



HOW MONDELÉZ INTERNATIONAL USES DATA AND AI TO TRANSFORM THEIR ENTERPRISE

VIDEO TRANSCRIPT

Venky Rao (00:23):

What was the impetus for Mondelēz to becoming more of a data driven data led company?

Javier Polit (00:28):

I think it all starts with our goal at Mondelēz International is to be the leader of snacking. And we need an even stronger growth strategy to keep up with the pace, and even influence, our consumer demand and our consumer behavior. So, we really started to focus on a relentless consumer centricity in making certain that we started to aggregate 360-degree insights of, of our consumers. And the time was right because we had been preparing from a business perspective and also from a technology perspective. We had the right foundation in place. The company was on a cloud strategy when I joined here, multi-cloud strategy, we brought in the Google Cloud platform. So, we had that behind us, and the team was doing some great work before I joined, and we finished that work and, it gave us really time to pivot and really start focusing on data and AI.

Venky Rao (01:18):

How do you start a journey like that? Where do you start from?

Javier Polit (01:22):

The starting point is really spending time with the business, Venky, and really understanding, when I first joined, I was listening and learning. I'm still learning. I've only been with the company two and a half years or so now, but really understanding what the pain points were. And, and it really wasn't about just filling one hole. It was really trying to understand the holistic opportunities that we had. And once we had that defined, it was building that vision and that strategy and making certain that you got support of the strategy by the C-suite, which we did. And the executive team and the board were all behind us, and we started communicating that strategy to the enterprise. And that required a lot of work for us to do and say we need to start investing in our people elevating capabilities, looking at the strategic partners that we were going to use, right? Besides the Accenture's and, and the Microsoft's and the Googles of the world and other strategic partners. How we're going to firmly have the conversation that we had with you and all the other partners, bring your best to us as we're continuing to try to be the best that we can and leverage partners as we're trying to build capability inside the enterprise



and, and driving change in the enterprise as well. From a behavioral and work perspective.

Venky Rao (02:23):

You know, there is this old saying, you know, what you track and what you measure actually gets done. So, when you get on a transformation journey like this, especially in this space of AI, AI enabled, which is all new, how do you start measuring success?

Javier Polit (02:37):

Yeah. Well, you know, you can't manage what you don't measure. We've all heard that, that nomenclature, I can tell you that we've had some really, really good maturity here over the last 18 to 24 months in regards to how we track, how we measure the ROI's on work that we're delivering to the, to the business and the value based on the business case that we initially put together for the business. And, and through that work, what we're seeing now in all our business reviews that we have conversation around digital comes up the work that's being driven around digital. And with that we talk about data science, and we talk about the AI work that that's being done, right? You know, you set a transformation strategy and a vision, and you say, okay, it's a three-year horizon. I always say that after the second year, you start figuring out what your next three-year horizon's going to be. So, it's, it's something that is just never done. Venky it's just continuous work.

Venky Rao (03:25):

Now, having said that, what are the most important factors in making a transformation successful?

Javier Polit (03:31):

Well, I think when, when you think about a transformation in any large enterprise, and I've had the opportunity to do this a couple times, is you need to have the right sponsorship. You know, once you develop that strategy and that vision, making certain that the board, the executive team is behind it, and then you need to communicate as much as possible and communicate that strategy and what you're trying to do, and communicate the sponsorship

so that the whole enterprise feels good about the work that you're trying to drive. And they understand that there's a sense of importance and urgency to what you're doing. And, and when I talk about communicating a lot of, I have about 30 touch points with my organization on an annual basis, and we talk about these things. And then the last thing is making certain that you have a core strategic central AI data science team that's really helping the organization. You can't have these silos in the enterprise where they're going on and building their own data science and data strategies without understanding that there's a holistic data driven strategy that all that data needs to come together, and somebody needs to be the steward of that. And monitoring is the data inside the enterprise is data outside the enterprise what data needs to ingress or egress from different sources? And you just can't have that working in a silo. So, I would say it's probably those three dimensions.

Venky Rao (04:39):

So Javier, how do you see talent and tech working together to achieve the Mondelēz vision?

Javier Polit (04:45):

Yeah, there, there's a lot of dimensions to that. And I will tell you that, you know, we win with our people. Our people are our greatest asset. And we invest in our people in many different ways and our people are critical to anything we change or anything we make, you know, our success is possible because it's 79,000 incredible colleagues that we have around the world. And some of the things that we're doing right now is as we continue to drive the importance of being data driven enterprise and have an innovative culture, we're able to make those pivots and become a dynamic organization. . We talk about being a dynamic learning organization, right?



Where we, we are not a knowing culture, we're a learning culture and we want to continue to innovate and take risk. And I think, you know, all that's done through sound leadership, but, but it's also having the right partners at the table, right? And we firmly encourage our partners, whether it's Accenture or whether it's Google or whether it's Microsoft and many others, to bring the best that you have. And we've had those conversations too, bring the best to us and make certain that we could really partner and do some really industry leading things, right? So, it's really not something that you could do on your own, but you have to have a pool of experts inside the enterprise as well as the experts that your partners bring as well.

Venky Rao (06:01):

So Javier, how would you assess, CPG industry in terms of AI maturity compared to other industries? I mean, especially, I know that you look at the tech sector quite a bit, and, and you take a lot of inspiration from how some of the big technology companies operate. But how do you see that evolving in the CPG industry?

Javier Polit (06:21):

Yeah, you know, we're continuously doing industry sensing in that space and see how we match up to other CPG companies or fast-moving consumer goods companies. But I think it's fair to say that the tech sector is still far ahead. But I would also say in the same breath that I think that the gap is narrowing and especially I think what's, what's helped us narrow that gap that that gap is companies really advancing their digital roadmaps in the digital plans, right? So, I think, there's enormous room for growth in AI Adoption and AI Adoption across all industries. Every company's a tech company. We've heard that phrase. I always try to extend it and say, every company's a tech company and if you don't conduct yourself as such, you're just not going to be successful.

Venky Rao (07:04):

Absolutely. And that's such a spot-on answer

and, and a brilliant one at that. So Javier, where do you see the whole AI Adoption space evolving to?

Javier Polit (07:13):

When you think about the evolution of AI today, companies are using narrow AI, right? It's taking the ability to have a human process be conducted through AI with greater efficiency. And you have companies that are adopting that well, that are the 12% AI achievers and those that are falling, following and, and a little bit behind. And then the next level of AI is general AI or human AI, where you have artificial intelligence that can basically do what a human thinks. And the more complicated AI that's going to be happening in the future, and it's happening in different parts of the world today, is super AI, where AI can now do things better and in a smarter way than humans can. So, it's going to be an evolving space. We'll have to see how those technologies, when they come to be commonplace are going to be leveraged in different industries.

And, and they're already starting to be used in, in certain industries.

Venky Rao (08:05):

So in closing, any thoughts, Javier as we wrap up.

Javier Polit (08:08):

You know, there's probably an abundance of thoughts and because I think we'd all agree that it's a complicated space, but I think there's maybe six pillars of an AI strategy, right? And I always say start with the business value, right? Define the trap business value and recognize the leverage that you need to unlock that growth for the business. And when you think about algorithms, which are the critical algorithms that are going to solve the business value that was defined by the business, and when you think about algorithms today, it's a complicated world,



right? We need to make certain that they're designed to scale and that they're unbiased because we hear a lot of algorithms are being defined with bias now. And we have to be very cautious about that. And then you have to think about data, right? Because you understand the business now, you, you're built, you're defining the algorithms are going to support that business value that you're trying to capture. And you got to look at the data and have a clear first, second-, and third-party data strategy, right? And make certain that you have a life cycle around that data that to create signals of value for the enterprise. The fourth area that I would say is a platform strategy, making certain that you have the right ecosystem, and we talked about that earlier, making certain that you have the right foundation of capabilities to create and be able to manage inside the enterprise. And then the ability to execute that strategy, right? How should our enterprises be organized to be able to execute that strategy across the enterprise? And that means different teams and different responsibilities and different ways of working and different behaviors in the enterprise. And then the greatest investment is, is the sixth piece of this is focus on your talent and the culture that you're building and how you're going to continue to retain, attract and engage those resources that are helping you bring this value to life and this distinctive capability that you're building in your enterprise.

Venky Rao (09:56):

Javier, that was an outstanding response and a very, very good framework for everybody to follow, right? So, thank you so much.

Javier Polit (10:02):

Venky that was a pleasure, thank you for the time. Thank you for the partnership.