

Take a Whole-Person View of the Consumer

Only marketers that understand consumer decisions, reward loyalty and make employee a stakeholder will win the battle for mindshare of 50 million young Indians



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Last week, I met Ruchi, an affluent 24-year-old consumer, at her local mall. She was walking past a counter selling skincare products and stopped there on impulse. Thirty minutes later, she had bought a new brand, at a 300% premium to her regular brand. What happened in this half hour delighted her: an 'expert' welcomed her and offered her a personalised skin analysis to better understand her skin. Based on this quick test, she was advised on her diet, her fitness and, finally, recommended a skincare product. Ruchi walked away, delighted with this personalised experience. She would, of course, discuss this with many of her friends, online and offline.

Ruchi is not unique. She represents 50 million young Indian consumers who account for over 60% of the new consumption in discretionary categories such as durables, skincare and apparel. Each of them is rapidly adopting new categories, often driving dramatic premiumisation. These individual transactions add up to a fundamental shift in market structures.

As consumers drive this dramatic shift, how are players responding? Are they moving from the traditional 'brand-led' selling view to an 'experience-anchored relationship' world? Well, some are. And the winners increasingly do three things right.

First, understand the consumer as a 'whole' person. Traditional tools of category understanding and market research are no longer sufficient. They represent the good-old world view: understand category-specific consumer needs, develop products to meet these needs, create awareness and distribute these brands or products through retail channels. For consumers like Ruchi, companies need to start with understanding her decisions — not just needs — often across categories, get insights into her shopper behaviour and design not just the right product, but also orchestrate the ideal experience to engage her. Finally, continue the dialogue with her, to create a word of mouth buzz for the brand. In this world, the product is still critical but the consumer is the real hero. And the company moves from just selling to now engaging, influencing and selling.

Second, measure and reward consumer loyalty. The lifetime value of a loyal consumer is anywhere between 10 and 30 times that of a new consumer. But retaining a customer is very different from acquiring her. In some cases, it is about a granular understanding on their evolving needs. A telecom operator



consumer acquisition. Often, this is because of myopia, because investment on loyalty is more difficult to measure and, sometimes, it is because of the lack of understanding on how to induce loyalty. Today however, technology makes measuring, tracking and rewarding loyalty easier. But at the heart of it all is still the idea of loyalty and retention, and configuring the business system to deliver it.

Finally, make each employee a custodian of the consumer. Winners know that if 'you take care of employees, they take care of customers and consumers'. Doing this requires linking the 'purpose' of the business with the 'lives' of employees. As work done by Dan Pink at MIT suggests, for great talent, monetary incentive is only a matter of hygiene. This is because they

Changing world view needs a mindset shift by leaders, balancing their right and left brains and of their companies

employee then serves the guest, all of whom are from a very different social and income class, with pride and confidence.

This is, of course, enabled by tailored process across every aspect of the hotel's operations: its billing systems, its recruitment strategy, its training rituals, the use of technology to keep track of unique guest preferences regardless of where

meaning to what they do and why they come to work.

So, when hotel group The Ritz-Carlton says, 'We are ladies and gentlemen serving ladies and gentlemen', it embellishes the self-esteem of every employee. Each argues that while both hemispheres of the brain are vital, the question is which of the two hemispheres dominates our view of the world. The left hemisphere that values the capacity for detail, for seeing things in a sequential way and for being obsessed with measurement all of which drive a siloed efficiency. Or the right hemisphere that sees the world as connected, that allows us to put ourselves in another's place, that values pattern recognition and the capacity to look at the whole.

Winning with the 'whole consumer' starts with our leaders becoming 'whole persons' and allowing both hemispheres of our brains to play an equal role.

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