

CASE STUDY

FRISO infant formula: Driving consumer experiences



Image source: Royal FrieslandCampina



FRISO in step with consumers... every step of the way

For consumer brands, owning and steering the end-to-end consumer experience is paramount. With technology enabling product digitization and end-to-end traceability, the data generated throughout a product's journey provides unprecedented insight and opportunity for enhancing consumer engagement. This became especially important during the pandemic when consumer habits changed significantly. For example, a McKinsey study found that more than 40% of consumers switched brands during the pandemic, and 80% adopted new shopping behaviors.

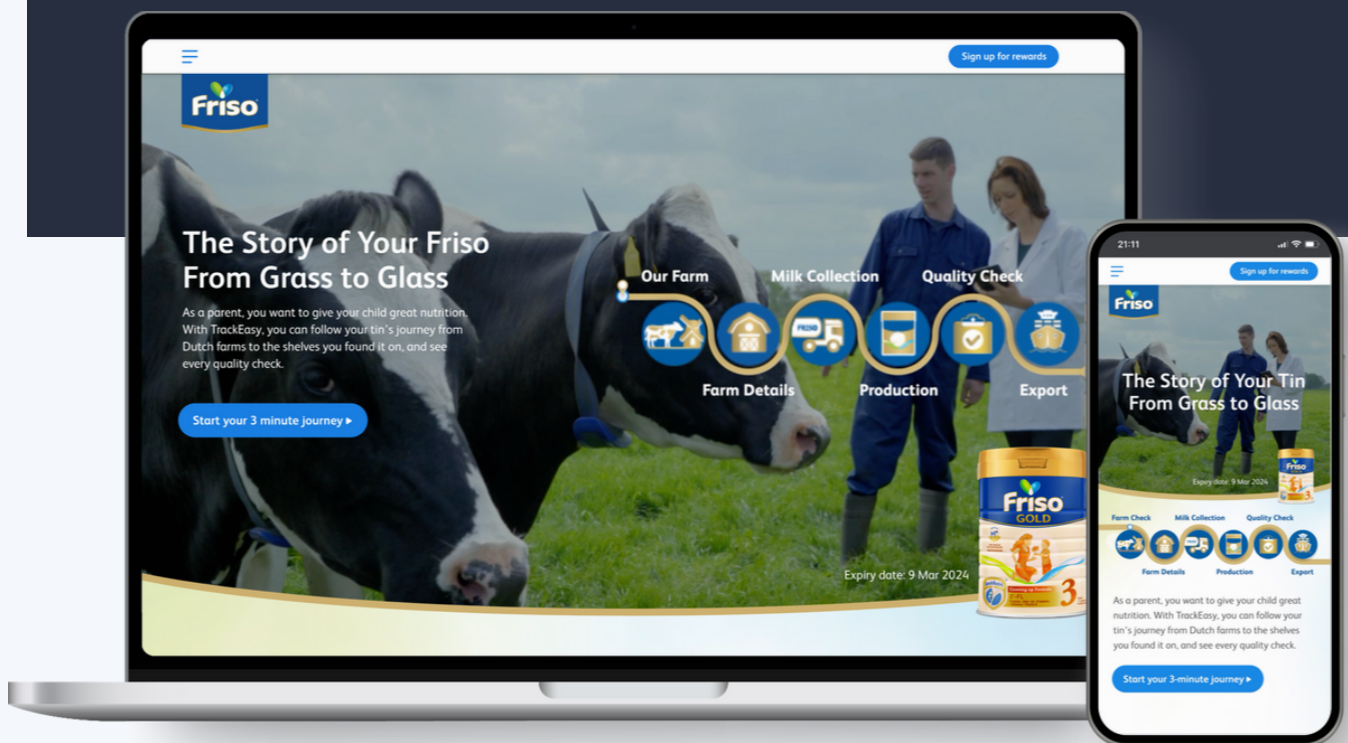


Image source: Royal FrieslandCampina



Infant formula: A growing market with daily engagement opportunity

Fast-moving consumer goods (FMCG) is a category characterized by frequent interaction with and use by consumers - it encompasses everything from processed, dry, ready-to-eat, frozen and fresh foods to health to hygiene and cosmetic goods to office supplies. An important subset of FMCG, which is remarkable for its high-frequency engagement opportunity, is baby (or infant) formula and nutrition. The global infant formula market is estimated to reach USD 49.9 billion in 2023, accelerating at a robust 8.5% CAGR from 2023 to 2033. By 2033, the market value will skyrocket to USD 114.1 billion.

The size of this market and the dynamic of the relationship between brand and parent underscores the need for the FMCG brand to build a trusted relationship, given the critical nature of infant nutrition and the daily engagement opportunity.

Drinking in the consumer moment: Digitizing FRISO Gold & Frisomum

With this market situation as a backdrop, FRISO, the infant nutrition brand by FrieslandCampina, one of the world's largest dairy cooperatives, has tapped into the global demand for infant formula. While domestic markets often supply a large proportion of countries' demands for infant nutrition, FRISO has made inroads in countries like Hong Kong, China and Southeast Asia, with FRISO Gold in a market-leading position. With an aim to engage with consumers in an ongoing fashion to build trust and loyalty, FRISO turned to technology to take their consumer engagement to the next level, using CX innovation to transform their digital ecosystem.



Image source: Royal FrieslandCampina



Digital IDs and product digitization

In a time when the infant formula market is growing and becoming increasingly competitive, FrieslandCampina is well ahead. Where the FRISO footprint is growing, the digital ID infrastructure is quite advanced, leading consumers to expect sophisticated and seamless integrated experiences and digital interactions with brands across apps, devices and channels.

One low-barrier way consumers are engaging is with QR codes. Brands can reach any consumer who uses a smartphone using generic codes that provide additional information about the product and can allow consumers to sign up for a bigger experience, beyond the physical product itself. Whether consumers scan a QR or interact in another way, the idea is still the same: brands are using the product/package for direct consumer engagement in order to provide a unique and personalized experience and the first step in what they hope is an ongoing customer journey as well as build a single customer view that enables future engagement across various touchpoints.



Image source: Royal FrieslandCampina

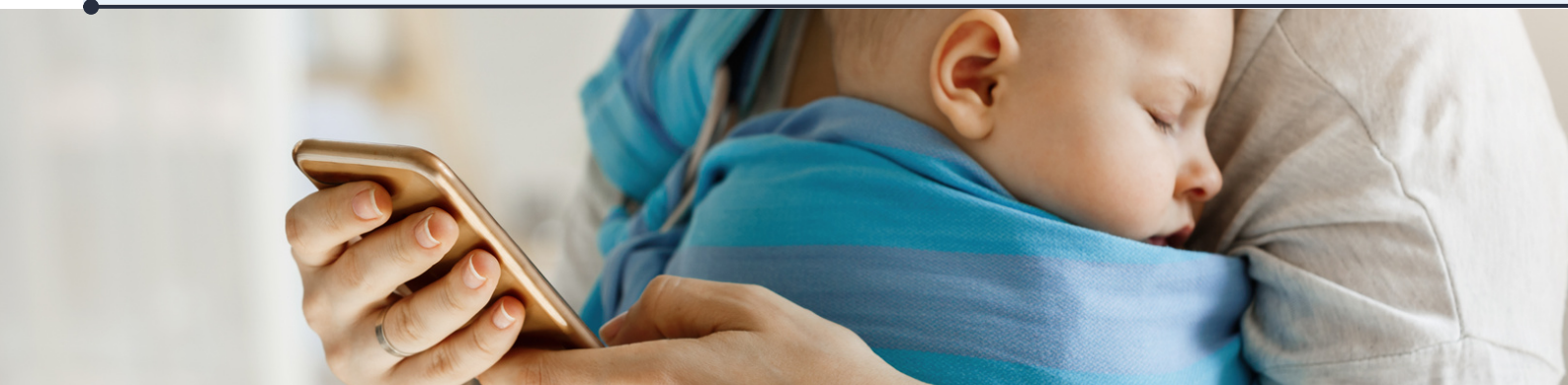


Connected products: Getting to the “how” of delivering customer experiences

The Kezzler Connected Products Platform

To make these customer experiences a reality, FrieslandCampina needed to digitize FRISO Gold and invest in connected products to reap the benefits of the data generated throughout the product journey.

The Kezzler Connected Products Platform plays an integral part in the customer experience for FrieslandCampina and FRISO across applications used with digital IDs. The Kezzler solution shapes the foundation of their entire brand ecosystem, including track and trace, quality management, and product authentication, which is delivered alongside FrieslandCampina’s whole customer experience via the Kezzler platform. This means that the same data used to better understand and optimize the supply chain could potentially also be used for any number of other use cases that help FrieslandCampina derive value from the platform.



Connected product data and CRM integration: Building an end-to-end experience

Because the Kezzler solution was already in place, FRISO decided to take advantage of the opportunities it provided. In other words, they created a model of engagement with digital IDs as a key marketing channel, building a solid foundation for their brand and customer experience. Integrations with their CRM (Salesforce) empower their customer support team with an end-to-end view of the engagements that can enhance and optimize the journey.

In Hong Kong, FRISO includes a customer chat interface, chat history in Salesforce, and extensive reporting. The backend infrastructure including the product’s digital IDs serves to create a unique and customized experience for their customers. Another example is being able to use data to continuously evaluate where and how best to engage. FRISO is distributed by healthcare providers as well as in supermarkets and online. This means that engagement could take place in multiple channels, and the customer journey will vary depending on where the journey begins. By enabling digital IDs, FrieslandCampina can seize the opportunity to understand customer behavior better, as the scan of a product will be registered as a lifecycle event, and understand how to better target consumers, spend their marketing budgets, and distribute their products for a more responsive, dynamic and personalized experience.



Consumer engagement objectives and results

Ultimately, the FRISO experience aimed to drive:

- Better engagement and trust
- Conversion
- Operational and cost-efficiency

The product digitization and consumer engagement project was backed and tracked by two primary metrics – the acquisition of new users and customer retention (until kids age out of consuming formula products). The goal of the engagements, in-store or elsewhere, was to generate leads and have these consumers sign up for the FRISO loyalty program. New user acquisition aimed for users to scan a code and sign up for rewards.

Results: FRISO consumer engagement KPIs

FRISO achieved a number of positive results that lead industry predictions. This, for example, includes new buying behavior, reflected in a 70% increase in FRISO Easy order monthly sales and, a 43% increase in website engagement. The embrace of the digital consumer experience has also empowered consumers by giving them more information, leading to a 20% increase in brand trust for FRISO and new opportunities to deepen the relationship.

+70%

Increase in Friso Easy order monthly sales

+43%

Increase in website engagement

+20%

Increase in brand trust

40%

switched brands during the pandemic (McKinsey)



The results were promising with a 7% increase in new users and an overall lower cost of acquiring new users. Also 1 in 3 visitors clicked on the “buy now” call to action. Introducing new technologies such as a chatbot has been very successful, and with a clear customer journey and experience, the FRISO customer experience has capitalized on the investments to date. There is still potential for more enhancements and applications.

Kenneth Lau

Customer Experience at FrieslandCampina





The future of consumer engagement and customer experience at FRISO

Royal FrieslandCampina has seen great and continued success with loyalty programs as part of their consumer engagement program. There is also potential to extend the program to keep parents on board for longer, with products for older children, and even adding special adult nutrition products to the mix. FrieslandCampina is looking at ways to keep consumers engaged with the best possible experience for the longest possible time.

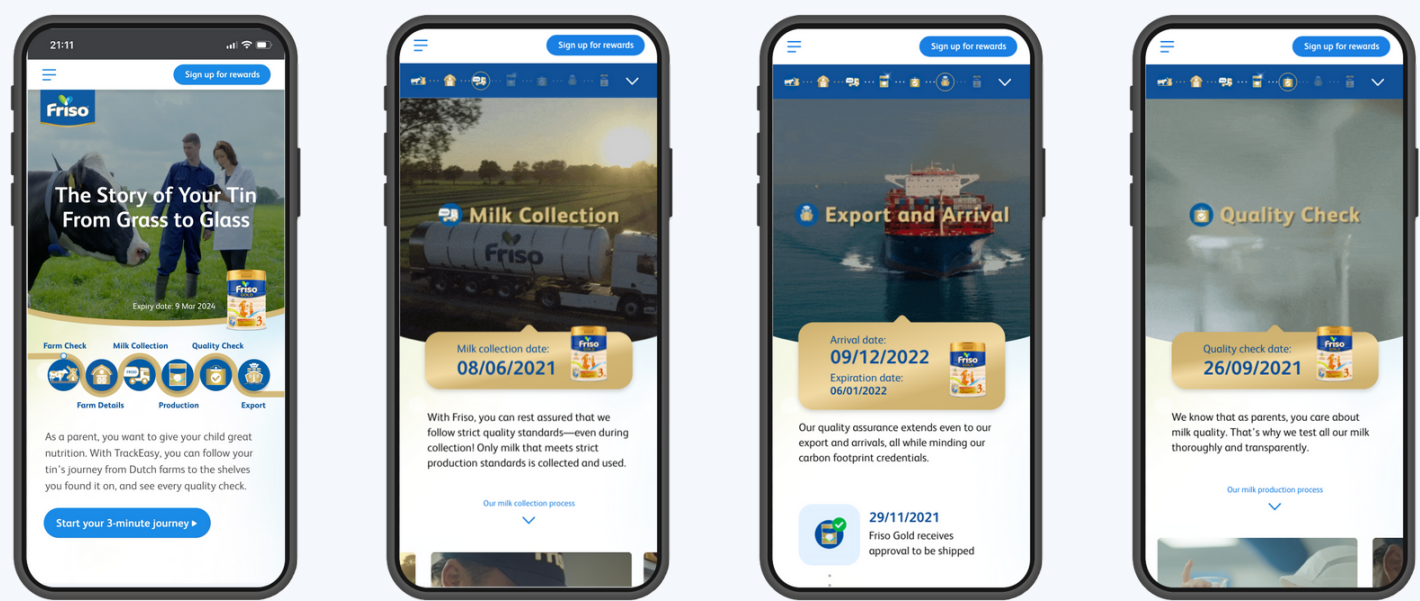


Image source: Royal FrieslandCampina

“The Kezzler Connected Platform is a critical piece in our ecosystem and gives us various opportunities to deliver personalized and engaging experiences.”

Mason Choo
Global Brand Experience Director at Friesland Campina

From a technology perspective, FrieslandCampina will continue to be a data-driven company – and their experience has shown that the more data collected, the more and richer the opportunities to explore. The Kezzler Connected Products Platform provides the ability to take the concept further, by tracing product scans from specific locations and could be an important way of enhancing the data and experience, forming the foundation for more targeted, personalized and interactive experiences.

Thank you for reading.



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