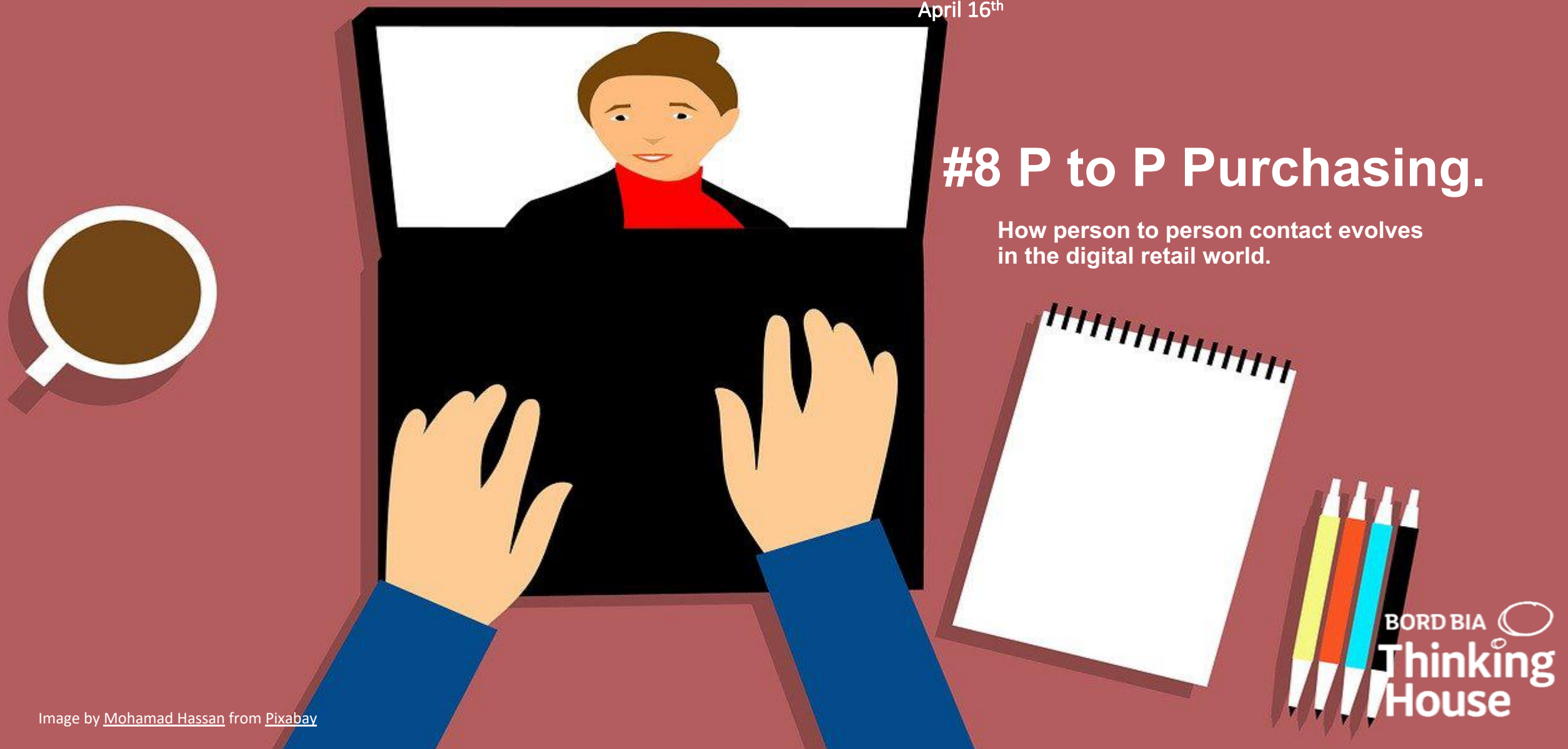
# Indicators

Coronavirus COVID-19

**Early clues on the post-crisis consumer & market realities**
April 16th



## #8 P to P Purchasing.

**How person to person contact evolves in the digital retail world.**

BORD BIA Thinking House

Image by Mohamad Hassan from Pixabay

Image by Negative Space from Pexels

# #8 P to P Purchasing.

## As online shopping increases we are experiencing customer service in new ways.

Many brands and businesses are creating new innovative platforms for consumer engagement. A growing range of interactive and consultative services are now on offer that can really enhance the shopping experience. We are seeing a growing array of influencers and voices of authority emerge online throughout the crisis from the world of science right through to brands we follow online and within our own personal social media networks.

Consideration for who an expert is - is being scrutinized more - in a world where people are despairing of ongoing fake news and also crave and value authenticity. According to Edelman, 57% of people around the world feel that the media they use is contaminated with untrustworthy information. (Edelman, 2020).

**Authority Bias** is very much at play here and we see many people putting trust in scientists as the new heroes, as we rely on them to take us out of this crisis and provide us with transparent honest facts.

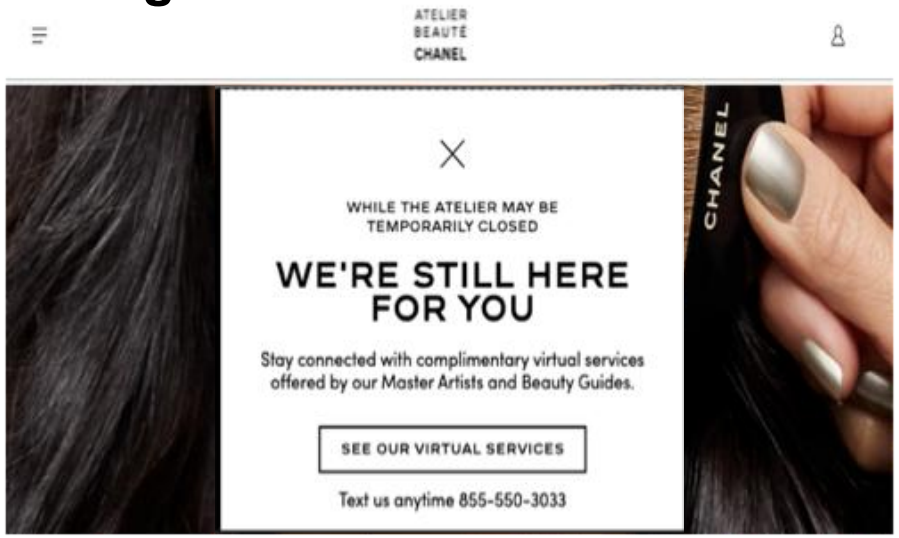
Understanding this behaviour is also important when it comes to shopping. As consumers become more savvy as to how to shop online, **Differential Bias** will become more evident in who they seek to believe and who is likely to influence them.  Online consultations could play an integral role here in creating brand differentiation.

BORD BIA Thinking House

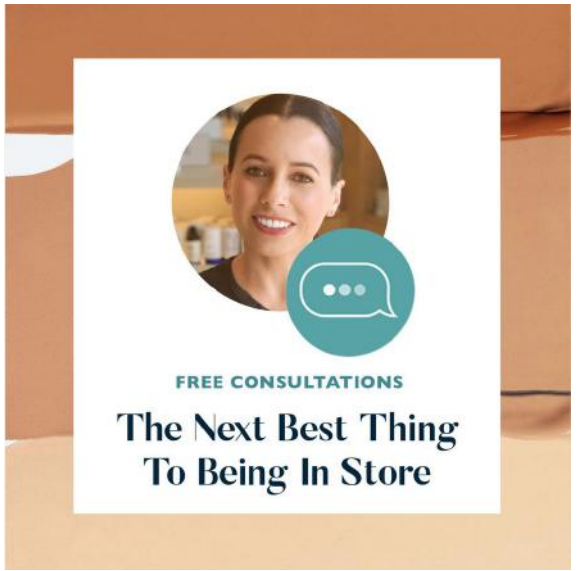
# #8 P to P Purchasing.

**Beauty brands have been at the vanguard of P to P purchasing online**

**Chanel** have been leading the way. Skin care addicts and make up junkies need not fret as Chanel take their **Atelier Beaute** Wooster Street store online providing one to one consultations with “Master Artists” for $20 and skincare routine chats for $18.00. A clever way to win new customers and drive loyalty and enable people to feel special.




**Credo** the clean beauty brand which calls itself the “largest clean beauty store on the planet” has also been leveraging their online ecommerce platform. The agility of the service provides both a bespoke and speedy service offering. Chats are timed to be brief providing a range of services including shade matching and skin advice. Consultants navigate consumers directly to recommended product pages.




BORD BIA
Thinking House

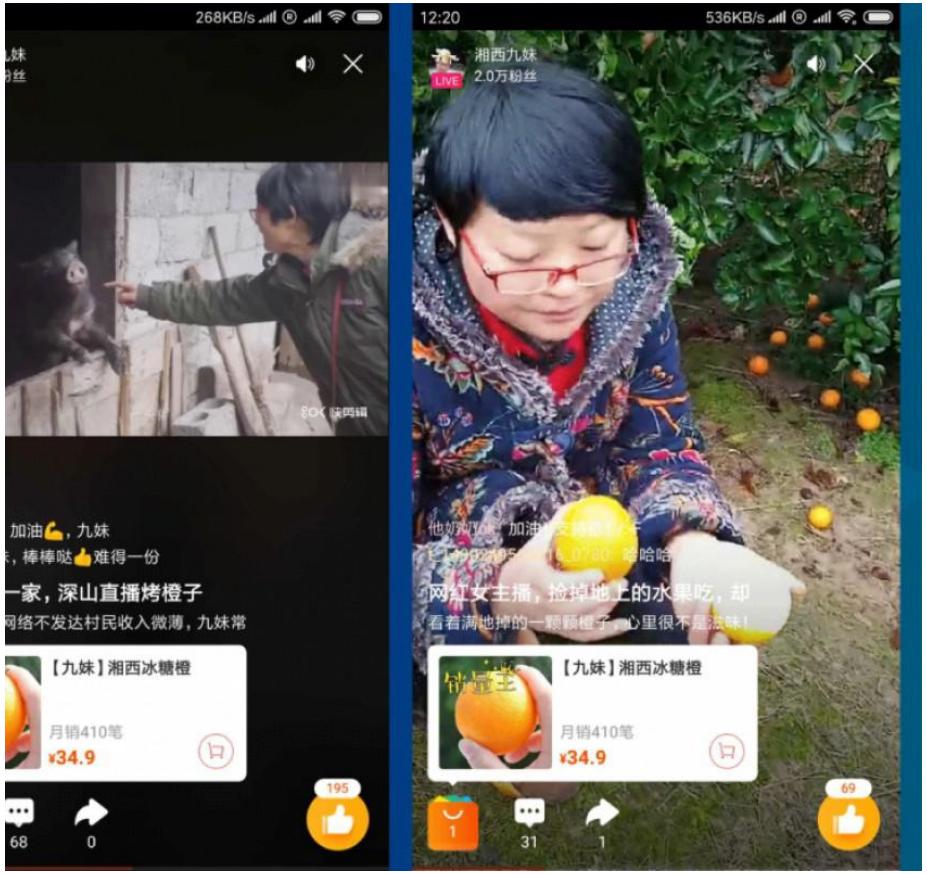
# #8 P to P Purchasing.

## P to P Goes Live In China In Response to Covid 19

As supply chains became disrupted a growing number of farmers in China have looked for innovative ways to ensure consumers get fresh produce.

According to Alizila, livestreaming, in particular, has become a popular tool for selling fruits and vegetables that would have otherwise gone to waste. Since launching its Rural Support Program on Feb. 6, Alizila says, Alibaba Group has opened up its Taobao Live platform to **farmers for free**.

Taobao also opened up its Foodie Livestream channel to connect farmers across China with its 41 million followers. 15 million kg of products were sold during the first three days of livestreaming. The channel has been promoting farm-fresh produce daily ever since – providing reassurance and much needed **Authority**.




BORD BIA
Thinking House

# #8 P to P Purchasing.

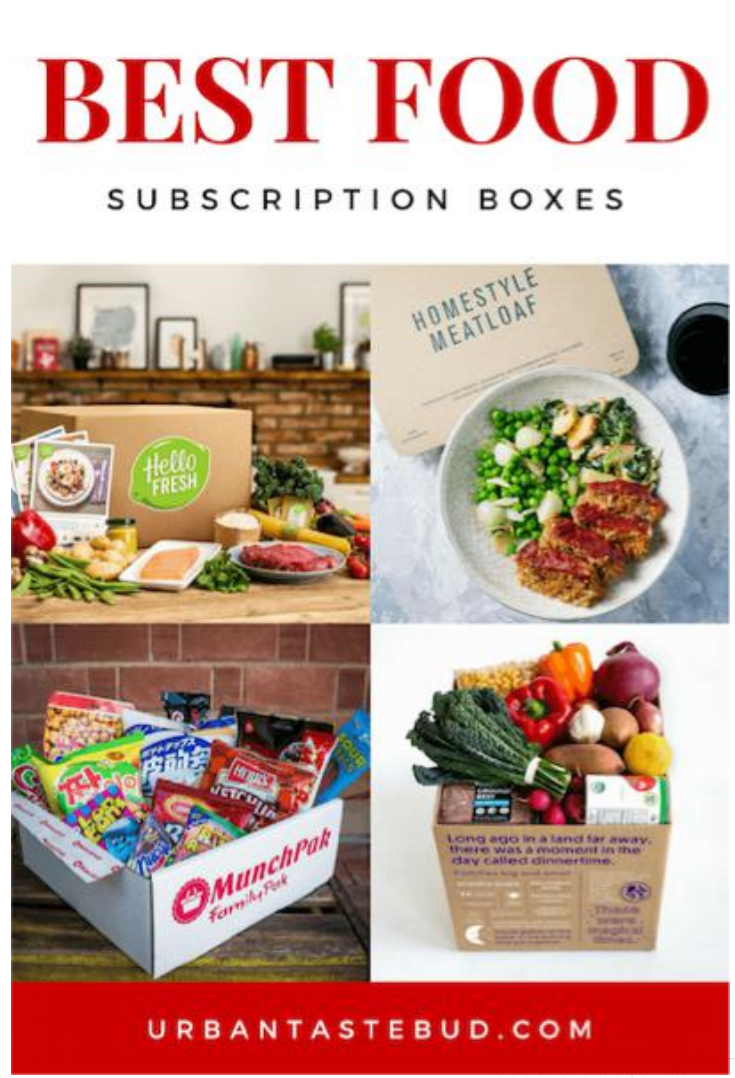
**Time for the direct to consumer model to come of age?**

Direct to Consumer (DTC) selling allows brands to develop a deeper relationship with consumers and potentially entrench brand loyalty.

Many DTC manufacturers are also mastering their service via quick personalized responses to questions and providing empathy for consumers' needs and concerns.

In a recent Nielsen survey on tech-transformed consumption, four in 10 global online consumers said they were already using online shopping subscriptions, and a further 36% said they were willing to do so in the next two years.

Adoption of subscription services over the course of the Covid-19 crisis will be an indicator that changes to existing consumer shopping habits are emerging.




BORD BIA Thinking House

# #8 P to P Purchasing.

**Time to replicate the physical world online?**

Nielsen survey data shows that globally, consumers still have a strong affinity with in-store shopping, with 59% saying they agree or strongly agree with the statement: “I really enjoy doing the grocery household shopping.”

But as COVID-19 cases rise daily around the world, many consumers are waking up to self-imposed isolation and quarantine situations where a trip to the store is no longer possible or fraught with challenges.

In in this new world artificial and virtual reality (A/VR) technology has the potential to bring the in-store experience into their homes.

In South Korea online food purchases are up 92.5% compared to the same period last year. And in a world where hygiene is a concern A/VR has tackled consumer  concerns.




BORD BIA Thinking House

# #8 P to P Purchasing.

**Time to replicate the physical world online?**

Interpark, one of South Korea's major online shopping malls, introduced its own AI shopping consultant dubbed Talk Butler last year after 30 months of research and development.



Using big data, Talk Butler is able to answer questions from customers within five minutes. Upon receiving requests, Talk Butler can recommend items or offer deals after analyzing questions and customer needs.

When customers inquire about the lowest price for an item, Talk Butler will gather information and find the cheapest way to purchase the item using coupons or suggesting ways to lower the purchase price.

Another mall, 11 Street, was the latest to join the move towards AI in the shopping industry with the introduction of its new chatbot Baro last month. The deep learning technology implemented by 11 Street allows Baro to go beyond the surface of simple questions like "recommend the best refrigerator for me".

BORD BIA Thinking House

# #8 P to Bot Communication.

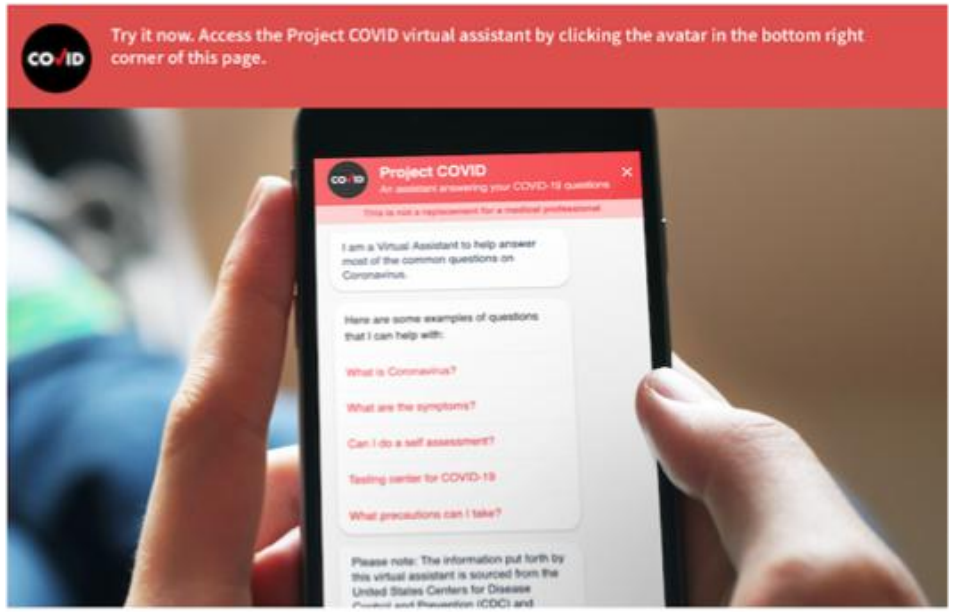
**The world of AI is already being embraced in an effort to fight Covid misinformation**

Project COVID uses Conversational AI to have a conversation with millions of pages of information from the CDC, NIH (National Institutes of Health), and WHO to quickly get answers conversationally.

The first objective of Project COVID was to make a publicly accessible and interactive coronavirus virtual assistant that leverages Avaamo's fundamental AI and deep learning technologies.

The information ingested by the Avaamo engine and used to train this virtual assistant has been carefully selected only from authoritative sources.

***This assistant is not a replacement for a medical professional.*** But the user experience relies completely on the principles of **Authority Bias**.




BORD BIA Thinking House

# #8 P to Bot Communication.

## And AI has already been embraced to deliver a virtual butcher for consumers

In the US, Chuck Knows Beef is the virtual creation of the *Beef. It's What's for Dinner.* campaign.

Chuck is a virtual assistant that consumers can interact with in a variety of ways. He's got his own website — [chuckknowsbeef.com](chuckknowsbeef.com) — available on both desktop and mobile devices, as well as connected home devices with Google Assistant or Amazon Alexa.

Although retailers might have **highly knowledgeable staff** of their own behind the counter, that doesn't necessarily mean that customers will approach them with questions.

According to Winsight, consumers, especially Millennials and Gen Z, are increasingly reliant on digital sources of information as part of their shopping journeys. AI could be the answer for younger consumers looking for **sources of authority** on meat preparation.




BORD BIA Thinking House

# Indicators

Coronavirus COVID-19

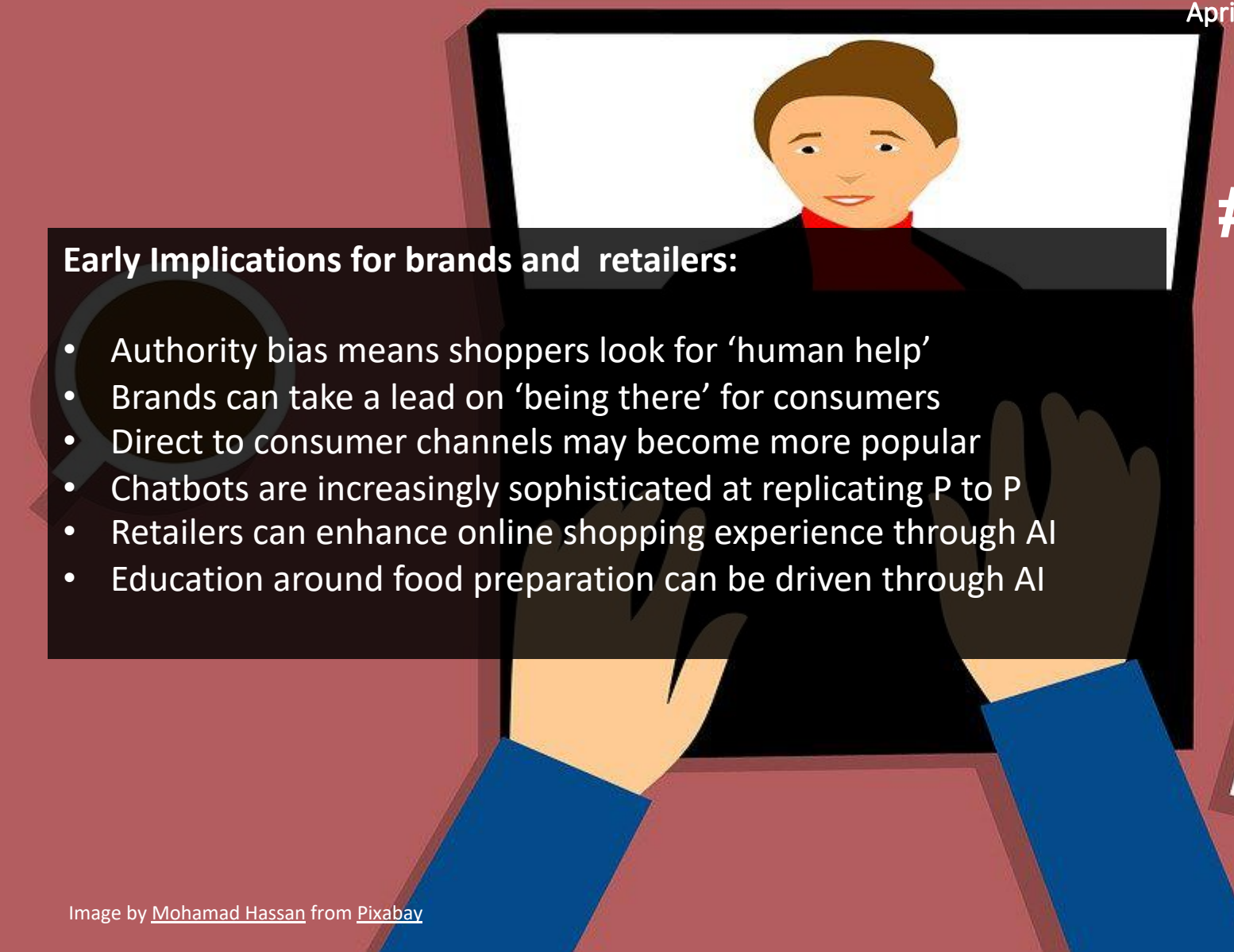
**Early clues on the post-crisis consumer & market realities**
April 16th

## #9 P to P Purchasing.

**How person to person contact evolves in the digital retail world.**

**Early Implications for brands and retailers:**

- Authority bias means shoppers look for 'human help'
- Brands can take a lead on 'being there' for consumers
- Direct to consumer channels may become more popular
- Chatbots are increasingly sophisticated at replicating P to P
- Retailers can enhance online shopping experience through AI
- Education around food preparation can be driven through AI







BORD BIA Thinking House

Image by Mohamad Hassan from Pixabay