

# Our LEGO® Stories

## Episode 3: Building Digital Relationships



### Introduction: What we'll cover in today's episode (00:00)

**Julie:** While kids, families and fans are building with LEGO® bricks more than ever before, the majority of our interactions with them have moved online.

Today, we delve into how we build playful and safe digital relationships with consumers and teach the builders of tomorrow how to be good digital citizens. We'll also find out why our digital team's agile working model is a winning formula for commercial success *and* shopper satisfaction.

**Anna:** We help children develop and find their way in the world. Just in the same way that we would focus on quality and safety in our physical products, of course we do the same in our digital products.

**Orlando:** We are really proud to be a reputable organisation. We have great levels of trust amongst consumers and shoppers all over the world. And one of the things that we can't do is erode that trust.

**Harriet:** I love the pace. I love that it's always changing, and there's always something to improve or do better.

**Julie:** You're listening to Our LEGO® Stories. I'm Julie Foster and a proud member of the LEGO team.

**Loren:** And I'm Loren I. Shuster – another happy member of the LEGO team.

**Julie:** Take a peek into how we bring LEGO products to life and what we do to have a positive impact on the world in this new series brought to you by the LEGO Group.

Coming up in the show, Loren talks to Anna Rafferty about how we put our commitment to kids' digital safety into action. Loren also finds out from Harriet Williams how our teams are empowered to make real-time decisions to connect with shoppers.

First up, I speak with Orlando Machado, Vice President of our Data Office at the LEGO Group. Orlando is passionate about the power of data – but reminds us that with great power comes great responsibility.

## **Chapter 1: The power of using data in our business (01:56)**

**Julie:** So hi, Orlando! What's the power of using data in our business?

**Orlando:** Well, I think data fundamentally is about collecting facts. And then we could use those facts to learn things. And so when we learn things, we can just try to improve our products. We can improve our customer experiences. And we can improve our business processes. I think the interesting thing, though, is that the sources of data in the world have exploded.

We used to think about data as being the kind of things that you could collect in spreadsheets. Whereas now we have video data, we have voice, we have images, we have data that are being generated by our moulding machines in real-time. So we have vast quantities of data across the whole of the business. And so with that has come the need to develop new techniques for analysing that data.

We might need to use algorithms to try to extract patterns and insights and forecasts from that data. So we have many opportunities to use data across the whole of the LEGO Group. We're trying to collect as much data as possible, but ultimately, we want to use that to create better products, better experiences, and better business processes for ourselves.

**Julie:** And have there been any surprises thrown up by the data over the past few months that have actually influenced the way we do business?

**Orlando:** We have many sources, uses of data. We're always learning. We're always learning about our consumers. We're always learning about how people interact with us. I think the interesting thing for me was that how we're always learning about our manufacturing processes. We are experts in moulding, but there's always something we can learn.

We had a really good example recently where a colleague in one of our R&D teams used high-frequency cameras to generate data about a piece of our moulding machine that moved faster than the human eye.

**Julie:** Wow.

**Orlando:** So he could then detect why a particular part of the machine would sometimes go wrong. So he'd understand how to fix it.

So there are always opportunities for us to get better and better, even in areas where we're experts.

**Julie:** Very cool. And I guess with data there are always big things that we need to watch out for. So what are some of those big watch-outs?

**Orlando:** Well, at the LEGO Group, we are really proud to be a reputable organisation. We have great levels of trust amongst consumers and shoppers all over the world. And one of the things that we can't do is erode that trust. So we've seen other high-profile examples of some companies that have used data in ways that consumers haven't been happy with.

One of the things that we need to do is avoid those pitfalls. We need to have good data governance, and we need to have a good ethical framework for the things that we say we want to do with data. We want to be making products that are better and better. We want to be making our processes better and better, but we don't want to cross the line.

We don't want to use data in ways that are creepy or data in ways that consumers wouldn't really want. So we have to be very conscious of every use case of data to make sure that we're doing this in the interest of our consumers.

**Julie:** One of our key audience groups is obviously children. And of course, we have a huge duty of care to make sure that we're handling their data responsibly and sensitively. Can you say a little bit more about how we approach handling children's data and also handling data from other consumer groups?

**Orlando:** You're right. There are enormous sensitivities about using data when we're thinking about children. And we take a very conservative approach. So, quite often, we will opt out of collecting data if we're thinking that this might cross a line. We often have research communities, though, who give us permission to collect data. And it's very open and transparent. So when we want to be understanding children's behaviour, we'll do that in a way that is extremely transparent so that we're not abusing the trust that consumers place in us. What I would also say is that we have very actively engaged communities of adult fans. If you listened to the last podcast, you would understand a little bit about those.

**Julie:** Mm-hmm.

**Orlando:** And adult fans are often very keen for us to collect a lot of data so that we can create better products that are really well-suited to their needs. So we have to think about the level of data that we collect. We might collect less data on children or no data on children in some cases. On the other hand, we might collect more data from people that have given us active consent. Those are different choices that we have to make, but it's all in the interest of making sure that we don't erode the position of trust that consumers place in us.

## **Chapter 2: A safer internet for kids (06:17)**

**Julie:** Next up, Loren speaks with Anna Rafferty, head of our Digital Consumer Engagement team, about LEGO® Life – our free social media platform for kids, where they can safely share their creations, get inspired and engage with other young LEGO creators. While social media is a great way for us to interact with the builders of tomorrow, Anna explains how her team ensure kids are empowered to stay safe – and be kind – in the digital universe.

**Loren:** Why is digital safety so important to us, and how do we stay on top of it?

**Anna:** We help children develop and find their way in the world. Just in the same way that we would focus on quality and safety in our physical products, of course we do the same in our digital products. Now the way we do that is multifaceted: we have lots of programs, we've got absolute table stakes when it comes to safety.

We make sure that all content is pre-moderated. It's very unusual. I think we may be the only brand that does that. We're certainly one of the only ones. And we take it very seriously. But, in addition to that, we're a learning company. We're about learning through play. And we know that as well as keeping kids safe, we want them to be able to take advantage of all the benefits that this digital world they're growing into is going to give them. So we think about ways in which we can empower them to be safe in a digital world.

Actually, moderation is a great example because moderation could be a pretty boring process for a child where they make some content – let's say they take a photograph of their creation and they want to upload it into the feed. But something about the photograph would potentially put the child at risk. So maybe it has a picture of their little brother in the background, or it shows their school uniform, which, you know, would allow them to be tracked down in real life.

Now we don't want that to be published into the internet. So the moderation will stop that. It will stop it happening. But rather than just stopping the child's creativity, we have taken the act of moderation and turned itself into a playful thing. So it is a playful, gamified, joyful learning experience. When the child

submits something, one of our non-playable characters – so it could be Emmet or LEGO® DC Batman™ – will come along and explain why that's not going to be allowed this time, but then teach them how to make it better. Even just being told 'no' starts becoming fun and joyful and learning through play.

**Loren:** And Anna, you mentioned that we're the only, or one of the only, brands that moderate every single post. Could you give us a sense of the scale? How many posts are our moderators working through?

**Anna:** It's millions and millions. In fact, I think last year, it's one post in every two seconds being uploaded.

**Loren:** Wow.

**Anna:** So, it's a lot. And we do really invest a great deal in human moderation. And that's not to say that we are not looking into ways in which things like AI could help make that more scalable. And machine learning and AI in digital product development is very interesting, but we know that human moderation, when it comes to children's content, is really important.

**Loren:** That's an amazing commitment to children's safety. Can you share a little bit outside of protecting children within our ecosystem, like LEGO Life, what we actually do to not only protect children but to help them become good digital citizens, regardless of whether they're engaging with the LEGO Group online or any other platform?

**Anna:** That's a great point. And again, we feel that we have an opportunity because of our brand and our platform to be able to help teach. We talk about inspiring and developing the builders of tomorrow. And this is one way in which we know we can make a difference.

So we have got a whole program within our children's engagement platform. So that's very much on LEGO Life, but also on our LEGO Kids website, for instance. We've got a character called Captain Safety, and he is the lead of all things safety. And he will take children through a very easy-to-understand way. We also invest a lot in copywriting and really good content that resonates well with children to explain to them everything from what they should think about in terms of safety online, but also how they can contribute to a better, nicer internet.

So we talk about things like bullying. We talk about things like how to be supportive, how to behave as a digital citizen, and that doesn't just relate to our platforms or products. It's about giving them skills for life and really equipping them in the future. So you can sign our digital safety pledge. They go through their little course, and they're very proud of it. And we see the children increasingly becoming mentors to each other.

**Loren:** Can you share, Anna, a little bit of a peek into the everyday working of your teams?

**Anna:** Absolutely. The real benefits of working in agile – and what I mean by that is being able to cluster in empowered teams around usually a product, but something which is pointing at a North Star. Something that we have a vision for, and we understand where we need to go and the value that we need to drive for our consumers. But on the way, the team is empowered to iterate, to look at the data that they're getting as they go along, and then to potentially change direction or make a different choice. They don't have to decide something in January to deliver in December and then keep on that path even if they know it's probably not going to be the best way to do it.

They're just focused on the impact they want to have with the audience and with the business, not just the feature they need to build. And that is a really positive thing. It means that that they can make quick decisions. It means that they are empowered. It means that they can adjust based on what we learn, and we are Learning-through-Play company, so we should be Learning-through-Work company as well. And I think they're all the benefits to agile work.

### **Chapter 3: Digital interactions with shoppers and agile teamwork (12:32)**

**Julie:** Finally, Loren catches up with Harriet, Vice President of Global Ecommerce, about our online shopping platform, LEGO.com. Harriet explains how having clear targets empowers her team to try out new things to improve digital interactions with shoppers. And why agile working leads to agile thinking when it comes to delivering an excellent shopper experience.

**Harriet:** We set clear direction and guardrails in terms of the ambition that we have for LEGO.com overall, the key metrics that we're looking at, and then the product teams are really empowered to deliver against those. The most important ones being both the commercial success but shopper satisfaction. And we measure that through a net promoter score. And so, within those guardrails, those teams can really be empowered. And I think that's really motivating for them that they feel that ownership for their part of the site or their aspect of the site.

**Loren:** And can you describe a little bit about what it's been like for your team to adapt to such a significant shift in shopper behaviour from, obviously, pre-COVID shoppers were spending more time buying in-store and during COVID, in many cases, they had no choice, but only shopping online, and how you and the team dealt with all that growth?



**Harriet:** The Global Ecommerce team did incredibly well, given the almost overnight uplift in activity that we saw on LEGO.com. It's probably worth noting that the team are globally distributed across seven different countries, so for us working virtually was pretty common, even pre-COVID. So we were able to shift to that virtual working quite easily. Obviously, we miss the social aspect of being in the office, but from a productivity standpoint, we haven't lost anything. And the focus for us has really been looking at the numbers, looking at how we can respond as real-time as we can to those uplifts, to make sure that we're delivering, you know, excellent shopper experiences across the site.

**Loren:** It's been amazing to witness your team respond to the enormous amount of change and the huge increase in demand.

Harriet, maybe you could help us understand what are some of the different expectations of shoppers when they're shopping via LEGO.com or Ecommerce sites versus shoppers who are going into a retail store and how do we deal with those different expectations?

**Harriet:** Many of our shoppers on LEGO.com are also store shoppers. But I do think, as you said, the expectation online is different. Generally, the online customer is less patient and is looking for convenience. So it's really important that we're thinking about how quickly does the site load? How quickly can the customer get to the product or the information that they're looking for? If they're making a purchase, how quickly can they get through the checkout? Is it a seamless experience? And convenience-based self-service is really important online. Can they quickly check their account? Can they check their order status? Make a return?

So we invest a significant amount of time completing usability studies, running different A-B tests, looking at our web analytics. We have a monthly 'voice of the shopper' meeting where we're looking at shopper feedback to really continually optimise that user experience and offer that speed and convenience that we think they expect.

**Loren:** So, how does your team relate to the pace of digital development? Because you constantly need to be testing and trying new things. How do you and the team work through that?

**Harriet:** I think the people that are on the team sort of self-select for that fast-paced environment.

**Loren:** Their speed junkies?

**Harriet:** I guess so. They love that fast pace. So we are pretty much set up in an agile way of working with prioritised backlogs across multiple product teams, and we're working in two-week sprints. So that's really allowing us to constantly

be looking at the data, making sure that we're prioritising the highest value enhancements and we're releasing new improvements at a minimum every two weeks. But the reality is we often launch multiple things in a single week. But, yeah, it's fast-paced.

**Loren:** So, Harriet, maybe the last question I'm curious about is what do you love most, or what energises you most about working in Ecommerce and working on LEGO.com in particular?

**Harriet:** I love the pace. I love that it's always changing, and there's always something to improve or do better. I love the data. I love that we can truly see what shoppers are doing and be pinpointing how we can make it better. And I love seeing the results.

I'm the first person on big launch weekends or campaigns that we have going live to be monitoring how the figures are coming through. And we have almost real-time reporting across many of these metrics now. So within 15 minutes lag, so you can really see exactly, you've thought about this thing, you've worked about on this campaign for months, and you can see it go live and really see the results real-time. And that, as you can probably sense, gives me a lot of energy and excitement to see that happening.

**Julie:** Every day, we learn more about how best to engage with kids, families and fans in the ever-growing digital world. Whether it's data sharing, shopping online or posting creations on LEGO Life, everyone is kept safe and encouraged – as ever – to Learn-through-Play.

You've been listening to Our LEGO Stories with me, Julie Foster.

**Loren:** And me, Loren I. Shuster.

**Julie:** Talking about what we do to build strong and safe digital relationships were Orlando Machado, Anna Rafferty and Harriet Williams.

This podcast is brought to you by the LEGO Group. Stay tuned for future episodes of Our LEGO Stories on our website, Apple Podcasts, Spotify or wherever you get your podcasts. And please rate and subscribe so we can welcome more listeners.

## Explore more

### Mentioned in the podcast episode:

- [LEGO® Life](#): a safe place for children to get inspired, share their creations, connect with other fans and much more.



- [Emmet](#): a character from THE LEGO® MOVIE™ universe. Still the most positive, caring, super awesome guy in town.
- [LEGO® DC Batman™](#)
- [Captain Safety](#): He's here to promote online safety on LEGO Life, advising children on everything that's important, from what's appropriate content to write in messages to why they shouldn't share personal information with strangers.
- [LEGO® Safety Pledge](#): Be safe. Be cool. Respect others. Have fun. We introduce the LEGO® Safety Pledge and ask kids to sign it before starting using the LEGO Life app. This helps us safeguard our community of responsible and safe digital citizens.
- [LEGO.com](#): our official online shopping platform.

### **Digital safety and Responsible Child Engagement**

- [LEGO® Approach to digital safety and Responsible Child Engagement](#)
- [Build & Talk activities](#): check out our Build & Talk activities for fun ways to start a conversation with kids about digital safety and well-being.
- [LEGO® Life takes your child's digital well-being seriously](#)

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