

Consumer Packaged Goods (CPG) Faces Customer Engagement Pitfalls

NTT DATA Services



Leading CPG companies have 31% quicker asset turnover and 13% higher gross margins

Largest Areas of Customer Friction

What is Customer Friction?

Any aspect of an interaction that has a negative impact on the customer, employee or partner's experience.



Highlights from NTT DATA's 2017 Customer Friction FactorSM (CFFSM) CPG Assessment*



Knowledge

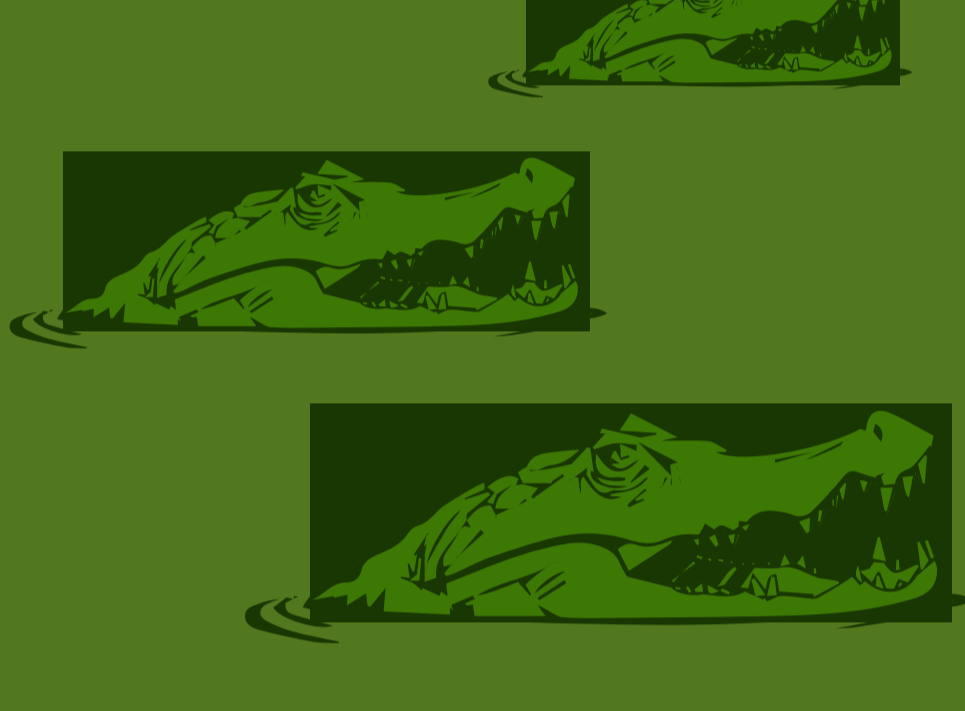
16% of CPG high friction websites presented confusing product information and didn't properly guide users to reach their goals.

Technology

21% of all friction is related to technology—lagging CPG sites had confusing navigational menus, hard-to-find search results and a high number of page refreshes.

Process

55% High friction CPG websites averaged more steps for the consumer to complete their goal or reason for visiting.



CPG laggards average **16 more friction points** than CPG leaders on product search, information transparency and purchase availability.

Reducing Friction Wins the Customer Endgame and Helps Improve the Bottom line

Best Scores

Knowledge

Process

Technology

PepsiCo and Nestle S.A. avoided using pop-up windows that frustrated and misdirected evaluators trying to complete transactions.

Dean Foods' easy-to-navigate brand sites and clear path to product information make it easy to find what you are looking for!

JBS S.A.'s fast-loading webpages and streamlined website hierarchy helped evaluators quickly complete transactions.

Customer Experience Matters



CPG brands with the lowest Customer Friction Factor (CFF) score improved profitability and translated investments into growth.



The Rules of Winning



“Tech-savvy consumers have heightened expectations for premium experiences that blend products and services in more personalized ways. Consumer packaged goods organizations need to take ownership over customer experience and provide a holistic view of who they are across all touch points whether physical, human or digital.”

— **Lionel Pieterse**

Vice President, Commercial Industry, NTT DATA Services



Develop deep relationships and brand loyalty through meaningful, intuitive engagement on your customers' terms



Introduce a personalized experience that seamlessly blends CPG with retail



Don't abdicate customer experience to the retailer — there are too many formats and opportunities for failure

nttdata.com/customerfrictionfactor



*NTT DATA's 2017 Customer Friction Factor (CFF) CPG Assessment evaluated customer friction across 15 CPG websites to prove that customer experience matters in CPG.

**NTT DATA's CFF Assessments measure customer friction across five categories and assign it a quantifiable score — the lower the score, the better. CFF rapidly identifies an organization's customer friction pitfalls and helps justify the investments necessary to correct them.

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