



KPMG Customer First Podcast shownotes

Inflation

Summary

In KPMG's Customer First podcast series, we bring you the latest thoughts and market examples from KPMG professionals and guests on how today's businesses are becoming increasingly customer-centric.

In this episode, host **Julio Hernandez, Principal, Advisory, Global Center of Excellence lead and US Customer Solutions lead**, speaks with **Yael Selfin, an economist from the UK member firm for KPMG in the UK**, and **Edgar Molenaars, who is a Partner in our customer and brand strategy team in the Netherlands**, about the effects of rampant, accelerating inflation on the customer, and the businesses that serve them.

The panel discusses the huge impact of rising global inflation on consumers, as geopolitical unrest and the aftereffects of the global pandemic continue to disrupt supply chains and drive costs of labor and production up exponentially. Discussion also centers around the impacts to input costs for businesses, and explores how many businesses are responding in very different ways. Some are raising prices, some are changing their value propositions – all must act.

With the cost of living changing dramatically for many consumers, and the cost of production and operation rising steeply for businesses, there's a question around the importance of brand to ensure loyal customers don't jump ship. What sacrifices can businesses make without compromising on quality? Organizations face the challenge of retaining the service and products their customers know and love, while keeping rising costs at bay.

The trio explores what inflation looks like across the world, with Yael giving valuable insight into the future state we can expect in the years to come. They offer some practical ways businesses can adapt to rising inflation and best meet the demands of an evolving customer, showing how now is the time for organizations to bring their A game, and show up with honesty and integrity.

Jump to

- 02:06 – The state of inflation, and the circumstances causing its rise
- 04:47 – Is now the time for businesses to be raising prices?
- 05:56 – The importance of transparency and communicating the “why” to consumers
- 09:09 – Volatile supply chain resilience and its effects on input costs
- 10:29 – The acceleration of digital transformation in response to rising labor and production costs
- 12:48 – How post-pandemic demand for services is looking in the face of inflation
- 14:31 – A UK phenomenon of customers going “on strike”
- 16:19 – The importance of having a strong brand in a high inflationary period
- 18:19 – How businesses can take steps to strengthen their brand position to retain customer loyalty
- 18:36 – Two key considerations for today's organizations
- 20:26 – Actionable advice from Yael on navigating the near future
- 21:34 – Forecasting on how the customer will evolve from the current state



Links from this episode

<https://home.kpmg/xx/en/home/insights/2022/04/global-economic-outlook.html>

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