factors listed. However, there can be challenges, such as lack of support from management, and insufficient budget and scale to really impact the market. Despite the challenges, PA Consulting have found that retailers are optimistic, with 73% expecting to see a positive impact from the rise of online marketplaces in the next five years.

Traditional retailers can maximise their advantages over online marketplaces, such as their specialist focus, ability to engage with customers face to face and provide a multi-channel experience by blending online with the physical store presence. Emma Mead, then took the stage and brought the concept to life by sharing Holland & Barrett's story around the creation and launch of "Healthbox", a personalised subscription service, whereby customers can receive unique products and tips, based on the information that they have provided. The brand tied elements of their rich in-store experience with the digital space to meet their personalised health needs.

Personalisation and engagement with customers is key for brands to compete with the big players in the online retail space. Amazon is great if you know what you want. However, knowing your customer and accompanying them on their personalised retail journey will provide a greater shopping experience.



Customer 360 Insights: the Key Foundations for Enabling Artificial Intelligence in Retail

Dr Pallab Chatterjee said that the company brings together customer intelligence and AI solutions to provide the 360-degree view of customers, providing clients with a deep level of understanding of customers. Today, the large amount of data available ensures that we can use AI with a great deal of success to get the answers that we want.

Shopper buying habits are shifting. We now see a clear difference between consumers, shoppers and customers, who are at different stages in their purchase journey. The challenge for brands is to understand their desires at these different stages. Families are looking at food differently nowadays, and there is an increasing demand for pre-prepared, grab-n-go options, due to time starvation. 76% of customers are buying prepared food instead of cooking dinner and in the United States, the home delivery market is growing at 17-18% per year, with fierce competition from the likes of Uber Eats, Door Dash and Amazon Restaurants. Consumer behaviour change is cause of massive market disruption. Industry leaders such as Amazon (which, said Chatterjee, is "widely considered a technology company that is a retailer, not a retailer using technology"), deeply understands the customer experience and know customers better than any retailer.

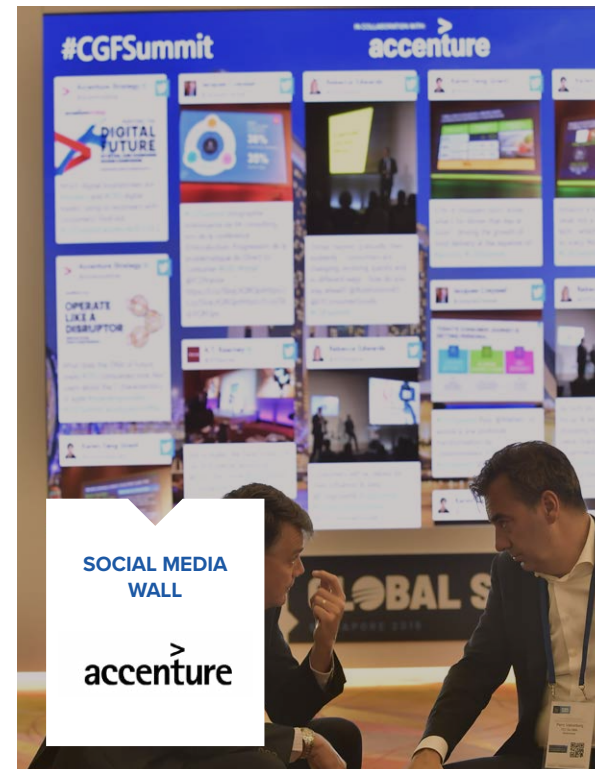
So how do we go about better understanding our customers to seize a share of a marketplace and be loyal to our brands? Chatterjee explained that a 360 view that understands all aspects of customer buying pattern is essential to be able to satisfy customers. Chatterjee went on to give delegates insight in to CINDE, Symphony RetailAI's AI software tool which provides users with a dashboard that brings together key insights and big data analyses, helping them effectively target customers in a relevant and timely way.

Delegates were then shown a video which presented a simulation of consumer centric store design of the future, created as a result of 360° insights and AI technology. Supermarkets today are not meeting the demands of modern shoppers, said Chatterjee. "Supermarket 2020" was the response to this shift in demand and featured a farmers' market, an increased number of self-service cashiers and drive through options for click and collect services.

To conclude the session, Chatterjee reiterated the necessity to embrace Customer 360° Insights, AI and virtual reality, a technology that can provide great insights for product and store design. He also noted the disruptive power of blockchain, which represents a new frontier for retail efficacy.

Thanks to Our Sponsors

The Consumer Goods Forum would like to thank the Official Sponsors of the 2018 Global Summit. Thanks for the generous support.





Knowledge Partners

Many thanks also to our knowledge partners for their continued support.

SINGAPORE RETAIL SCENE
& STORE TOUR EXPERT

KANTAR CONSULTING

STORE TOUR EXPERT &
DAILY SUMMARIES

IGD

MEDIA PARTNER

ESM
EUROPEAN SUPERMARKET MAGAZINE

STORE TOUR EXPERT &
EXECUTIVE SUMMARY
SESSION TEXTS

McKinsey&Company

The Store Tour Programme

Singaporean consumers can be a tough crowd. They can be price-sensitive and tech-savvy, and they demand exceptional customer service from brands. It is, therefore, important retailers can develop an omnichannel retailing experience for customers.

Our Singapore Store Tour Programme on 12th June offered the best of both worlds, with the very best in traditional retail and ecommerce. Delegates were able to benefit from a comprehensive tour of supermarkets, hypermarkets, local markets and ecommerce warehouses: the complete retail experience.

KINDLY HOSTED
BY :

MARS



The Partners Programme

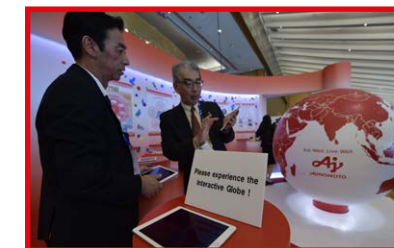


The Gala Dinner Reception



I-Zone

A cornerstone of the CGF's flagship event, the I-Zone is widely-recognised as the place to be to learn more about the latest developments and retail trends. In 2018, we brought more innovative experiences to the 1,000 delegates in attendance. Delegates were able to experience more immersive demonstrations of brand excellence at the heart of networking breaks, lunches and business discussions.





18th-20th October 2018
BERLIN - Germany

FLP
BERLIN
2018

The FLP exists to create a network of recognised young leaders that together can build a sustainable future for the consumer goods industry. We are helping to build leaders for companies with purpose.



SRS
LISBON
2018

IMPLEMENT TODAY FOR A SUSTAINABLE,
HEALTHIER TOMORROW

Join us in Lisbon, Portugal, for two days of inspiration, knowledge sharing and networking. Learn first-hand how companies and consumers are taking positive action towards changing their behaviour to improve transparency and overcome today's biggest industry challenges. Be part of the solution and don't get left behind!

REGISTER HERE: www.tcgfsrs.com

SEND US YOUR BEST YOUNG LEADERS
#2018FLP - www.tcgfflp.com

25th-26th
OCTOBER 2018 **LISBON**
PORTUGAL

tcgfsrs.com

#2018SRS

**SUSTAINABLE
RETAIL SUMMIT**

VENUE

The Dom Pedro Lisboa
Av. Eng. Duarte Pacheco, 24
1070-110 Lisboa - Portugal



**GLOBAL
SUMMIT**

SINGAPORE
2018

What is The Consumer Goods Forum?

The Consumer Goods Forum is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serves the consumer goods industry worldwide. Uniquely positioned as the organisation bringing consumer goods retailers, manufacturers and their service providers together globally, the organisation is expertly placed to drive positive change across the industry to benefit both people and planet, and help members secure long-term, sustainable business growth.

www.theconsumergoodsforum.com

The Global Summit: The Premier FMCG Business Network

The Global Summit of The Consumer Goods Forum is the business event that unites CEOs from some of the world's most successful retailers, manufacturers and service providers. This unique event is the essential destination where 1,000 business leaders and key stakeholders gather under one roof every year. It is where CEOs talk to CEOs with additional insights and learnings from global and regional experts. It is the place to voice and discuss the key issues and challenges facing our industry now and in the future.

UPCOMING SUMMIT
LOCATIONS

VANCOUVER 2019

LONDON 2020

**25th-28th
FEBRUARY 2019**

**NICE
FRANCE**

tcgffoodsafety.com

#gfsi19

GFSI CONFERENCE

EMEA – International HQ

(+33) 1 82 00 95 95

membership@theconsumergoodsforum.com

Asia-Pacific Office

(+81) 3 6457 9870

tokyo@theconsumergoodsforum.com

Americas Office

(+1) 301 563 3383

washington@theconsumergoodsforum.com

China Office

shanghai@theconsumergoodsforum.com

LatAm Office

bogota@theconsumergoodsforum.com



**GLOBAL
SUMMIT**

VANCOUVER
2019

**11th-14th
JUNE 2019**

tcgfsummit.com

**VANCOUVER
CANADA**

[#CGFSummit](https://twitter.com/CGFSummit)

The Flagship Event of the
Consumer Goods Industry

SAVE THE DATE

