



ECR CONFERENCE REPORT

WORKING TOGETHER TO FULFIL CONSUMER WISHES BETTER, FASTER AND AT LESS COST



MEETING THE FUTURE TOGETHER

DAY ONE

PLENARY 1

RISING TO THE CHALLENGES

Introduction

Gianni Ciserani, P&G, Ignacio Gonzalez, Carrefour

The challenge of change

Joane Denney-Finch, IGD

Under the financial spotlight

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Targeting the world's most powerful consumers

Bridget Brennan, Female Factor

What do shoppers think?

Shopper panel

Facilitated by Jon Woolven, IGD

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Facilitated by ECR Netherlands

How to target the new consumer

Bridget Brennan, Female Factor, speakers from Accenture

Facilitated by Accenture

Sustainability

Speakers from Sustainability Steering Group, Consumer Goods Forum: Sabine Ritter, CGF, Lesley Pan, AT Kearney, Nigel Bagley, Unilever, Antoine Arar, Coca-Cola, Franz Speer, Henkel, George Jaksch, Chiquita

Facilitated by The Consumer Goods Forum

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Facilitated by ECR Europe and 4flow

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Facilitated by ECR Europe

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Facilitated by ECR Europe and SymphonyIRI

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Facilitated by Mckinsey & Co

The 3-D effect of business information - the new age of information sharing and usage

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Facilitated by ECR Europe

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Facilitated by The Consumer Goods Forum and Capgemini

PLENARY 3

SEIZING GLOBAL OPPORTUNITIES

Lars Olofsson, Carrefour, Muhtar Kent, Coca-Cola

Facilitated by Frits van den Bos, ECR Netherlands

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TIME TO FACE THE FUTURE



Gianni Ciserani

If a week is a long time in politics, as a former British prime minister once claimed, then two years in Europe's Fast Moving Consumer Goods industry is an eternity.

Meeting for the first time since the Barcelona conference in June 2009, delegates were given plenty to ponder when the 15th ECR Europe Conference & Marketplace opened in Brussels on 5 April.

Two years ago, Europe and much of the rest of the world was in the grip of financial crisis.

Although the recession is now over for most, the economic gloom has left its mark on Europe's consumer goods industry.

Yet the challenges are about more than simply managing on tighter budgets and winning over cash-strapped shoppers. As the ECR Europe Co-chairmen, Ignacio Gonzalez (Carrefour) and Gianni Ciserani (P&G) pointed out in their opening remarks, recent weeks alone have seen a political revolution in Egypt, pushing up oil prices, an earthquake and tsunami in Japan,

armed uprising in Libya and unrest in the Middle East.

All have brought uncertainty and posed challenges to our industry, they said.

There have been changes closer to home, too, with the creation of the global-reaching Consumer Goods Forum and consequent reorganisation within ECR Europe. This has included the formation of a new board, new governance rules and appointment of former Carrefour director Xavier Hua as ECR Europe's first managing director (see page 5).

In spite of these changes, though, the co-chairmen said ECR's mission statement – "Working together to fulfil consumer wishes better, faster and at less cost" – remained as relevant and necessary as ever.

The attendance of 700 delegates from 38 countries suggested there were plenty in the industry who agreed with them.

Under the theme "Meeting the future together", the two-day conference focused on the challenges facing the industry, the need for collaboration, and global opportunities ahead.

As the conference moderator, Alex Thomson, a TV journalist just back from reporting in Tunisia, Libya and Japan, asked when he got the conference under way: "When the going gets tough, is it more difficult to collaborate, or easier?"

Over the course of three plenary and 16 breakout sessions, delegates were about to find out.



Ignacio Gonzalez

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THE COLD, HARSH WINDS OF CHANGE

Joanne Denney-Finch

Two powerful presentations opened and closed the Brussels conference. In a programme devoted to change, they offered clinical appraisals of the threats, challenges and opportunities facing Europe's retailers and manufacturers.

In the first, Joanne Denney-Finch (IGD) set the tone with a "straight-talking view" of the challenges. Closing the conference the following day, the co-chairmen of The Consumer Goods Forums offered an equally forthright account of the way ahead (see page 7).

Delegates could almost feel the cold draught swirling around their feet as Denney-Finch set out what she termed the "six winds of change".

The first, she said, was the "great correction". Europe's prosperity had been built partly on credit. In a decade, government debt in Europe had increased by 59 per cent, household debt by 86 per cent and company debt by 57 per cent. It could not continue, and the 2007 credit crunch had come as a painful reality check.

Since then, European food, drink and tobacco sales had fallen by two per cent, and we would have to get used to sustainable growth based on productivity rather than borrowing.

The second wind of change was a demographic time bomb. The birth rate in Europe was falling, the average age of European citizens was rising and fewer people in work were supporting more in retirement.

The third change was the emergence of new superpowers. Many of the world's most populated countries had achieved economic lift-off at the same time, creating an unprecedented surge. By 2050, three-quarters of the world's population would live in cities, requiring a city the size of Brussels to be built every week for the next 30 years.

The fourth change was the battle for resources. Over the past decade, world oil consumption had increased by 17 per cent and, according to Shell, we would need to find "four new Saudi Arabias" by the end of this decade to keep up with demand.

"LET'S COMPETE AS FIERCELY AS EVER BUT BUILD STRONGER PARTNERSHIPS"

Water was even scarcer. It was being consumed faster than it was being replenished in 60 per cent of Europe's cities and the UN expected two-thirds of the world's population to be suffering "water stress" within 15 years.

This brought Denney-Finch to her fifth wind of change – our volatile climate. From floods and forest fires in Australia to floods in Pakistan, which destroyed \$1bn worth of crops, we were witnessing more extremes, more often.

Her sixth change – "more beneficial but still destabilising" – was the digital revolution. "Online shopping is eating away at physical stores but the biggest game-changer is probably the smart-phone," she said. "Over half of European consumers will have internet-enabled phones by the end of this year."

From these, Denney-Finch identified five big challenges:

- Return to sales growth. "Our normal approach to innovation won't be enough to bring back growth"
- Win a big share of emerging markets – "fertile territory for our brands but don't take it for granted"
- Manage input costs
- Make our supply chains more sustainable and resilient to shocks
- Build a stronger relationship with society. "Our industry is in a strong position but there's still a lot of scepticism about big companies. Can we convince these sceptics that we think beyond short-term profit and that big business can be a force for good?"

She offered this action plan:

- Get even closer to consumers and shoppers. "They recognise the global challenges. They expect more from companies; they're changing the ground-rules"
- Operate with the greatest possible transparency. "Already 42 per cent of British shoppers say they would like to restrict their food to products that are fully traceable. They want to know about our ingredients, production methods and ethical standards"
- Keep improving resource efficiency, producing more with less
- Wage war on waste. "Half of the world's food never gets consumed. In the UK two-thirds of that waste is in the home and one-third in the supply chain"
- Capitalise on technology
- Invest in the skills of our people.

Concluding, Denney-Finch said she was not downhearted but excited about the future and reassured by history. And she reminded delegates of the ECR mission, which was more relevant than ever.

This led to her final action point: No one could solve all the challenges single-handedly, she said. "But collectively we can break the boundaries, find the answers and extend this era of peace, prosperity and growth."

"Let's compete as fiercely as ever but build stronger teams and stronger partnerships where we need to within companies, between companies and with our consumers."



'NEW' MAN WITH A MISSION FOR ECR

Xavier Hua

Grand unveiling or friendly homecoming? When the new head of ECR Europe was applauded on to the stage on the opening day of the conference, it somehow felt like both.

He may be ECR Europe's new managing director – and the first to hold that position – but Xavier Hua is no stranger to the organisation or to the majority of its members.

For most of the past decade he held a number of senior supply chain positions with Carrefour both in Asia and in his native France, latterly as the retailer's director of B2B strategy, and during that time was closely involved in ECR conferences and activities.

Hua then spent 18 months outside the industry as group supply chain director of France Telecom, before returning to the fold last year as Director-General of ECR France.

His appointment as ECR Europe's first MD in January this year came as part of the changes in the organisation's structure and rules of governance, which were made necessary by the creation of The Consumer Goods Forum.

Now a fee-based organisation – in common with the CGF and ECR national initiatives – ECR Europe will increasingly play a collaborative role, he believes, providing the vital link between the "local" national initiatives on one hand and the global CGF on the other.

Vision and strategy will remain important, but the emphasis will be on practicality, greater collaboration and value for money for members.

In particular, he sees ECR Europe operating as a regional platform, co-ordinating and harmonising activities, sharing knowledge and information between national initiatives, and driving best practice. On top of that, he believes ECR Europe has a valuable role to play in monitoring European legislation and representing the industry at European level.

As Director-General of ECR France – a role he will continue to perform alongside his new job – he well understands the needs and expectations of the national initiatives.

"As an industry we face difficult times, and that makes collaboration more important than ever," he says. "ECR definitely has a bright future."



BRUSSELS BY NUMBERS

- 700+** Attendance
- 80+** Speakers
- 3** Plenary sessions
- 1** Special plenary debate
- 25** Plenary speakers
- 16** Breakout sessions
- 50+** Companies taking part in presentations
- 18** Exhibitors



Women account for 70-80 per cent of consumer purchases. But 90 per cent of business is run by men. And therein lies both the problem and solution to any consumer goods business seeking to increase sales.

Bridget Brennan called it the gender gap. “Gender is the most powerful determinant of how we look at the world,” she said. “There are two genders in this world and they drive our behaviour.”

In an entertaining and compelling presentation, *Targeting the world’s most powerful consumers*, Brennan suggested companies should start looking at their business through a “new lens” if they wanted to understand shoppers better and sell more products. That lens was female eyes.

The CEO of US business strategy firm Female Factor and author of *Why She Buys* – described by one business magazine as “required reading for anyone burdened with a Y chromosome” – began by explaining just why women are so powerful, and why all the jokes about women and shopping do everyone a disservice.

“Even when she is not paying for something herself a woman often has the veto vote,” Brennan pointed out. “In most societies women are responsible for children and elderly people as well as for their families. Industries would collapse if women stopped being responsible.”

Yet despite all this, gender psychology was still hardly taught at business school – a major oversight, she suggested.

This issue promised to become more important as women’s buying power continued to grow. And it was set to grow for several reasons.

First, there were more women in the labour force than ever. “Yet business has not caught up with the reality of the working woman,” she said. “Earning money changes how women view themselves.”

Second, women were getting married later in life, especially in Europe, and so had a greater disposable income. They were also having fewer children. “Fewer kids means more money is spent on them.”

“WE ARE YOUTH-OBSSESSED. BUT THE MONEY IS WITH THE OLDER GENERATION”

Additionally, more women and men were separating and divorcing, even in India and China, yet divorce remained an under-studied subject in business. But she pointed out: “Singles spend differently.”

There were more older women in the world today, too, and people over 50 had the greatest buying power. “We are a youth-obsessed society – but the truth is the money is with the older generation.”

The result, Brennan said, was that “more of life is spent single. We marry later, divorce more and are widowed, and these are periods when women are head of their household.”

Men and women were wired differently too. “Women’s brains are wired for connection – they talk more and are more expansive and emotional.” And they shopped differently.

She defined the differences thus:

Men	Women
Transactional	Emotional
Shop for an item	Shop holistically
How it works	What it does
Shopping for me	Shopping for everybody
Information seekers	Inspiration seekers

As an example of how men and women view products differently, she cited the case of the baby carrier whose maker called her company in to advise on how it could improve sales. In a meeting dominated by men, she was told by the (male) brand manager how the carrier had been made to the highest engineering standards, yet its sales struggled.

“But have you looked at it through the eyes of the woman who’ll carry her baby in it?” Brennan asked. Its colours and materials were dull and unattractive. It had been created by men.

She suggested some product redesigning -and the appointment of more women into brand manager roles. Huge success followed.

Brennan also gave examples of products that were clearly women-oriented, such as the Ikea catalogue and store design, and the iPod. Shoppers sought three “emotional outcomes” from their purchases – confident, inspired and recognised.

And she urged the audience to look at their businesses through the lens of the global trends she had outlined and strive to achieve a balance between value and emotion.

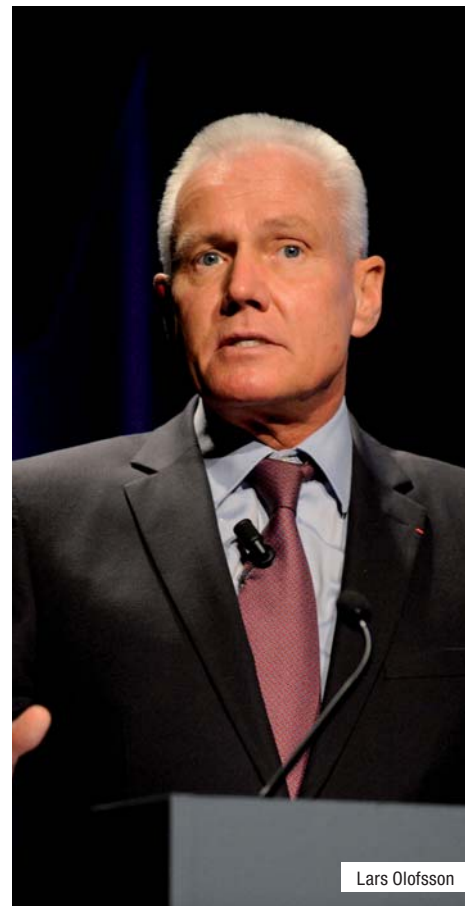


Bridget Brennan

CONSUMER SHIFTS THAT SPELL CHANGE



Muhtar Kent



Lars Olofsson

We live in paradoxical times. On one hand the world seems beset by natural disasters, armed conflicts and an uncertain economic climate. On the other, as a show of hands in the conference hall demonstrated, most people foresee plenty of business opportunities ahead.

One thing is for sure, as Muhtar Kent, Chairman and CEO of Coca-Cola, told delegates: “We face dynamic challenges that will make the past 10 years seem downright tranquil.”

Kent, together with Lars Olofsson, CEO of retailing giant Carrefour, is Co-chair of The Consumer Goods Forum. Formed less than two years ago out of several trade body mergers, the CGF represents more than 650 retailers, manufacturers and service providers across 70 countries with combined sales put at €2.1 trillion.

“CONSUMERS EXPECT TO ENGAGE IN A DIALOGUE WITH BRANDS, NOT A MONOLOGUE”

It is, in other words, powerful, influential and global-reaching - all of which made its co-

chairmen, themselves the heads of two of the biggest businesses in the industry, the ideal people to provide an assessment of where the consumer goods industry is going and what it needs to do.

Closing the conference, Kent and Olofsson began by setting out five key shifts in the business landscape. These, said Kent, were:

- One billion people will enter the middle class in the next decade - “the greatest economic shift in history and much of it will come from the developing countries”
- The world’s population is growing older
- There will be a massive urban shift
- Energy resources will grow scarcer – “we are moving from cyclical to constant”
- Consumer “reset” – “today’s consumers are dictating what they want and where and when they want it. They expect to engage in a dialogue with brands, not a monologue”.

Despite such shifts, he added, “Lars and I would contend that there is no better business to be in than consumer goods. We are just beginning to scratch the surface of potential.”

Olofsson described five “strategic pillars” around which all CGF efforts are being focused:

- Emerging industry trends
- Sustainability
- Safety and health
- Operational excellence
- Knowledge and people development.

The aim was to produce comprehensive, actionable plans for CGF’s members. “Better ways of doing business, better ways to reduce waste and protect the environment, and better ways to serve our consumers” was how Olofsson summed it up.

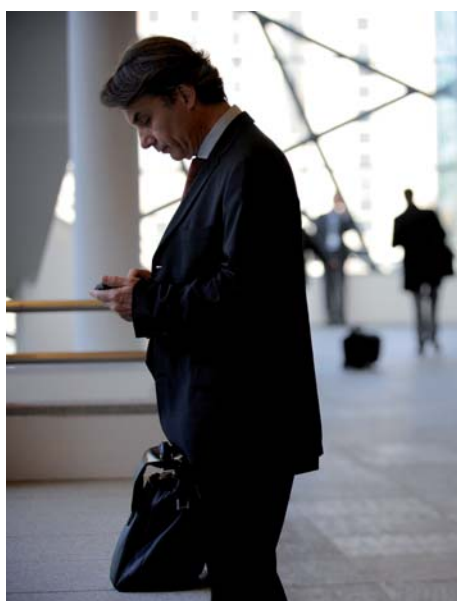
The goal was to create a culture based around collaboration and learning. No single company had the answer to everything. If they were to embrace the changes ahead, companies had to learn to work together. And they had to build a closer relationship with consumers.

Too often, businesses were seen as part of the problem rather than the solution. Transforming consumer hearts and minds would need the industry’s collective will, collaboration and continuous learning, Kent suggested. “There’s an exciting decade ahead. We’re looking forward to it.”



An evening reception at the Belgian Comic Strip centre in Brussels offered the perfect opportunity for networking (this page)
Opposite page, scenes from the Marketplace and conference







Kees Jacobs

It all began, so the story goes, in a windowless hotel meeting room at Schiphol Airport, Amsterdam, back in 2005.

A small group of executives from leading retailers and manufacturers were meeting to discuss how to take ECR's collaborative principles to a new level.

It was not that collaboration wasn't working. It was simply felt that more was needed if the consumer goods industry was to keep pace with all the changes taking place.

The consensus was that the industry needed a think-tank that could create a collective future vision, identifying the big issues and setting out appropriate actions. And so the Future Value Chain was born.

Wind the clock forward six years to April 2011, to a bright, sunlit lecture theatre in Brussels, where a roomful of "expectant" executives was on hand to witness the emergence of the Future Value Chain's latest offspring.

The new report, titled *2020: Building strategies for the new decade*, is the third produced by the Future Value Chain project team. Like its siblings it takes a 10-year view of the industry, this time examining emerging trends and their likely impact on business.

The Future Value Chain project now comes under the parentage of The Consumer Goods Forum, and the breakout session was one of two on major topics at Brussels led by CGF. (The other was on sustainability -see page X.)

After project co-chairman Nigel Bagley (Unilever) had introduced the new report, Kees Jacobs, of Capgemini, the business consultancy



Nigel Bagley

which supports the project, described the 12 trends expected to have the greatest impact on the industry in the coming decade. These were:

- Increased urbanisation
- Ageing population
- Increasing spread of wealth
- Increased impact of consumer technology
- Consumer service demands
- Health and wellbeing
- Consumer concern about sustainability
- Shift of economic power
- Scarcity of natural resources
- Increase in regulatory pressure
- Rapid adoption of supply chain technology
- Impact of next-generation information technologies

From a starting point of "What do we want to achieve as an industry and as individual companies?" the project team identified four strategic objectives:

- Make our business more sustainable
- Optimise a shared supply chain
- Engage with technology-enabled consumers
- Serve the health and wellbeing of consumers

Jacobs went on to outline the report's views on each objective. "Sustainability is about trust -but it shouldn't be," he said. "Consumers should be able to trust the industry to do the right thing.

But that means the industry needs to collaborate."

On shared supply chains, the message was "collaborate differently, compete differently". Future supply chains would reconsider assumptions on issues such as CO₂ emissions and energy consumption.

As for technology-enabled consumers, the report emphasised that "the consumer is in the driving seat". "Success will come when we understand how to maintain a true dialogue with consumers via their preferred communication channels," said Jacobs.

And on health and wellbeing, he said consumers would increasingly demand convenience without any reduction in quality of life. Success would come from focusing on "better lives through better business".

The report goes on to describe what different companies and countries are doing to meet these goals, before setting out four conclusions:

1. To be ready for 2020 we need to increase the collaboration across our industry.
2. Consumer Goods Forum companies need to fully support Forum programmes.
3. Companies across our industry need to challenge themselves on how prepared they are for 2020.
4. Companies should use the Future Value Chain framework to develop a strategy and tactical plan that responds to the external shopper, consumer and societal trends.

It finishes with a call to action: "Act together, act now, act fast!"

CHANGES FOR GOOD



Sabine Ritter

The Consumer Goods Forum's emerging role as global representative for the Fast Moving Consumer Goods industry was evident in Brussels where, in addition to the closing address by its co-chairmen, it hosted two important breakout sessions.

One highlighted the latest Future Value Chain report (see previous page); the other was devoted to sustainability. Both drew large audiences.

In her opening remarks at the sustainability session, CGF Executive Vice-President Sabine Ritter described the new organisation as "a force for change with collective clout". The emphasis was on implementation and "getting things done."

Sustainability is one of the CGF's five strategic priorities (along with emerging trends, safety and health, operational excellence and knowledge sharing).

Its work is focusing on climate change, packaging and social compliance, but its starting

point has been to define a common language of sustainability terms.

As Lesley Pan (AT Kearney) pointed out: "The trouble is, there are a whole host of terms out there on websites and in literature, explaining what companies are doing, but nobody defines and identifies things in the same way. So you have all these claims that are not compatible, and the consumer is unable to work out what is what."

She described the work done so far to identify and agree terms currently used by the industry and develop a consumer-friendly language. A draft report setting out 59 definitions has now been compiled for review and CGF board approval prior to possible publication in the third quarter of this year.

On climate change, the CGF is focusing on two "hot spots" -deforestation and refrigerant gases. Nigel Bagley (Unilever) said the CGF viewed deforestation as one of the major contributors to greenhouse gases and, with the full

support of the CEOs of 50 member companies, had pledged to mobilise its resources to bring an end to the industry's impact on deforestation.

Five commodity groups had been identified as major contributors to deforestation – palm, paper and board, soya, beef and timber – and the CGF project group was assessing current activities.

On refrigerants, so critical to the food industry, Antoine Arar (Coca-Cola) described HFC (hydrofluorocarbon) gases as "super greenhouse gases" that were more potent global-warming substances than carbon dioxide and which, if left unchecked, could counteract all other climate-change actions.

The Montreal Protocol had identified the need to protect the ozone layer by eliminating the use of harmful refrigerant gases, and the CGF had agreed to phase out and replace HFCs with environmentally friendly alternatives. This was not an easy step. There were issues over cost and safety, but these were being addressed. Workshops and other events were being organised to identify problems, address POS issues and share information.

Progress on a global packaging project was described by Franz Speer (Henkel). More than 100 companies were involved and 22 pilot projects had been run, testing a measurement system that would provide a common framework to enable companies to make informed decisions about packaging materials.

The CGF's global social compliance programme was outlined by George Jaksch (Chiquita). He said the vision was to harmonise existing efforts towards a shared approach for continuous improvement in working and environmental conditions throughout the global supply chain.

Under the programme, a reference code was being developed to establish best practices and requirements, along with a process for auditing competence.



Franz Speer



Lesley Pan



Angelique Wouters

If the consumer goods industry is to meet tomorrow's challenges, it needs to create the change leaders to guide it.

Those words from Paul Polman (Unilever) in a short video interview set out the simple truth that underpins the work of the International Commerce Institute.

The ICI was established through ECR Europe in 2005 to promote "new knowledge development, joint value creation through shared learning, and the implementation of ECR best practices", which it does chiefly through its Progressive Management Programme and academic journal, *International Commerce Review*.

The Polman interview came at the end of a brief presentation on ICI and a brief account of its work by ICI board member Robert Wilkinson (Coca-Cola). In the presentation, two speakers, Jon Fleetwood (Coca-Cola) and Anna Grabowska (Tesco Poland), explained what the Progressive Management Programme involved and how they had benefited, followed by a testimony from another participant, Angelique Wouters (Selexyz).

Selexyz runs 15 stores in the Netherlands, in one of the toughest markets of all -book retailing. In the Netherlands, as elsewhere, book stores are in a battle for survival, thanks in no small part to online retailing. "We are fighting, and wondering who is going to survive," she said.

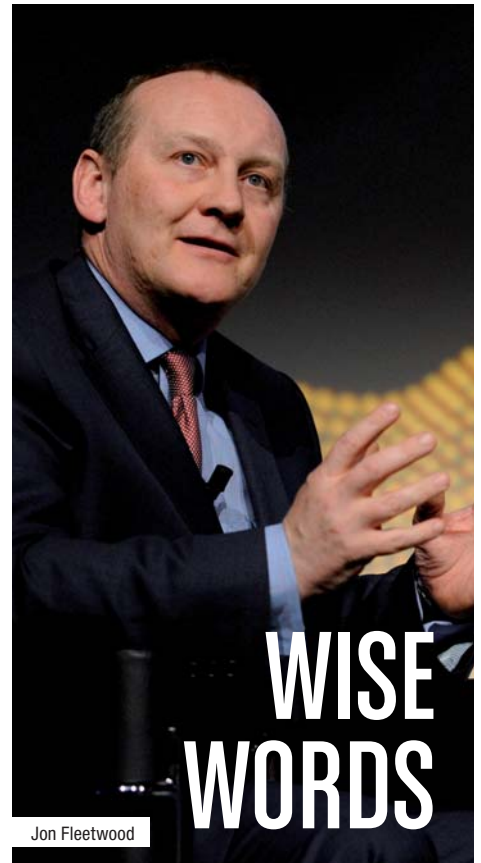


Robert Wilkinson

She had learned a lot from the Progressive Management Programme, not least that "the future depends on collaboration". She had also learned just how important it is to get close to consumers and truly understand what they want.

By way of illustration, she played the following video, with a voiceover by a young woman. Called *The future of publishing*, it scrolled down like this:

*This is the end of publishing
and
books are dead and boring
No longer can it be said that
we like to read
my friends and I
we don't like the way books feel in our hands
it's not true that
I don't follow trends
I know what I want when I see it and
packaging
is more important than
content
I have to tell you
my attention span is too small for big ideas
and it's just not true that
I read a lot and I like learning
I don't care
and you should never think
I've got to be concerned with environment and
sustainability*



Jon Fleetwood

*what I really hope you get is
you've got to open your eyes to my values
what's important to me is
what Lady Gaga is wearing
and I don't really care all that much
what Gandhi did last century
I think it's unbelievable
that you're actually listening to us
what's important for you is
you'll find
customers
for your products
you'll think
your job's done
if we like your brand
we'll do it for you
on Facebook
on our mobiles
me and my friends
your market is
dying
don't think that it's all
going to survive
it isn't the end of publishing as we know it*

Try reading it aloud. Then read it in reverse, from the bottom upwards.

The applause in the conference hall was long, loud and spontaneous.

WHAT THE SHOPPERS TOLD US

Internet shopping, sustainability, quality versus price, brands versus private label... you want to know what shoppers really think? Try asking them!

That is what the ECR Europe Conference did when four local shoppers were invited to attend the opening sessions and give their opinions on what they heard.

The results were not exactly what delegates may have expected to hear. Questioned by conference moderator Alex Thomson, the shoppers – Roger, Natalie, Roxanne and John – offered some startling views on a variety of hot topics.

Internet shopping: Yes, it's popular and convenient. But they prefer to walk around the store, see the full assortment and be inspired before choosing. One big internet problem: can you be sure of getting the product with the longest shelf life or, conversely, one with a short shelf life and tempting price reduction?

Product promotions: Old-fashioned coupons or 'intelligent' promotions from loyalty programmes? Unanimously, the preference was

for old-fashioned coupons they could cut out and collect, often from door-to-door promotion leaflets.

Brand v private label: Depends on the product category and reason for buying. But when taste and quality are important, it's brand every time.

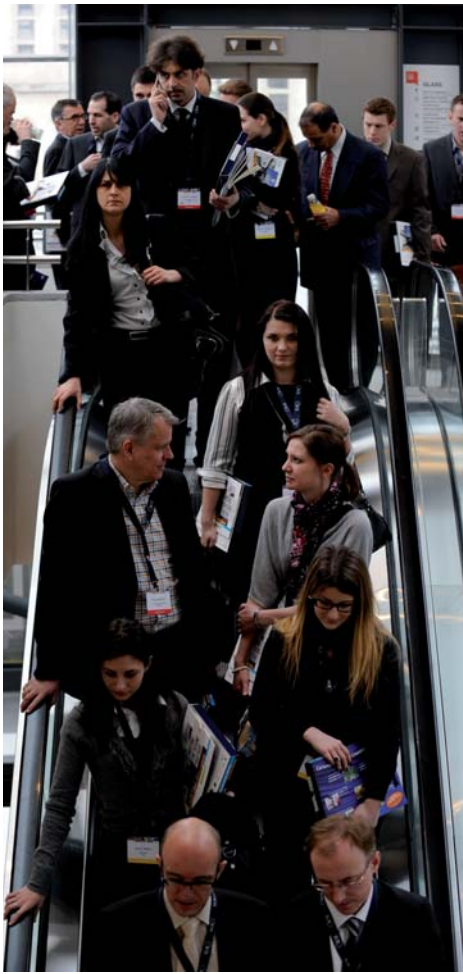
Sustainability: Bio/eco products are neither favoured nor trusted. And apart from keeping a check on glass and plastic packaging, sustainability is not in the forefront of their mind.

And what they really **do not like** in shops:

- Fresh food without packaging, which anyone can handle
- Food that's fresh in the morning but not by the evening
- Promotions that are sold out
- Being forced to walk through a lot of non-FMCG goods before reaching the FMCG products.

Food for thought?





EUROPE'S CHALLENGES

Consumer goods companies in Western Europe face a tough future, according to financial experts.

In a mature market characterised by fierce competition and lower consumer spending, growth is more likely to come from emerging sectors and markets, a panel of analysts suggested.

Robert Jones (Union Bancaire Privee) said pressures on Western European markets would remain "for some considerable time" but thought



there were still opportunities to invest in emerging markets. Sustainability was important to consumers, he said, and sustainability initiatives by companies represented "good management practice and therefore good business".

Jeff Stent (Exane PNB Paribas) said sustainability should now be "a given" rather than a differentiator. He said he was more concerned about the food industry's impact on health. "For the good of the planet we do need to change people's eating habits."

Obesity was a serious issue, and food companies needed to do more to tackle it. "Otherwise," he warned, "the regulators will do it for them."

START SHARING

Stop talking about it and start doing it. That was the message from Jörg Pretzel (GS1 Germany) in a presentation on data sharing and use.

"This is no longer a technical issue – it's a business issue, so it needs the attention of top management," he said.

Companies had spent a lot of money on improving the quality of their data -and lost money through lack of quality. To improve it, they needed to "do their homework, build their infrastructure and set people personal targets".

TALKING POINTS

SOUNDBITES...

Lunch intervals at ECR Europe conferences are usually relaxed affairs, leaving delegates plenty of time to eat, chat and explore the Marketplace before getting back down to business.

Not so, the opening day at Brussels. With a busy programme lined up, the organisers squeezed in an additional, special plenary session involving four senior executives in a Q&A debate with journalist and moderator Alex Thomson.

The four were Laurent Freixe (Executive Vice-President and Zone Director Europe, Nestlé), Ignacio Gonzalez (Commercial and Group Merchandise Director, Carrefour, and ECR Europe Co-chair), Lionel Souque (Chief Representative Super & Hypermarkets Germany, Rewe) and Jan Zijdeveld (President Western Europe, Unilever).

Here are some of the things they said:

On collaboration and the obstacles to it...

"Collaboration is important. So long as we don't talk about money with suppliers it's good!" -Souque

"There are big obstacles but also good opportunities. It's time to realise that together we'll satisfy consumers better [through collaboration]. But I think there's an issue of trust." -Gonzalez

"Trust is simple. What you promise is what you do. But you have to move as quickly as possible to practical projects." -Zijdeveld

Is sustainability becoming less important?

"For us, absolutely not. It's having a big impact. As leaders we want to have a business in 10 or

50 years' time. We have to take responsibility. Governments alone can't do it." -Zijdeveld

Is the Far East "bonanza" coming to an end?

"It's still driving economic growth and it will continue to grow." -Freixe

"A lot of sourcing comes from Asia, and Africa is also becoming a more important source." -Gonzalez

"Just because Asia is getting stronger doesn't mean the West is getting weaker. But we have to ask how we get our relevance back. The opportunities are there but we have to work together to achieve them." -Zijdeveld.

COLLABORATE FOR GROWTH

A lot of “low-hanging fruit” may have been taken but there are still plenty of opportunities for growth through collaboration, Gavin Chappell (Asda) declared in a presentation on supply chain collaboration.

He had recently sat down for the first time with his company supply chain colleagues from the US and Asia and they had identified new opportunities for growth.



Gavin Chappell

“I see a new horizon for collaboration coming on a global scale,” he said. “I’m incredibly optimistic about where we are heading with ECR.”

STAYING CONNECTED

“What can I sell you?” should now be “How can I help you?” That subtle shift in question underlines the new approach suppliers and retailers need to take if they are to connect successfully with the consumer.

In a presentation on how to stay connected with consumers in the aftermath of the financial crisis, Lucien van der Hoeven (GfK) said customer value was traditionally about price and product. But more consumer-oriented companies now considered the interaction between retailer and shopper to be part of the equation.

“Some even take the shopping process as a starting point, before, during and after the purchase,” he said. “True ‘consumer value thinkers’ look at the total picture, including the emotion and experience that the consumer has.”



TALKING POINTS

The breakout sessions at Brussels have been awarded the highest ever ratings by delegates.

From feedback forms handed in after each session, the 16 breakouts received on average eight marks out of ten – the best yet for an ECR Europe conference.

The majority scored between 7.5 and 8.6 marks, with three earning ratings of 9.0 and above.

The in-depth, practical sessions focused on five themes – supply chain, shopper, enabling technologies, sustainability and business strategies – and each were attended by an average of 100 delegates.

The three main plenary sessions also received high marks, with most presentations meeting or exceeding expectations and two in particular by Bridget Brennan and Joanne Denney-Finch receiving top marks from the majority of delegates surveyed.



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