



# Nestlé Suisse takes ownership of its customer data to boost conversion with Commanders Act

Nestlé innovates in e-commerce and activates its first-party data with Commanders Act to uplift conversion rates.

50% of revenue generated from CRM–e-commerce alignment

Site conversion three times higher than average

First-party data collected, unified & activated

## THE GLOBAL LEADER IN NUTRITION

Nestlé is the world's leading nutrition, health and wellness company. The group is headquartered in Vevey in Switzerland and employs over 339,000 persons worldwide.

Nestlé Suisse is the operating company for the Swiss market and accounts for 2600 employees at 17 sites across the country.

## A DUAL STRATEGY FOR E-COMMERCE INNOVATION

For Nestlé, e-commerce is a growing channel and represents a unique opportunity to directly engage the end consumer. However, without an in-depth understanding of the mechanisms and of the challenges of e-commerce how is it possible to better work with its distribution partners?

Olivier Gosset, Head of e-commerce sales at Nestlé Suisse explains: "To engage with our e-commerce partners, we need to understand how marketing automation and digital marketing influence traffic and conversion."

As a response, the company formulated an innovative dual strategy combining direct-to-consumer (D2C) and e-retail approaches and launched Nestle-shop.ch late 2011. The online store carries 35 major brands from the Nestlé portfolio across 5 categories (including KitKat, Cailler, Nescafé, Nesquik, Maggi, Nestlé BEBA, and Purina).

In the space of three years, Nestlé Shop was able to quadruple its conversion rates. However, to enable further progression, Nestlé wanted to put its data to work.

## THE CHOICE OF COMMANDERS ACT

Within the Group, Nestlé Suisse cooperated extensively with Nespresso who were also pioneers of the D2C approach.

"We pooled our benchmarks, our RFPs and our evaluations," reveals Olivier Gosset. "Our distribution models are different. For this reason, Nespresso is interested in attribution whereas we're more concerned with data normalisation and marketing automation."

Three objectives were fundamental for Nestlé Suisse:

- Take control of its data and analyse it in-house
- Continue to apply a best-of-breed approach and combine the best solutions in an agile manner
- Comply with Data Privacy legislation and build a relationship of trust with consumers

## USING DATA TO ALIGN MARKETING AND E-COMMERCE

In order to analyse customer journeys and the relationships between the different food categories while reducing its reliance on third-party service providers, Nestlé Suisse wanted to implement a proprietary data management platform – or DMP.

"The fundamentals of e-commerce remain: a wide product range, quality of service, and reliability are essential. We operate in a highly-competitive sector and it's only through expert use of our data that we can really understand visitor behaviour, improve relevance, and optimise conversion rates," says Olivier Gosset.

"Commanders Act's data layer is the centrepiece: It unifies our data and makes it available to all our other systems."

## THE RIGHT RECIPES: MATCHING SCENARIOS WITH AUDIENCES

Beyond visitor profiles, the data yields insight into the logic behind customer journeys and enables Nestlé Suisse to understand the most common scenarios and to respond to them.

"Whether it's in real time or part of an ongoing marketing programme, we want our product recommendations and marketing offers to be as relevant as possible," explains Olivier Gosset.

"Because our brands cover a broad range of needs and expectations, our audiences are very diverse. The ability to adapt our product offerings and to personalise our marketing messages is primordial. It gives us many opportunities to improve how we manage the customer lifecycle and to influence loyalty."





Commanders Act is the centrepiece of our data unification and activation strategy.”



Olivier Gosset,  
Head of E-commerce Sales, Nestlé  
Suisse

### EXPLOITING THE CUSTOMER CONTEXT

Nestlé Suisse’s activation scenarios leverage multiple sources of data and a panel of best-of-breed solutions. Here Commanders Act plays a central role in improving the reliability of the data and in reconciling customer identities.

“Everything begins with data quality. Next, we perform quantitative analysis or datamining using the tool SAS, in order to interpret and aggregate it. The goal is to combine real-time information at the session level with mid-term customer knowledge held at the CRM level in order to improve personalisation,” says Olivier Gosset.

“Next, we use our marketing automation tools to generate the the best qualified traffic possible: whether it be via product recommendations or personalised offers in real-time or via retargeted email.”

### FROM GOVERNANCE TO TRANSPARENCY

The company was also looking to improve governance of its customer data.

“We manage many brands and are entrusted with a great deal of data. This data is increasingly diverse and held across multiple systems,” says Olivier Gosset.

“Our consumers are very attentive as to how we use their data. We want to be as transparent as possible. We have chosen to make it as easy, reliable and non-intrusive as possible for visitors to opt-out of cookies. In particular, Commanders Act enables us to conform with the legislation as it evolves and thus avoid custom developments.”

### RESULTS

Commanders Act has made it possible to align CRM and e-commerce, which were previously managed separately. Today, 50% of all revenues of the site can be attributed to the marketing CRM plan.

The CRM plan benefits from conversion rates 3 times higher than the average and, thanks to improved customer insight and the scenarios being implemented is progressing constantly: +10% at the beginning of 2015 over the previous period.

“Today, we have the tools to analyse and activate our data in support of our dual strategy,” says Oliver Gosset. “We have a foundation to optimise performance and to simplify tag management. And we have gained fine-grained control of our marketing solutions to stay compliant with data privacy legislation.”

“The conversion rate remains the focus of our efforts. We have got many opportunities to explore, and this is the key to our profitability.”

### CHALLENGES

- Bring control of customer insight in-house and gain access to granular visitor data while reducing dependence on third-party service providers.
- Enable an agile, best-of-breed approach to its marketing and e-commerce tools.
- Bring value to the e-commerce distribution network.

### RESULTS

- 50% of Nestlé Shop’s revenue results from alignment of CRM scenarios and e-commerce customer journeys.
- Conversion rates 3 times higher than average and constantly progressing.
- Improved insight into consumer habits making it possible to improve product categorisation and cross-product recommendations.

### COMMANDERS ACT SOLUTIONS USED



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