Deloitte.

The Deloitte Consumer Review
The growing power of consumers

Contents

Foreword

Welcome to the eighth edition of the **Deloitte Consumer Review.**

While consumers have always had the ability to vote with their feet, or with their wallets, they now have more power to influence not only what they buy, but also what others buy.

Empowered by social networks and digital devices, consumers are increasingly dictating when, where and how they engage with brands. They have become both critics and creators, demanding a more personalised service and expecting to be given the opportunity to shape the products and services they consume.

Consumers have been given a voice and they expect it to be heard. They are also increasingly willing to share their opinions and experiences with others. In some categories consumers are reluctant to buy without independent recommendations and this is disrupting the traditional path to purchase.

As a result, a gap is emerging between consumer expectations and the ability of businesses to meet them. Businesses are struggling to keep pace with an ever more fickle consumer.

In this edition we discuss how businesses can start to close this gap, including rethinking the way they engage with consumers. Businesses not only need to gain a deeper understanding of consumer behaviours, they also need to allow for more open and transparent relationships with consumers.

We hope this report gives you the insight and data you need to enhance your understanding of consumers and the issues facing your sector, and we welcome your feedback.

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Executive summary

Consumers' power is consolidating with improving access to information, ever widening choice of goods and services, and opportunities to share their experiences more widely. As a result, consumers have become more demanding and many are now more sceptical about the ability of big brands to keep their promises. With consumers expecting more, it is harder for businesses to keep up.

However, while the digital revolution has handed additional power to the consumer, including more information and more choice, it has also increased the complexity of making decisions for consumers. Consumers have found ways of dealing with this 'tyranny of choice' and many now use tools such as social media or price comparison websites to inform their decisions and exert their power.

This shift in the balance of power between consumers and brands has disrupted the traditional path to purchase. Instead of a funnel-shaped selection process, consumer journeys are now subject to interruptions, diversions and delays. Moreover, when considering a purchase, consumers prefer to 'pull' information, rather than have businesses 'push' it to them. For example, consumers are now actively looking for inspiration by exploring other consumers' social media profiles rather than expecting brands to inspire them through traditional advertising. Post-purchase, consumers are not only actively sharing views that influence others, but are also becoming more involved in product development.

As a result, beyond simply consuming products and services, consumers have also become critics and creators.

Businesses have been slow to respond and have retained silos that separate their different touch points with consumers. Moreover, most of those that have responded are 'fast followers' with few consumer businesses really innovating.

Innovators are those businesses that have started to regain ownership of the consumer journey by:

- **listening** – establishing social command centres or social listening posts to track what consumers are saying about products or services and engage directly with them

- **inspiring** – developing tools to use customer advocacy and social media platforms to encourage consumers to promote products and services

- **co-creating** – using crowd-sourced ideas and engaging in conversations with active followers.

With new technologies entering the mainstream, more disruptions to the traditional path to purchase are expected. These also offer businesses new and different opportunities for engaging with consumers.

The challenge for businesses is how to close the gap when dealing with millions of individual expectations.

Businesses need to invest in developing capabilities to have better consumer-centric business models. Consumer engagement needs to go beyond the marketing function, it requires better collaboration across different parts of the organisation in managing the different touch points with consumers.

Businesses need to:

1. decide on the appropriate engagement approach for their brands' categories whether it is being actively engaged in the conversation, monitoring it or simply ignoring it

2. develop content creation and management capabilities focussing on informing and educating consumers rather than just selling to them. Arming consumers with the right information helps them move independently through the shopping journey, creates trust and increases their loyalty

3. invest in technologies and develop analytics capabilities to help integrate and track, across all channels and touch points, every individual journey to offer targeted response in real time

4. ensure staff at each level of the organisation understand the role they play in serving consumers and empower them to make the right decision on the appropriate way to respond to dissatisfied consumers

5. manage the reputational risks associated with social platforms by establishing social command centres to listen to conversations, engage with consumers and help to share positive stories beyond the most valued consumers.
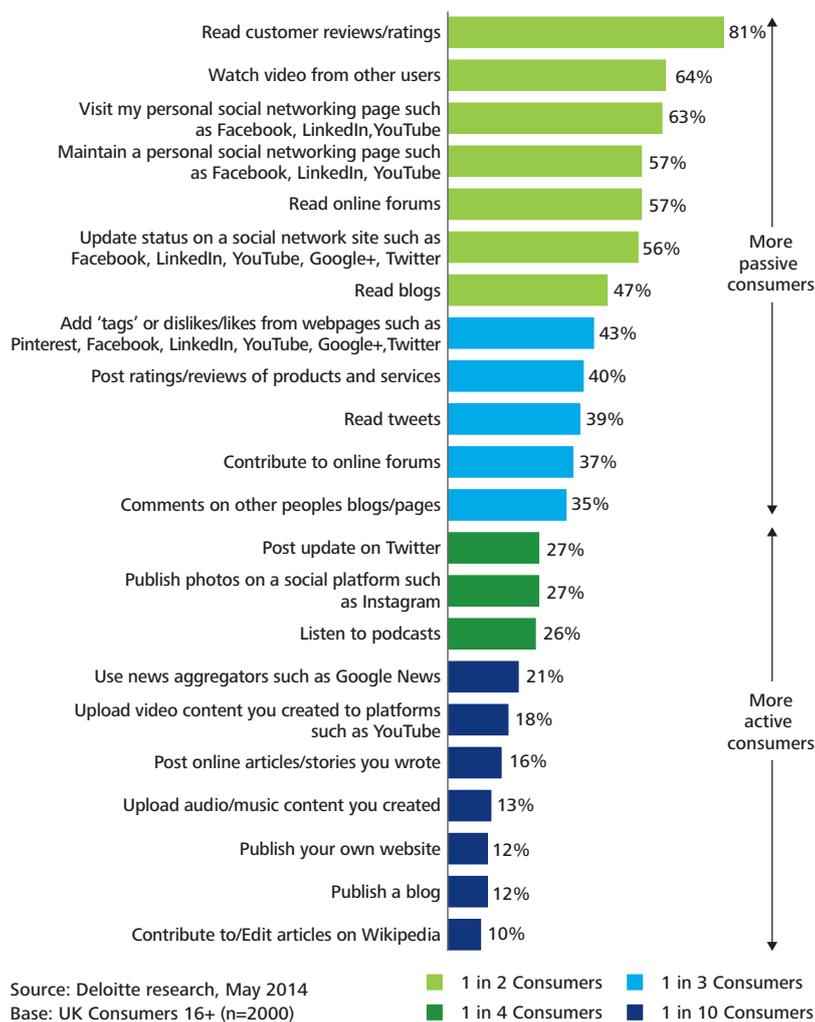
Consumer engagement needs to go beyond the marketing function, it requires better collaboration across different parts of the organisation in managing the different touch points with consumers.

The consolidation of consumers' power

There is an increasing expectations gap as businesses struggle to keep pace with more informed, more connected and more demanding consumers.

Figure 1. Attitudes to digital content

Activity	%
Read customer reviews/ratings	81%
Watch video from other users	64%
Visit my personal social networking page such as Facebook, LinkedIn, YouTube	63%
Maintain a personal social networking page such as Facebook, LinkedIn, YouTube	57%
Read online forums	57%
Update status on a social network site such as Facebook, LinkedIn, YouTube, Google+, Twitter	56%
Read blogs	47%
Add 'tags' or dislikes/likes from webpages such as Pinterest, Facebook, LinkedIn, YouTube, Google+,Twitter	43%
Post ratings/reviews of products and services	40%
Read tweets	39%
Contribute to online forums	37%
Comments on other peoples blogs/pages	35%
Post update on Twitter	27%
Publish photos on a social platform such as Instagram	27%
Listen to podcasts	26%
Use news aggregators such as Google News	21%
Upload video content you created to platforms such as YouTube	18%
Post online articles/stories you wrote	16%
Upload audio/music content you created	13%
Publish your own website	12%
Publish a blog	12%
Contribute to/Edit articles on Wikipedia	10%

More passive consumers

More active consumers

Source: Deloitte research, May 2014
Base: UK Consumers 16+ (n=2000)

■ 1 in 2 Consumers ■ 1 in 3 Consumers
■ 1 in 4 Consumers ■ 1 in 10 Consumers

Mind the gap

There is a growing gap between consumer expectations of products and services and the ability of businesses to meet them.

Empowered by access to more information, social networks and digital devices, consumers are now well equipped to do research and receive satisfaction for most of their needs. As a result, consumers have come to expect more, making it harder for businesses to keep up.

The challenge for businesses is how to close the gap when dealing with millions of individual expectations. Businesses need to invest in developing capabilities to integrate and track every individual journey and offer a targeted response in real time if they want to continue to grow revenues and profits, while also improving customer satisfaction.

Knowledge is power

Consumers have always had the ability to vote with their feet and wallets. While the digital revolution has handed additional power to the consumer, including more information and more choice, it has also increased the complexity of decision-making. But consumers have found ways of dealing with this 'tyranny of choice' and many now use tools such as social media or price comparison websites to perfect their choice and exert their power.[1]

Indeed the ability of consumers to distribute information using a variety of networks, digital media devices and platforms not only lets them connect with their peers, it also helps enrich the information shared.

Deloitte data shows that 81 per cent of people read reviews and check ratings. More than one in three consumers contribute to online forums or comment on other people's blogs. A smaller proportion are genuine content creators with one in ten publishing a blog or managing their own website (see Figure 1).

The issue of trust

During the economic slowdown consumers developed recessionary behaviours which are still ongoing. They continue to be more selective and many have become more sceptical about the ability of big brands to keep their promises.

Many consumers prefer to turn to independent sources to access information rather than go directly to businesses. This presents a real risk for businesses as they have less control over the information being circulated and used by consumers to make decisions.

Deloitte's research shows that for the majority of consumers, family and friends, consumer reviews and independent experts are the most trusted sources of information. Only around one in ten consumers find product manufacturers or service providers to be their most trusted source (see Figure 2).

There is no doubt that consumers have become 'professional' shoppers. Their confidence has grown along with a better awareness of their rights. Consumers' ability to exercise their power has also reduced their perceived level of risk, and with consumers increasingly knowing where to get the information they need, more prefer to 'pull' information, rather than have businesses 'push' information to them.
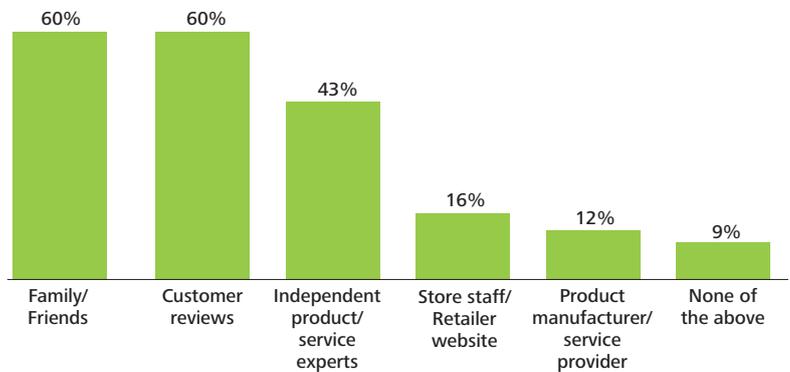
Case study – KLM Meet & Seat

Launched in 2012, KLM's Meet & Seat programme has now been piloted with 60,000 passengers and is being rolled out across the business. The system allows passengers to choose 'seatmates' with shared interests or business connections based on their Facebook and LinkedIn profiles. This is an opt-in service and has proved particularly popular on flights to US west coast destinations such as San Francisco.[3]

Case study – ASOS

The #AsSeenOnMe campaign encourages consumers to share photos of themselves wearing the retailer's clothing and footwear via Twitter, Facebook and Instagram or upload them directly via the Asos.com website. Asos has created a separate channel that uses a visual commerce engine provided by Olapic to pull all of the images into a system that staff can then use to link directly to the transactional website. Consumers can browse through the images on the #AsSeenOnMe channel and purchase directly. The images are also added at the bottom of a product page.[5]

Figure 2. Most trusted source of information on products and services

Source	%
Family/Friends	60%
Customer reviews	60%
Independent product/service experts	43%
Store staff/Retailer website	16%
Product manufacturer/service provider	12%
None of the above	9%

Source: Deloitte research, May 2014
Base: UK consumers 16+ (n = 2,000).

Case study – Coca Cola

Coca-Cola launched its first TV commercial created with user generated content. The advert, aired during the final episode of American Idol, was produced by Wieden + Kennedy. It features content generated by a competition that challenged teenagers to submit short video clips "sharing what it feels like when they take a sip of Coke." Forty clips were selected from over 400 clips and include content from consumers from different countries. The campaign is an example of how consumer businesses are increasingly turning to consumers to co-create not only products and services but also marketing communications and creative content.[2]
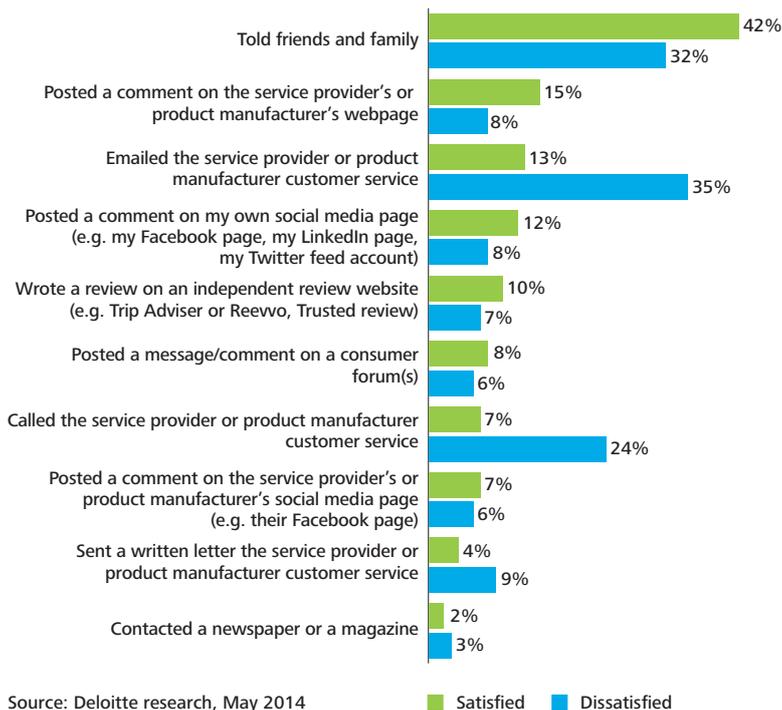
Case study – Amazon

Amazon has announced a partnership with Twitter that allows users to add products to their shopping baskets. Users can do so by replying to tweets containing a link to an Amazon product with #amazonbasket. Users then need to go to Amazon to pay and complete the purchase. This move highlights the importance of offering s-commerce functions, allowing for a trigger such as a tweet to start a shopping journey and this as seamlessly as possible.[4]

To counter this, businesses have been engaging with consumers directly via social media platforms. However some practices used by businesses undermine the potential of social media as a tool to engage openly with consumers and can impact negatively on consumers' trust. In an effort to 'sanitise' the content that appears on social platforms about their brands, many businesses have taken some of the negative consumer conversations offline while encouraging people with positive experiences to share them more widely. This can be detrimental to businesses as they run the risk of being removed from the conversations about their brands altogether.

The issue of trust also highlights the growing importance of reputation and consumers' desire for more transparency. Businesses that keep their promises and act more transparently tend to be rewarded as consumers are more likely to talk about their experience when they are satisfied than when dissatisfied.

Our data shows that 42 per cent of consumers will tell friends and family about a positive experience, but only a third will talk about their experience when they are dissatisfied. One in ten satisfied consumers will post a comment on their social media page (see Figure 3).

Figure 3. Actions taken when satisfied or dissatisfied with a product or a service

Action	Satisfied	Dissatisfied
Told friends and family	42%	32%
Posted a comment on the service provider's or product manufacturer's webpage	15%	8%
Emailed the service provider or product manufacturer customer service	13%	35%
Posted a comment on my own social media page (e.g. my Facebook page, my LinkedIn page, my Twitter feed account)	12%	8%
Wrote a review on an independent review website (e.g. Trip Adviser or Reevvo, Trusted review)	10%	7%
Posted a message/comment on a consumer forum(s)	8%	6%
Called the service provider or product manufacturer customer service	7%	24%
Posted a comment on the service provider's or product manufacturer's social media page (e.g. their Facebook page)	7%	6%
Sent a written letter the service provider or product manufacturer customer service	4%	9%
Contacted a newspaper or a magazine	2%	3%

Source: Deloitte research, May 2014
Base: UK consumers 16+ (n = 2,000).

Crowd-based power

Empowered consumers are also a significant driver of growth as their behaviour intensifies competition and drives innovation. Beyond creating, accessing and sharing information to help them make the right decision, consumers have recognised the power behind collectively influencing the products or services they buy. Empowered consumers are actively sharing their views, and as a result are becoming more involved in the development of products and services.

The ability of like-minded people to compare experiences and promote their collective voice allows the most active consumers to demonstrate the power of the crowd. Such power has become a force in the consumer market, going beyond reviews and recommendations into co-creation. Some companies are even using crowd-based power to help them develop their products and services.

What should businesses do?

• Consider new touch points such as social media and online as opportunities to engage more openly with consumers

• Develop new capabilities such as encouraging sales on social media (s-commerce) and social customer relationship management (Social CRM)

• Develop content to inform and educate consumers and help them move through the decision process. Arming consumers with the right information helps them move independently through the shopping journey, creates trust and increases their loyalty

• Manage the reputational risks associated with social platforms by establishing social command centres to listen to conversations, engage with consumers and help to share positive stories beyond the most valued consumers.

Case study – Lego

Lego Cuusoo is a crowdsourcing platform where people post their Lego creations. If the creation gets more than 10,000 supporters, Lego will commercialise it and the creator will receive royalties.[6]

Case study – Bethany Mota

Bethany Mota has recently been hitting the headlines in the UK. The 18 year old Californian is known for her YouTube videos where she talks about her fashion purchases. Her regular video blogging about fashion has already earned her more than 5.5 million channel subscribers and 2.4 million fans on Instagram. This is more than Vogue, Elle, Marie Claire, Glamour and Cosmopolitan combined. Finally at the end of last year, the Bethany Mota Clothing and Accessories line for Aeropostale, a US retailer, was launched and brands like J.C. Penney and Forever 21 in the US are looking into developing similar collaborations with Bethany.[7]

The extended path to purchase

The path to purchase has changed with more opportunities for businesses to engage differently with consumers.

Disrupted path to purchase

The growing power of consumers is changing the way consumers interact with brands when deciding to purchase a product or a service. Enabled by digital technology and extensive information sources, consumers can choose how engaged they want to be across the different touch points of their path to purchase. Typically consumers tend to be highly engaged for more expensive items and will limit their interaction with providers to the minimum when the purchase is more of a commodity.

This has disrupted the traditional path to purchase, but offers businesses new and different opportunities for engaging with their consumers. Two additional phases have now been added to the traditional customer journey and have helped to create a 'cycle' instead of a 'funnel' (see Figure 4).

While in the past consumers could only consider what is on offer, now they can start with an idea or a need and browse online for further inspiration to help refine and locate what they are looking for. This process is enabled by access to search engines and social platforms to narrow and discuss options among other things.
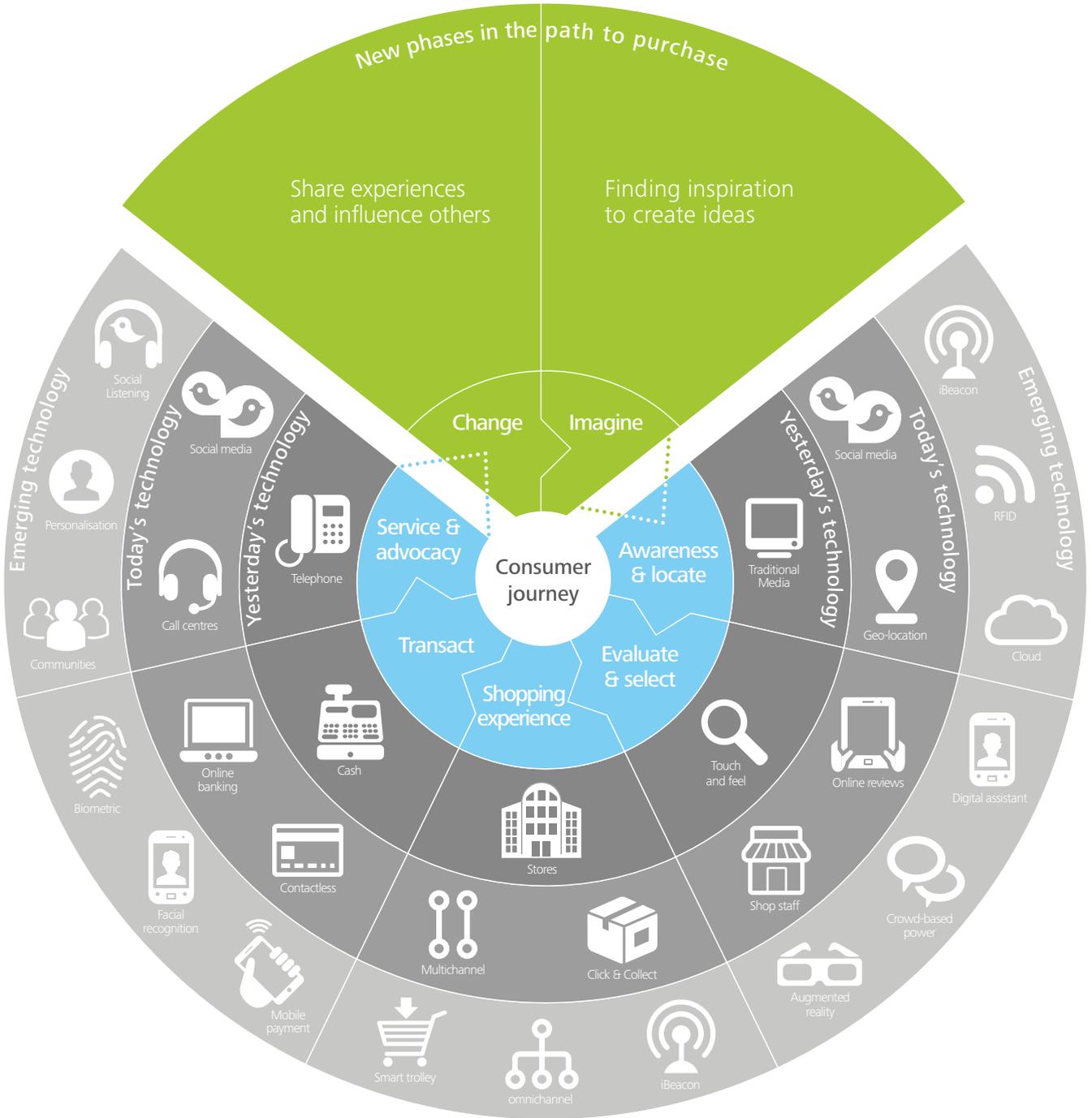
As a result consumers are now more involved in imagining and conceptualising the product or service they are looking for. Businesses that make it as easy as possible for consumers to refine a need or an idea while inspiring them will get one step closer to making the sale.

Similarly, at the end of the journey consumers have access to networks and communication tools to share their experience with others who themselves might use this information to select a product or a service. Hence the customer journey is now more of a cycle, where one consumer's experience feeds into another consumer's decision process whether to buy a product or a service.

Product or service awareness, which used to be achieved through broadcast media, is now being replaced by Internet searches and mobile access. Products in store aisles and on shelves are becoming part of the global digital marketplace where there are no geographical boundaries and multiple choices. Transactions are becoming simpler, seamless and intuitive. The supply-driven world is becoming a demand-driven one where the consumer is in charge.

More disruptions to the traditional path to purchase are likely to arise as new technologies enter the mainstream. The increasing adoption of wearable technologies will facilitate searching by image, voice and gesture. For example, the latest version of Siri included as part of Apple's IOS 8 software update will allow consumers to make voice-activated purchases via iTunes. This will increase the speed of response, giving consumers the ability to buy a song while listening to it using the song recognition service Shazaam (see Figure 4).

Figure 4. The disrupted path to purchase

New phases in the path to purchase

Share experiences and influence others

Finding inspiration to create ideas

Change

Imagine

Awareness & locate

Service & advocacy

Consumer journey

Transact

Evaluate & select

Shopping experience

Emerging technology

Social Listening

Personalisation

Communities

Biometric

Facial recognition

Mobile payment

Today's technology

Social media

Call centres

Yesterday's technology

Telephone

Online banking

Cash

Contactless

Smart trolley

Multichannel

omnichannel

Stores

Click & Collect

iBeacon

Augmented reality

Shop staff

Crowd-based power

Yesterday's technology

Social media

Traditional Media

Today's technology

Geo-location

Touch and feel

Online reviews

Emerging technology

iBeacon

RFID

Cloud

Digital assistant

Source: Deloitte research, May 2014

Figure 5. Heat Map of pre-purchase activity by category*

% of consumers who shopped the category in the last three months

	Sports and Leisure	Books, DVDs, Music and Games	Clothing and Footwear	Furniture and Homewares	Major household appliances	Mobile phone, Internet and Cable/TV subscriptions	Electrical equipment	Going out/Entertainment	Restaurant booking	Car hire	Train tickets	Packaged holidays	Hotels/Accommodation	Flights
Ask family and friends for recommendations or advice	22%	13%	10%	14%	19%	20%	19%	14%	15%	15%	7%	19%	9%	12%
Read reviews in the press or magazines	13%	12%	5%	8%	14%	13%	13%	10%	5%	11%	3%	16%	6%	5%
Look for information social media sites	13%	7%	5%	5%	11%	12%	7%	6%	6%	8%	4%	14%	4%	7%
Look for information on blogs	12%	6%	4%	7%	7%	8%	8%	3%	4%	8%	3%	11%	6%	4%
Use online customer review sites	30%	19%	11%	17%	31%	19%	29%	10%	10%	19%	5%	30%	24%	12%
Use a price comparison website	23%	13%	6%	12%	23%	19%	21%	5%	5%	21%	11%	19%	25%	26%
Use a web search engine (e.g. Google)	42%	26%	16%	21%	32%	23%	31%	17%	12%	22%	15%	29%	28%	28%
Browse the company's catalogue/brochure	26%	10%	13%	20%	23%	12%	15%	6%	4%	15%	4%	29%	9%	7%
Visit the website of the company from which you made your purchase	51%	47%	38%	43%	47%	39%	51%	34%	26%	42%	43%	56%	56%	59%
Visit the website of other companies selling similar goods or services	39%	25%	21%	32%	36%	24%	38%	9%	7%	26%	17%	33%	30%	34%
Use an app created by the company from which you made your purchase	11%	7%	4%	4%	6%	5%	6%	5%	3%	13%	8%	9%	5%	6%
Use an app created by another company other than the one from which you made your purchase	8%	3%	3%	4%	7%	5%	3%	3%	3%	7%	3%	7%	3%	4%
Call customer service	8%	3%	2%	6%	7%	18%	7%	4%	11%	15%	4%	14%	8%	6%
Visit the store from which you made your purchase	35%	22%	40%	38%	37%	25%	32%	14%	13%	13%	10%	12%	6%	6%
Talk to in-store staff	21%	6%	9%	18%	18%	20%	21%	6%	10%	17%	6%	13%	3%	5%
Used an in-store touchscreen	11%	3%	3%	6%	7%	8%	5%	4%	3%	10%	4%	6%	2%	3%
Visit other stores	28%	14%	26%	29%	27%	14%	24%	5%	4%	12%	3%	10%	2%	4%

*Use this map to check either by activity or by category what is more popular in comparison to other categories or other activities:

🟥 Pre-purchase activity less likely to happen compared to the average

🟩 Pre-purchase activity more likely to happen compared to the average

Source: Deloitte research, May 2014

Base: UK consumers 16+ (n=2,000)

Different levels of engagement by category

The amount and type of activities consumers undertake prior to completing a purchase reveal some strong differences at the category level. Consumers undertake a higher number of activities for categories such as sports and leisure, major home appliances, electrical equipment and packaged holidays. However, when planning a purchase in categories such as books, DVDs, music, going out or buying train tickets, consumers claim to engage in far fewer activities.

Some activities are specific to certain categories and highlight how people plan their purchases. For example, consumers are more likely to visit the website of a company when they are looking to buy flights, hotels or packaged holidays. This demonstrates how important it is for businesses to provide ample opportunities for consumers to engage with the product or the service across all touch points. Businesses also need to appreciate the value consumers derive from different products and services (see Figure 5).

Deloitte analysis shows that there is a correlation between the level of consumer pre-purchase activity and their level of spending. High spending categories such as travel and holidays or major household appliances have higher activity levels, while categories such as clothing and footwear or train tickets, which are considered more as utilities with lower average spending, show lower activity (see Figure 6).

What should businesses do?

• Decide on the appropriate engagement approach whether it is being actively engaged in the conversation, monitoring it or simply ignoring it

• Gain a deeper understanding of consumers, including their behaviours and the value they derive from products and services

• Adjust the marketing mix to account for new channels and the extended path to purchase, with less direct branding and more management of unbranded content on social platforms and communities

• Invest in monitoring and understanding how consumers become aware of their products and services beyond the traditional marketing channels

• Use social media to extend customer support beyond the product and transform it into an experience

• Help consumers share content on brands or businesses but also to create and curate their own

• Empower all staff, regardless of what level of interaction they have with consumers, to make decisions and respond to consumers directly to personalise the service they receive.

Figure 6. Level of pre-purchase activity by average spending and by category

Mean spending range
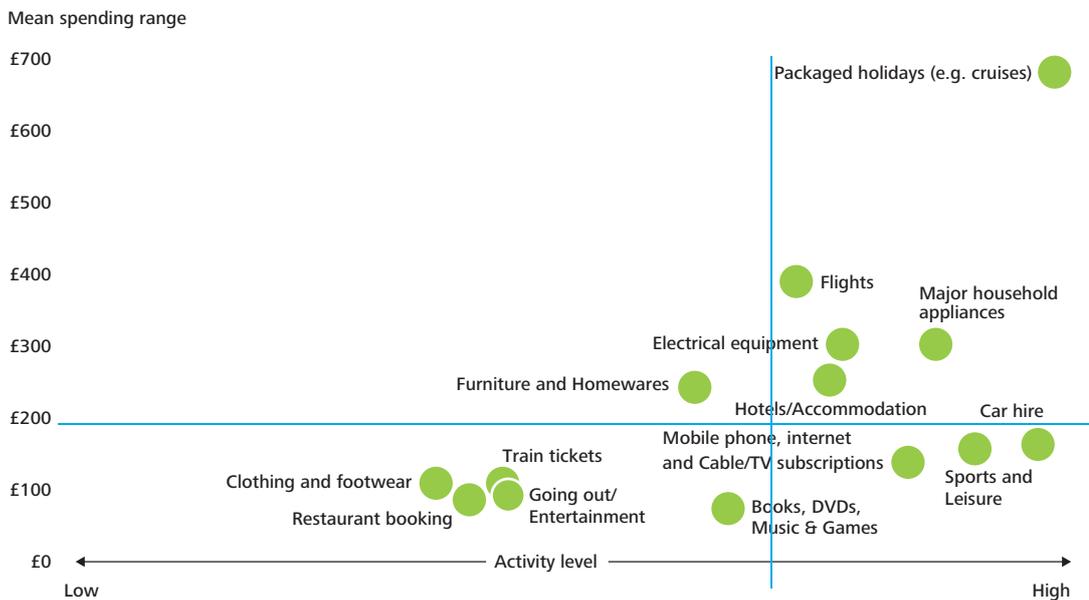
Source: Deloitte research, May 2014 — Average
Base: UK consumers 16+ (n = 2,000)

Closing the expectations gap

Businesses need to consider how they can engage with consumers both as individuals and as communities across different stages of the path to purchase.

From 'fast followers' to innovators

The traditional path to purchase has been disrupted and businesses need to consider how they can engage with customers as both individuals and as part of communities and collectives. Many large businesses have been slow to respond and have retained silos that separate their different touch points with consumers. Moreover, most of those that have responded are 'fast followers' with few consumer businesses really innovating.

Innovators are those businesses that have started to regain ownership of the consumer journey by using consumer data and insight to inform the business strategy and by changing their operating model accordingly.

- **Listening** – establishing social command centres or social listening posts to track what consumers are saying about their products or services and engage directly with them

- **Inspiring** – developing tools to use customer advocacy and social media platforms to encourage consumers to promote products and services

- **Co-creating** – using crowd-sourced ideas and engaging with active followers into conversations. Consumer generated content such as reviews and recommendations can improve conversion rates and help increase the top line. Giving consumers the ability to share and create content can also encourage loyalty.

The value of trust

Trust has always been an issue in the value exchange between a seller and a buyer. Social engagement can improve trust and transform negative experiences into positive ones, helping businesses become more transparent.

To increase consumer trust, businesses must engage more closely with consumer communities, openly encouraging dialogue, acknowledging suggestions and consumer sentiment.

Businesses should personalise responses to their most valued consumers, recognising that they are the main advocates of the brand and that they can be critical in helping to enhance a business's good reputation in the social media environment.

However, given the multiple touch points consumers have with a product or service, staff at each level need to be empowered to respond and assist consumers, including being able to make the decision on the appropriate way to respond to a complaint from a dissatisfied customer.

Risks of ignoring the growing power of consumers

Consumer activism – Consumer activism should be on the risk agenda for all consumer-facing businesses given its rapid growth over the last few years. Risk issues include data security, reputational risks, the protection of consumers' rights and customer satisfaction. Given the growth of digital platforms as customer service channels, businesses need to mitigate their risks by implementing enterprise control platforms to monitor what content is shared and by whom.

Consumer communities – Social communities are incredibly powerful. Not having a presence in the social media environment could prevent consumers from reaching out to a business and choosing instead to vent their concerns or views on a competitor's social platform. Businesses should be confident that if they offer great customer service, social media activity around their brand will reflect that. Businesses need to see this as an opportunity to build stronger relationships with their customers.

Enterprise-wide transparency – Reputational risk is an issue that needs to be managed across the entire supply chain and is not just the responsibility of the customer service function. Building consumer trust is dependent on brand messages being consistent with the consumer's experience of the product or service. This requires the entire value chain to engage behind delivering the brand's promise.

Loyalty – Digital has changed the conventional purchase funnel, and what used to be a linear route from awareness to loyalty is now constantly disrupted. A more demanding consumer is harder to convince, and in a more competitive market will be enticed by the wide choice available to him or her. Businesses need to develop the capabilities to remain relevant and responsive across all touch points of the customer journey including enterprise-wide customer relationship management capabilities.

Developing customer-centric operating capabilities

Social Customer Relationship Management (CRM) – CRM activities have evolved from being a company-centric process into a consumer-centric process. Developing such capabilities allows a business to:

- develop a more collaborative relationship with consumers and place them at the centre of the innovation cycle

- develop a richer profile of consumers and their wider community

- engage in conversation that generates real value to improve the product or service

- gather consumer insights from all employees who, in their different roles, come in contact with the consumer.

Content management – Businesses need to develop a set of processes and technologies that support the collection, management and publishing of information created by consumers about their products and services.

Content creation – Content management has become critical and has changed the way businesses communicate with consumers. Businesses need to focus on informing and educating consumers rather than solely selling to them. Making as much information available to consumers as possible, will help them move more independently through the shopping journey.

To increase consumer trust, businesses must engage more closely with consumer communities, openly encouraging dialogue, acknowledging suggestions and consumer sentiment.

Case study – Ford

In an effort to adopt an 'always-on' approach, Ford is using social media to attract different consumers as it accelerates away from focusing its online channels solely on awareness building. A real-time strategy is being developed to make accessibility, transparency and authenticity the point of difference of its content. Ford says that the most compelling communications come from their consumers discussing their product so they aim to facilitate conversations and not broadcast.

Customer assistance teams alongside other divisions such as IT and legal are being called upon to speed up content generation so that customers and fans feel like they are having a "two-way dialogue" with the brand. The business introduced initial elements from the strategy around this year's Champions League final when it worked in partnership with a social media agency to promote the European launch of the Mustang. Ford integrated all consumer-facing parts of the business such as customer assistance 'live chatters' and community managers alongside the communications teams and the team generating real time content. A combination of influencers, TV, paid and earned media sold 500 pre-orders within the first 30 seconds of the match.[8]

Social commerce – Using social platforms to increase sales is more subtle than on a branded e-commerce site. On social media, personal relationships are key and it should be left to individuals to decide whether content is valuable or not – or whether a brand's product or service deserves their attention or purchase.

Real time and targeted response – Not only has one-to-one communication replaced traditional segment-centric marketing methods, businesses also need to adopt tools to shorten the lag time between a consumer action and a targeted response. Real-time digital marketing techniques that sense consumer behaviours and respond, such as instant geotargeted alerts via 'push' message, or automated and personalised emails based on activity on a website or social platform, are becoming standard in one-to-one communication. This type of marketing requires continual optimisation of content in real time, yet many teams still operate under traditional annual and quarterly campaign calendars.

Businesses need to respond to these new shopping activities by developing strategies and structures that enable products to be created, manufactured and delivered on the basis of real-time demand and traffic.

Notes

1. The tyranny of choice: You choose, *The Economist*, Dec 2010. See also: http://www.economist.com/node/17723028

2. Coca Cola Company, Unbottled, Our Blog, May 2014. See also: http://www.coca-colacompany.com/coca-cola-unbottled/coca-cola-to-debut-first-tv-ad-made-entirely-with-user-generated-content

3. KLM Meet & Seat. See also: http://www.klm.com/travel/gb_en/prepare_for_travel/on_board/your_seat_on_board/meet_and_seat.htm

4. See http://www.amazon.com/gp/socialmedia/amazoncart/ref=amazoncart_surl_amazonbasketlp

5. ASOS 'As Seen On Me campaign', May 2014. See also: http://www.drapersonline.com/news/ecommerce/asos-launches-as-seen-on-me-community/5060648.article?blocktitle=Most-popular&contentID=-1

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