



# To stand still is to fall behind

2015 Consumer Executive  
Top of Mind Survey

[kpmg.com.au](http://kpmg.com.au)

## KPMG recently asked 539 senior executives at global consumer companies what their top of mind priority was for the coming year

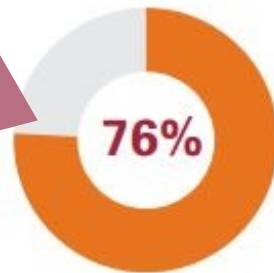
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Although talent, growth, consumers and data were the areas most often rated as 'very' or 'critically' important to success, **global expansion and top line growth** clearly emerged as executives' topmost priority for 2015.

# Introduction

How important will the following areas be to your company's success over the next one to two years? *(Percentage of respondents who said 'very' or 'critically' important)*

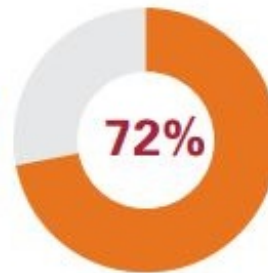
Although talent was most likely to be rated as 'very' or 'critically' important to success, it was the least likely area to be identified as the top priority



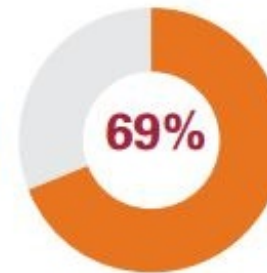
Talent management/HR



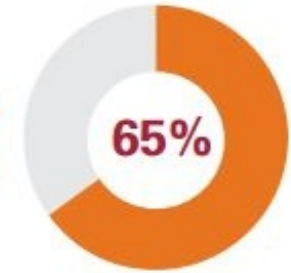
Expansion or top line growth



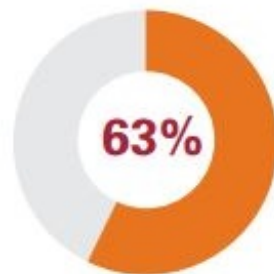
Data analytics



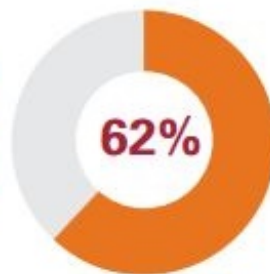
Consumer health and wellness



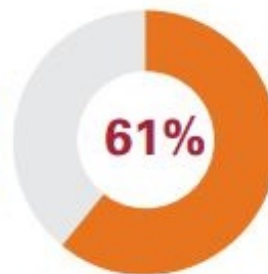
Consumer trust



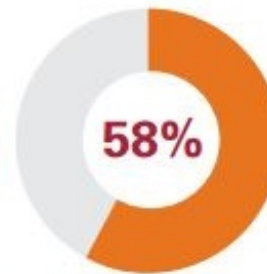
Regulatory compliance



Omni-channel strategy and technology



Social and environmental responsibility



Food and product safety

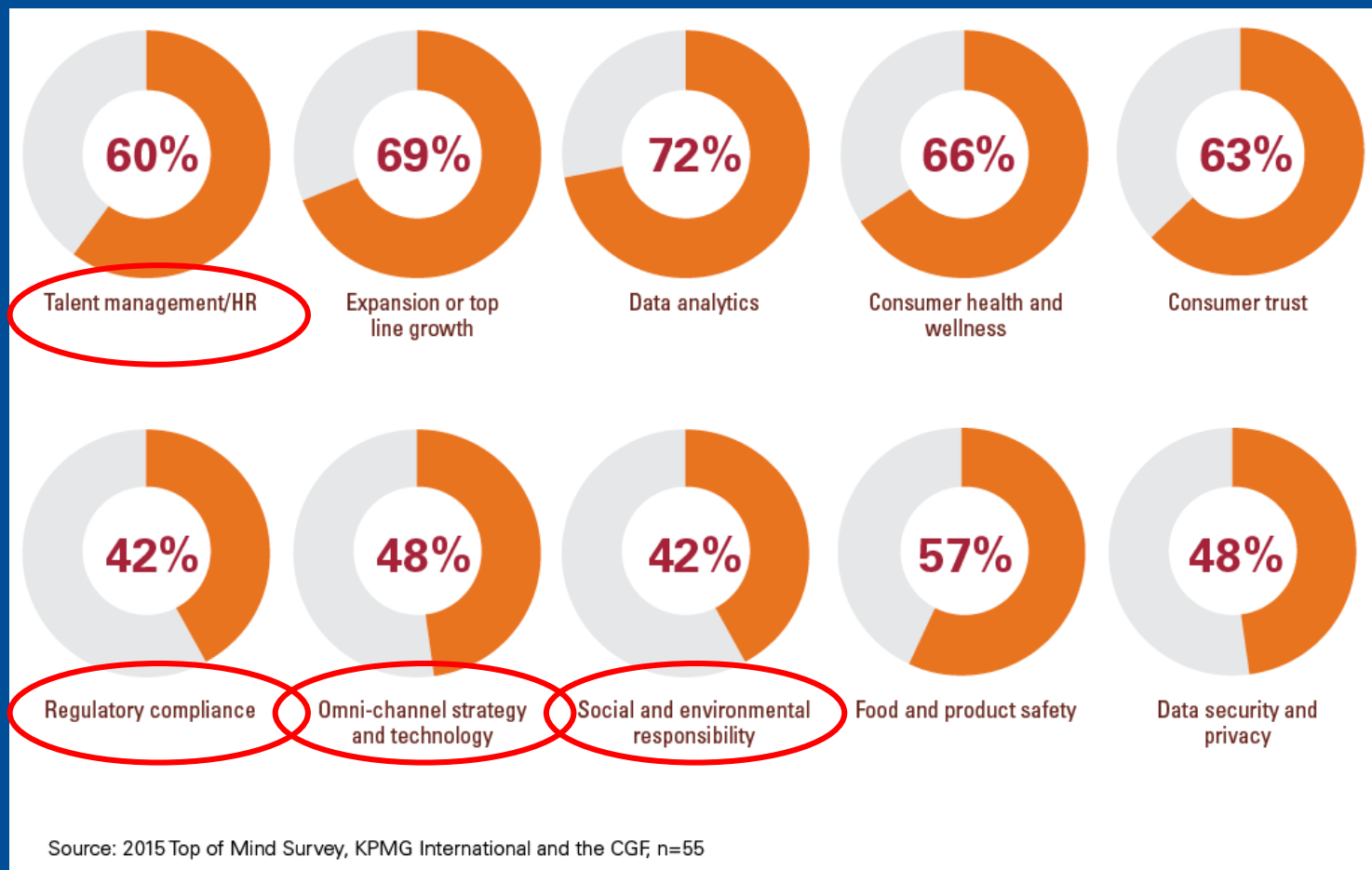


Data security and privacy

Source: 2015 Top of Mind Survey, KPMG International and the CGF, n=539

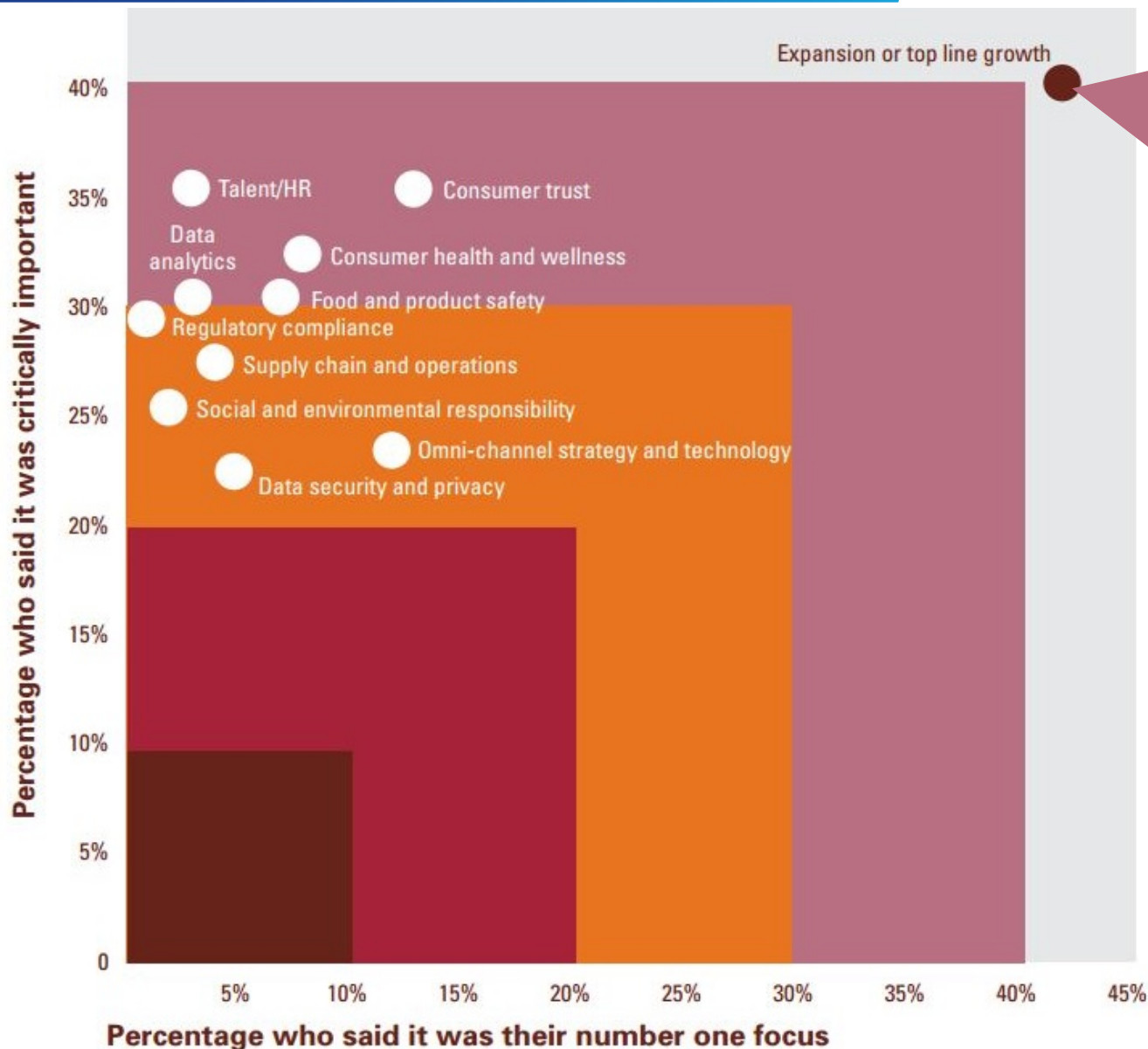
# How do Australian responses compare?

How important will the following areas be to your company's success over the next one to two years? (Percentage of respondents who said 'very' or 'critically' important)





# Introduction



Expansion and top line growth was the area most likely to be rated as 'critically' important to success *and* as executives' number one priority

# The goal is to grow...the question is how?

## The study identified six **levers of growth:**

### **Drivers**

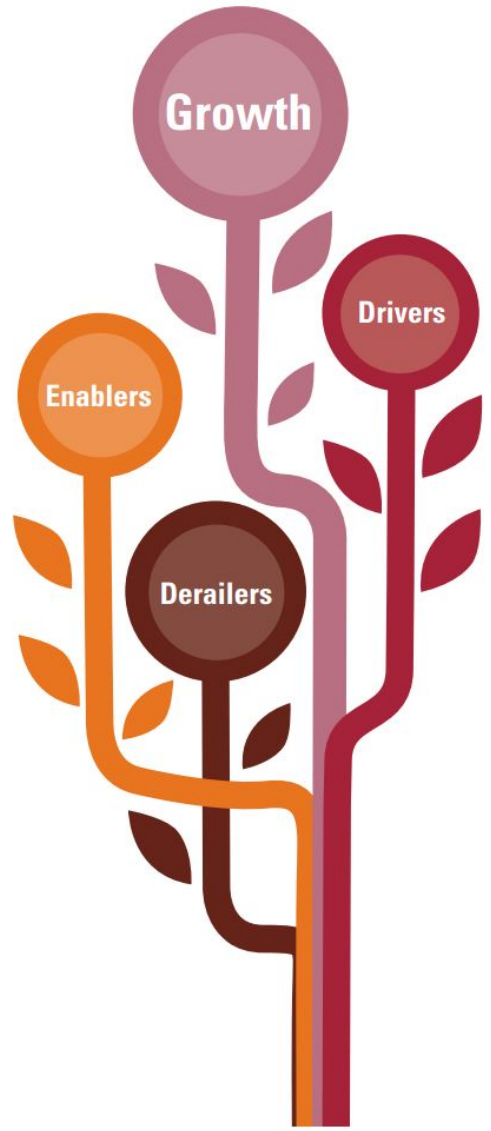
- Consumer trust
- Omni-channel

### **Enablers**

- Consumer knowledge
- Supply chain

### **Derailers**

- Data Security
- Sustainability and CSR



# Consumer trust

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**1 in 3** executives said building consumer trust would be an area for increased investment over the next year. This is a top area of focus after growth.



# Consumer trust as a driver

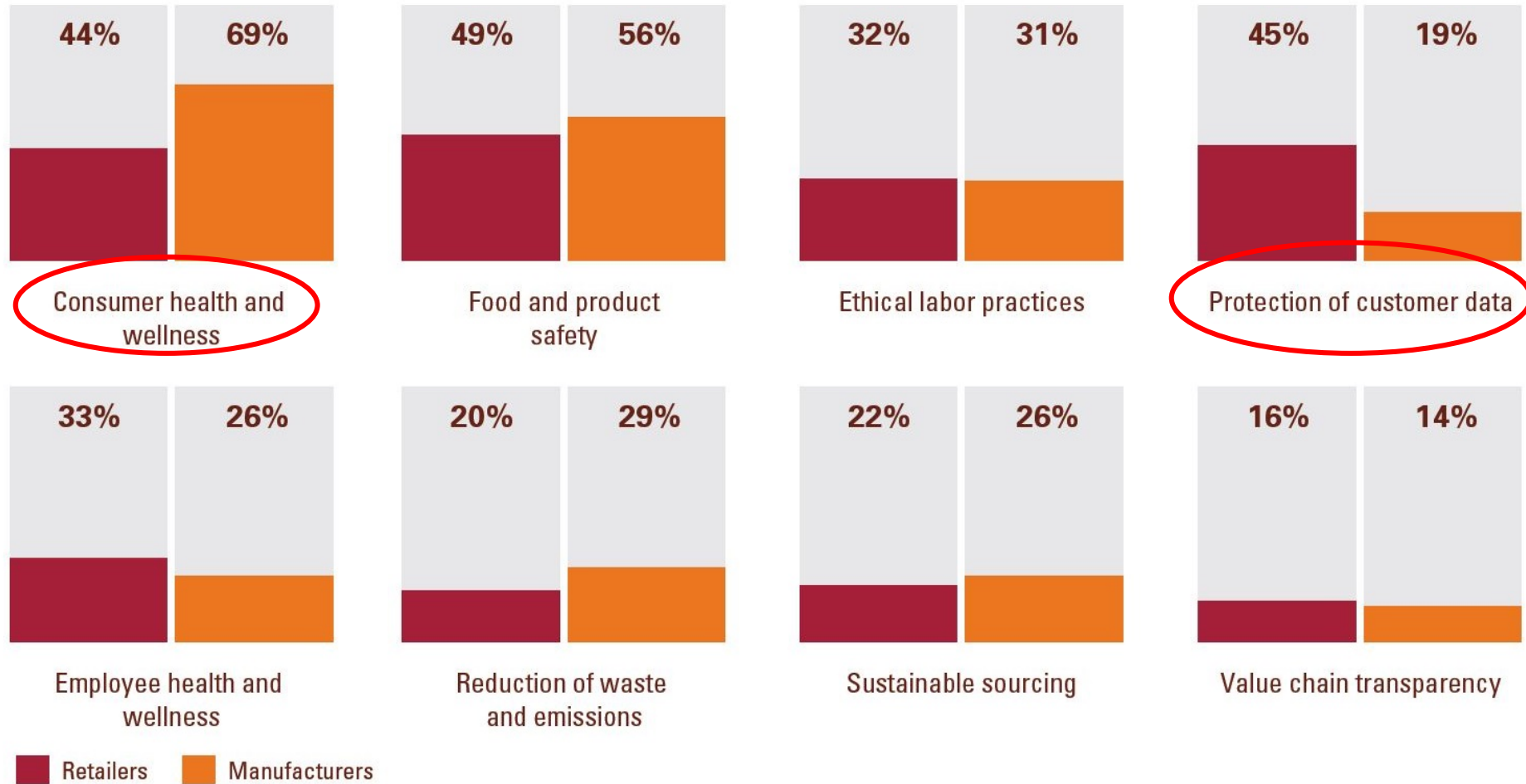
After growth, building consumer trust is executives' number one priority

- **Trust alone cannot sell a bad product**, but a lack of trust can thwart the sale of a good one
- Three quarters of respondents said their **customers demand more transparency**
- Two thirds of respondents said their **sustainability initiatives are driven by building trust** in their reputation and brand – a greater driver than regulation



# Consumer trust as a driver - Global

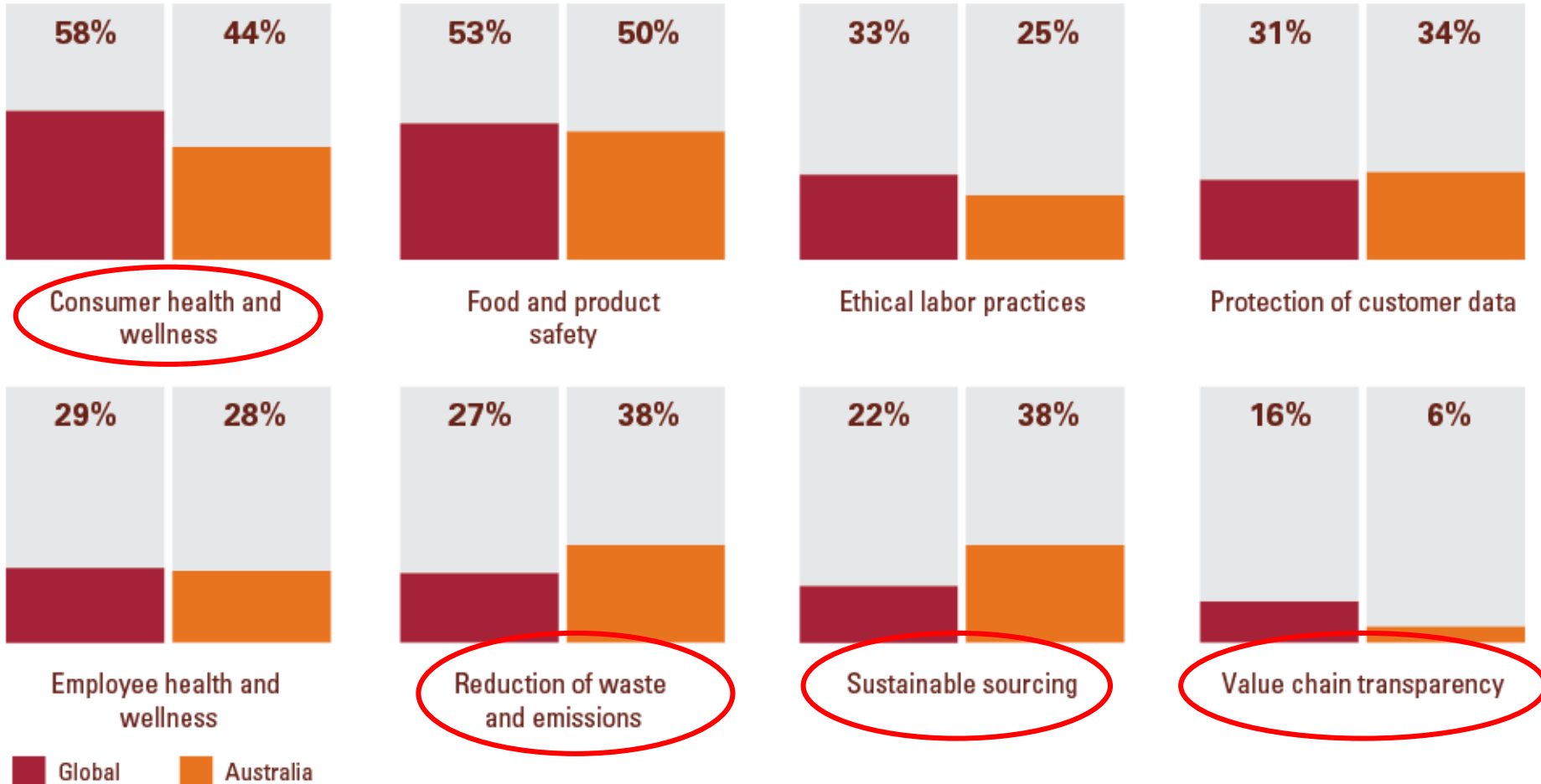
Areas of importance in building consumer trust (top 3)



Source: 2015 Top of Mind Survey, KPMG International and the CGF, n=539

# Consumer trust as a driver – Global vs Australia

Areas of importance in building consumer trust (top 3)



Source: 2015 Top of Mind Survey, KPMG International and the CGF, n=55

# Omni-channel and technology

The growing role of the Internet throughout the path to purchase continues to be critically **important to companies' ability to compete**, yet this area remains a significant challenge for a quarter of executives.

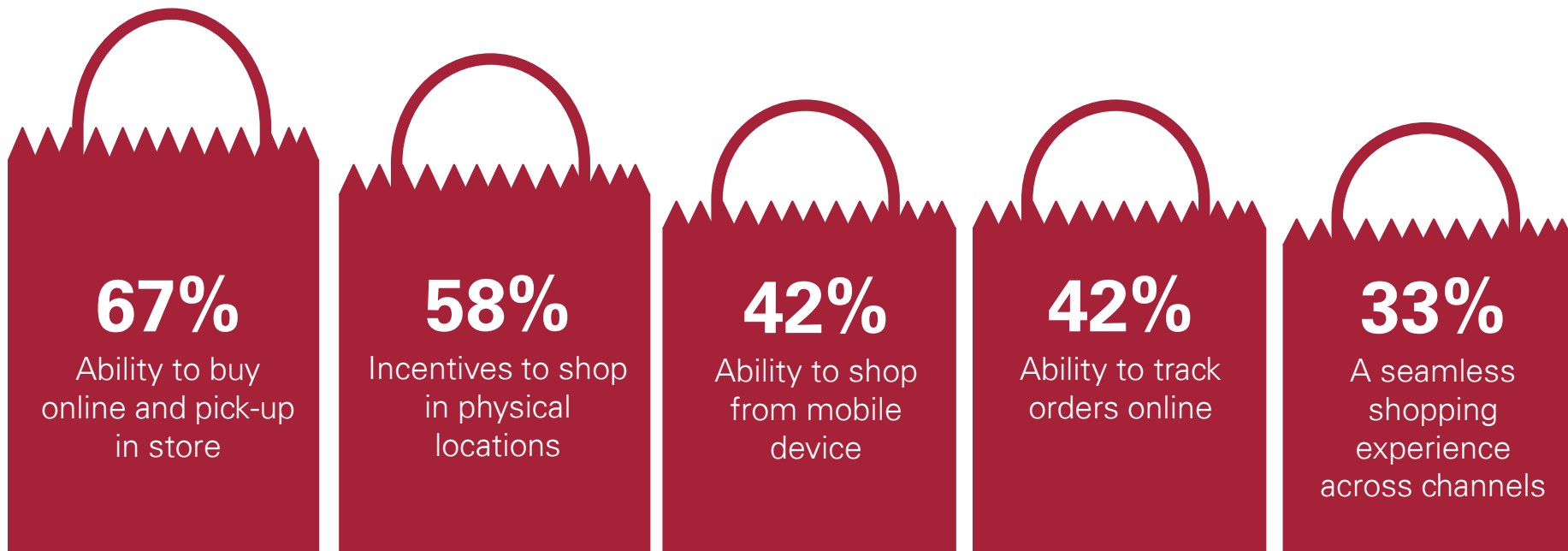


**32%**  
of executives  
said it is a  
**key area for  
investment**

**25%**  
of executives  
said it is  
**a top  
challenge**

# Omni-channel and technology as drivers

Top five ways Australian retailers are expanding their omni-channel offerings



One in three retailers offer a buy online / in store pick-up shopping experience with over half offering incentives to shop in store...many retailers are unable to provide a seamless experience across channels - demands that their global competitors are actively fulfilling.

**1 in 5**

respondents said  
that they  
“understand how  
their customer will  
actually behave”

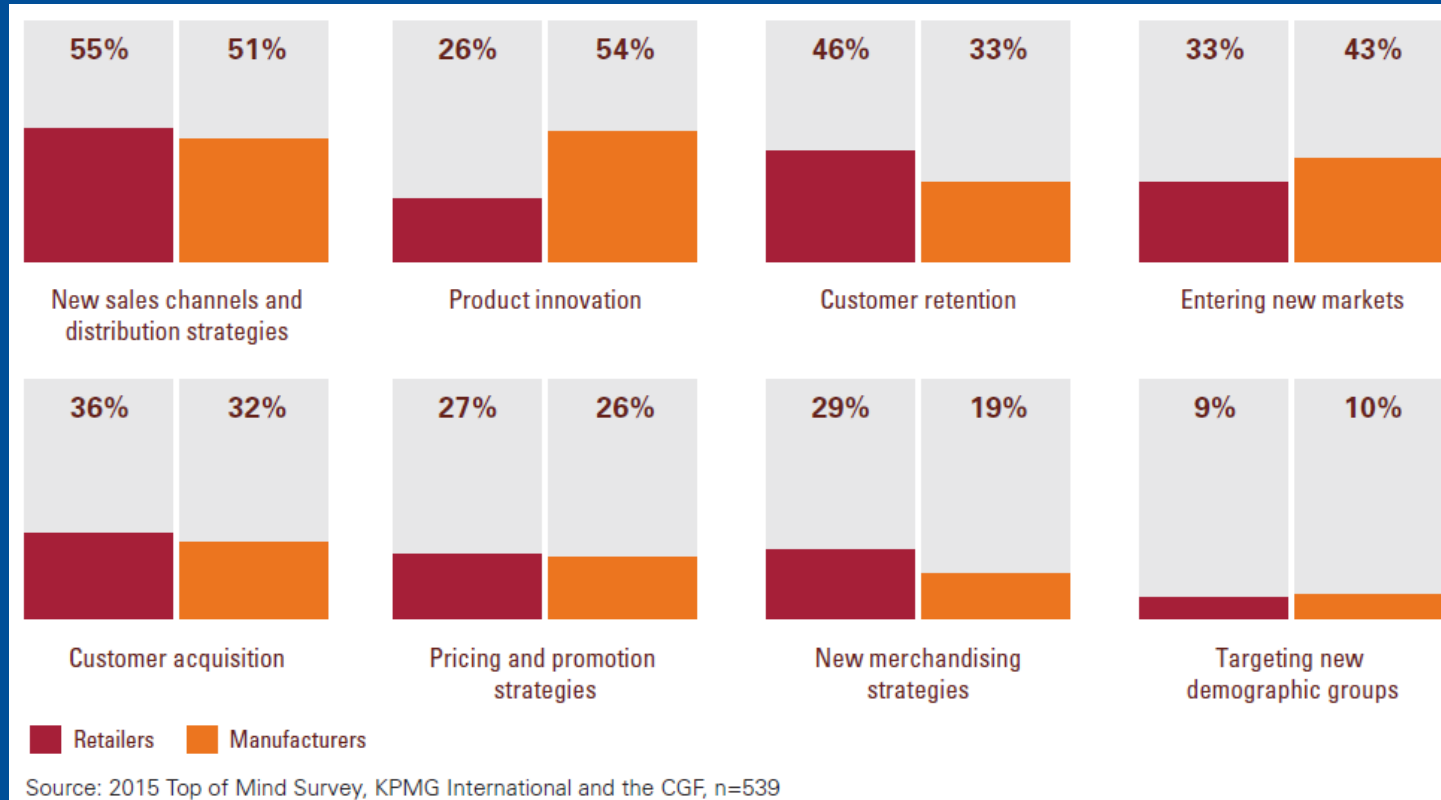
# Consumer knowledge

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The possibilities of data and analytics have not yet been fully absorbed and integrated by most companies. Without deep insight into customer preferences and behaviors, success is far from guaranteed—creating a competitive edge for those who can grasp it.

# Consumer knowledge as an enabler

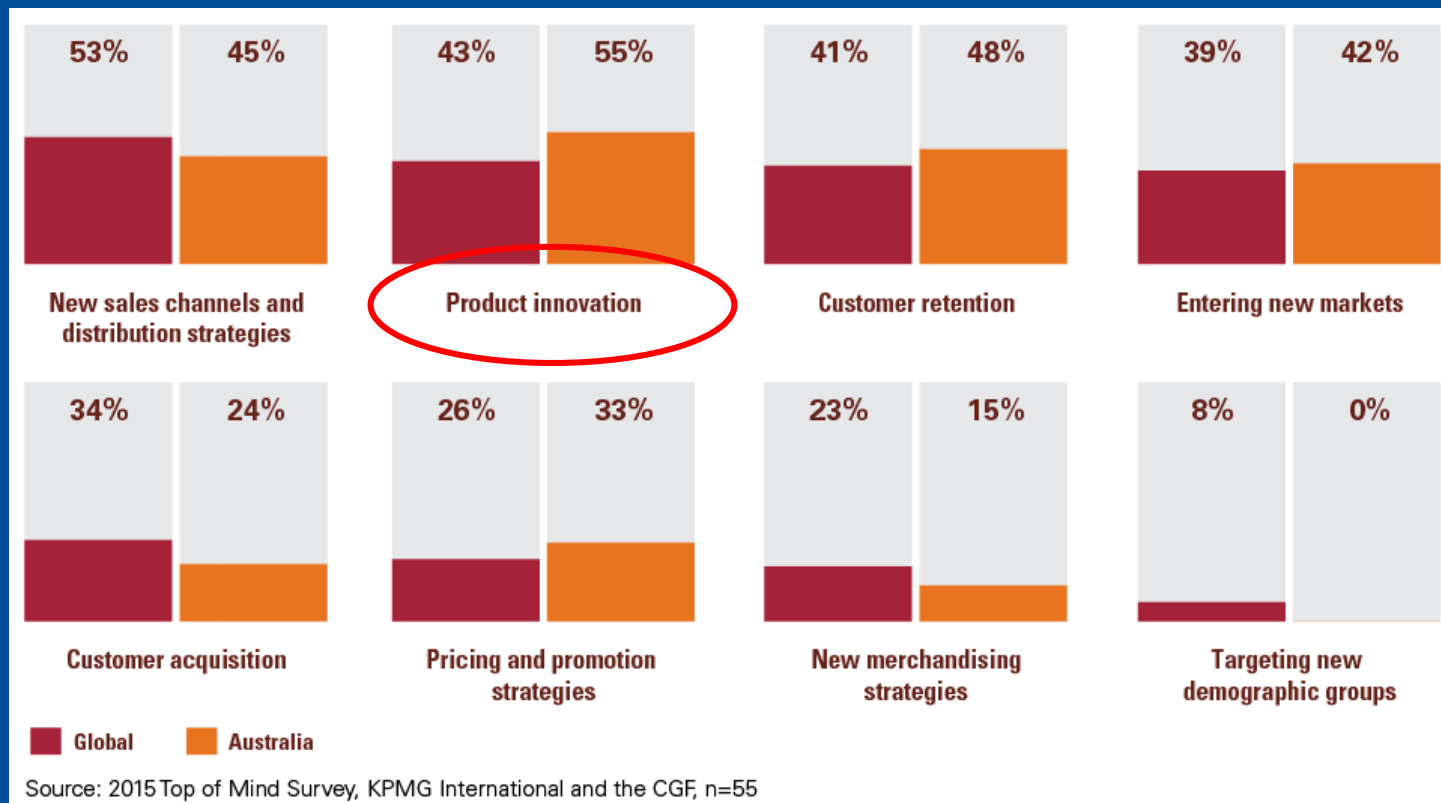
Consumer data and knowledge can better inform companies' growth strategies





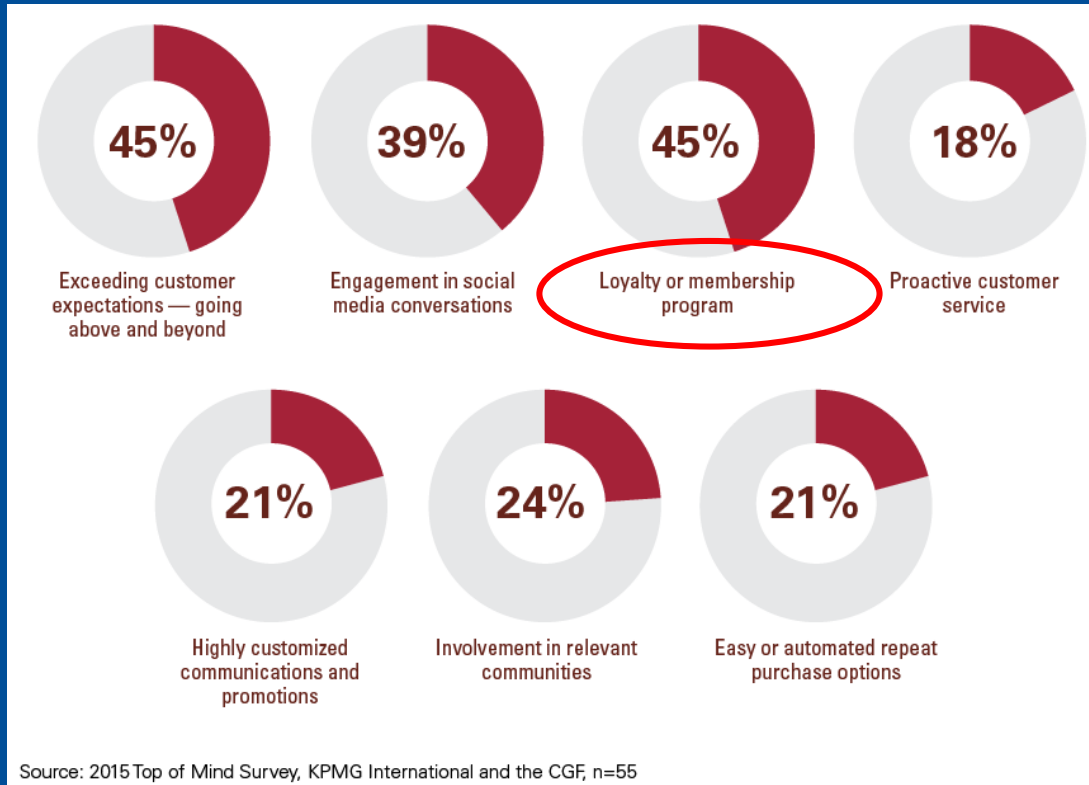
# Consumer knowledge as an enabler (Australia)

Consumer data and knowledge can better inform companies' growth strategies



# Consumer knowledge as an enabler

## Top strategies for developing loyalty (Australian respondents)



Understanding customers using data & analytics enables companies to create more effective loyalty programs

# Supply chain

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The move to digital and mobile shopping puts pressure for efficiency on all aspects of supply. This is one of the areas that is **important to many**, but of **primary importance to only a few**, and **a challenge to less than one in five**.  
Still, many named it as an area for increased investment.

# Supply chain as an enabler



**24%**  
of respondents are planning to increase investment in their supply chain



**14%**

Of executives said  
cyber risk is a growing  
concern for their  
company

# Data security

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Over half of the respondents believe their company has the skills and technology to manage cyber security, indicating a possible false sense of security. Even executives who have recently experienced a breach showed no greater concern than those who had not.

# Data security as a potential derail

Steps that companies can take to guard against cyber threats

- **Link security tightly with business strategy and innovation** – it is a business issue, worthy of senior attention
- Potential new threats arising from **new channels** or **new types of data** need to be part of the strategy
- Companies need to triage the vital **“crown jewels”** and focus protection on those elements



# CSR and sustainability

When it comes to corporate social responsibility (CSR), **food and product safety** ranked as companies' top priority, area for investment, and greatest challenge. As a key driver of consumer trust, this is not surprising.

**53%**

said consumer health and wellness are most important





Two in three executives said **consumer trust** is the **primary driver** of their sustainable practices

**58%**

said food and product safety are most important

# CSR and sustainability as a potential derailer

How companies rank the following areas related to CSR

	Important for success Top priority	Challenge	Increased investment
 Food and product safety	1	1	1
 Consumer health and wellness	2*	2	2
 Social and environmental responsibility	3	3-4	3
 Regulatory compliance	4	3-4	4

\* Ranked much higher for manufacturers

Source: 2015 Top of Mind Survey, KPMG International and the CGF, n=539

Manufacturers are particularly likely to rank consumer health and wellness as a top priority



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