

HOW WILL GIANT CPGs

HANDLE MARKETING
CHALLENGES IN 2022?





A MARKET CHANGING AS FAST AS THE SPEED OF LIGHT.

More conscious and demanding users, new budget allocations being shifted into innovative platforms, and more customer-centric experiences are some of the many variables that have pushed **CPGs** into rethinking their organization and marketing strategies going forward. In this booklet, we will show how **CPGs** are converting their old structures into more flexible ones through collaborative and agile approaches.

The goal? Having a successful 2022.

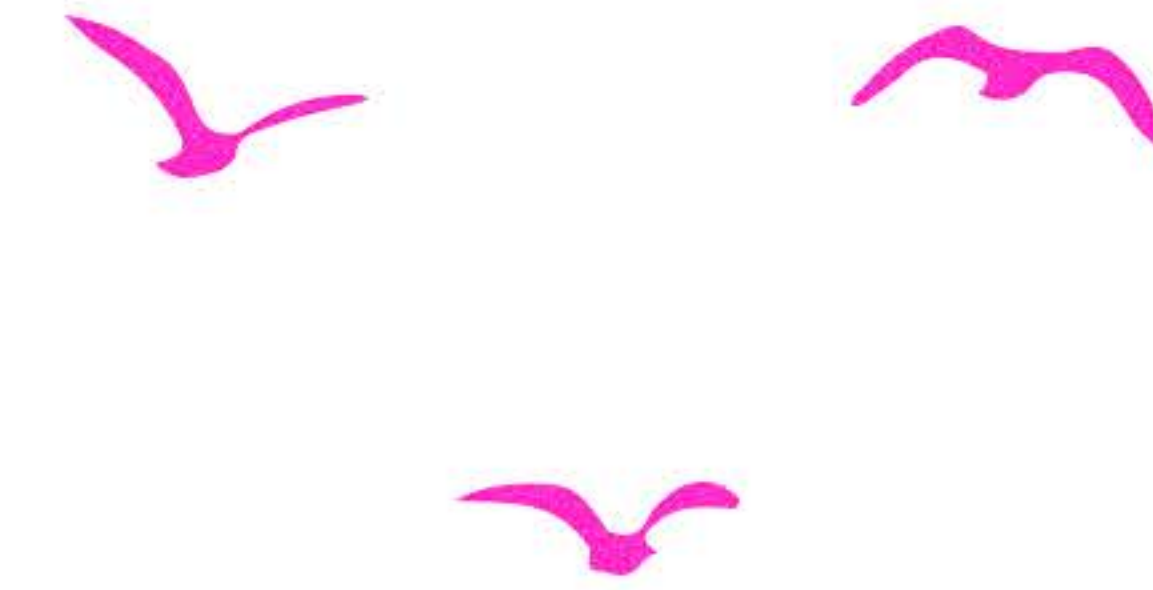




TAKEAWAYS TO CONSIDER

After conducting many interviews with our stakeholders, industry leaders, and portfolio of **CPGs clients**, we discovered consistent takeaways that will shape 2022.

TAKEAWAYS TO CONSIDER



PURPOSEFUL

Big CPGs are turning towards strategies with a purpose. These include more inclusive and sustainable solutions, such as innovations that reduce the use of plastic and product reformulations to avoid pollution and waste of resources.

STRETCH IT OUT

There's a need for flexible, cost-efficient methods from agencies. Due to the fast-paced world, CPGs are looking for more flexible models with constant availability and a proactive approach.

MORE HYPER-PERSONALIZATION

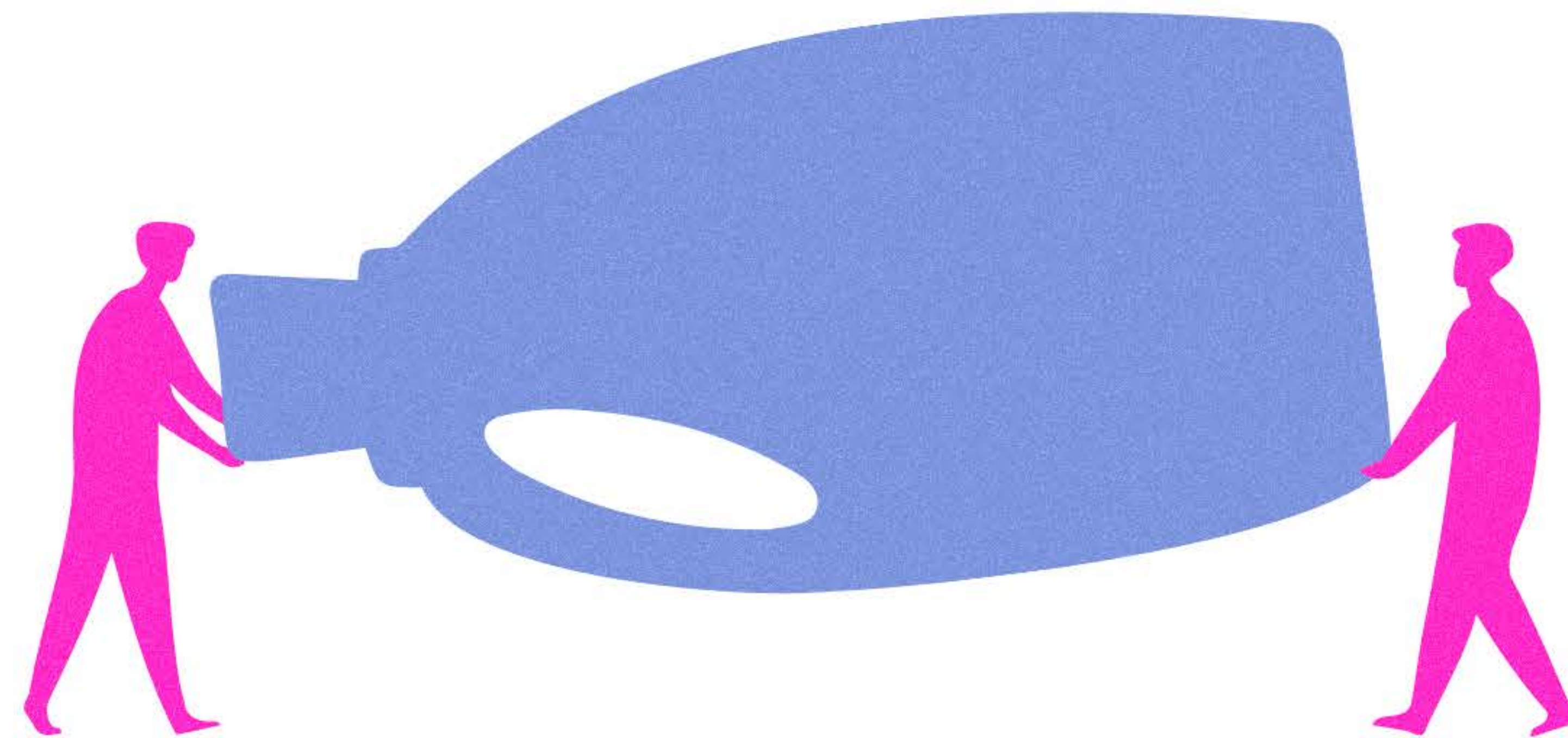
CPGs are looking for partners with a deeper knowledge of reaching customers in a more personalized way without being too intrusive.

CARING IS WINNING

Uncertainty is now a part of the market, and CPGs need to feel more secure with their partners. As budgets and strategies are under more frequent reviews, partners can engage in more frequent contact. Creating initiatives and connecting during the creative process helps build trust.

EXPERIENCES = REVENUES

It's not only about showing how good a product is but how it can be integrated holistically in everyday life. CPGs are creating more immersive customer-centric experiences that resonate with their users.



WHAT'S HAPPENING OUT THERE?

There are many trends that CPG marketing specialists are taking into account for their 2022 marketing and sales approach.

More product innovation, an improved customer focus, and a renewed relationship with technology are going to be needed to succeed in 2022.



CUSTOMER- CENTRIC EFFORTS

The importance of aligning visibility, credibility, and authority in CPG marketing strategies will be more important than ever before. With the rise of shopping local, sustainability, climate care, and inclusivity as important issues, customers are taking a magnifying glass to every action big CPGs make and are becoming more demanding than ever.

CPGs need to react by showing they care about the customer and their everyday pain points. Creating content across every touchpoint and forming a solid base of authority on a topic should be a priority. Shifting strategies and creating pillars based on inclusivity, purpose, and sustainability will be of major importance. Also, look to see product innovations being made, more human communication, and involvement from brands to help solve issues regarding climate change.

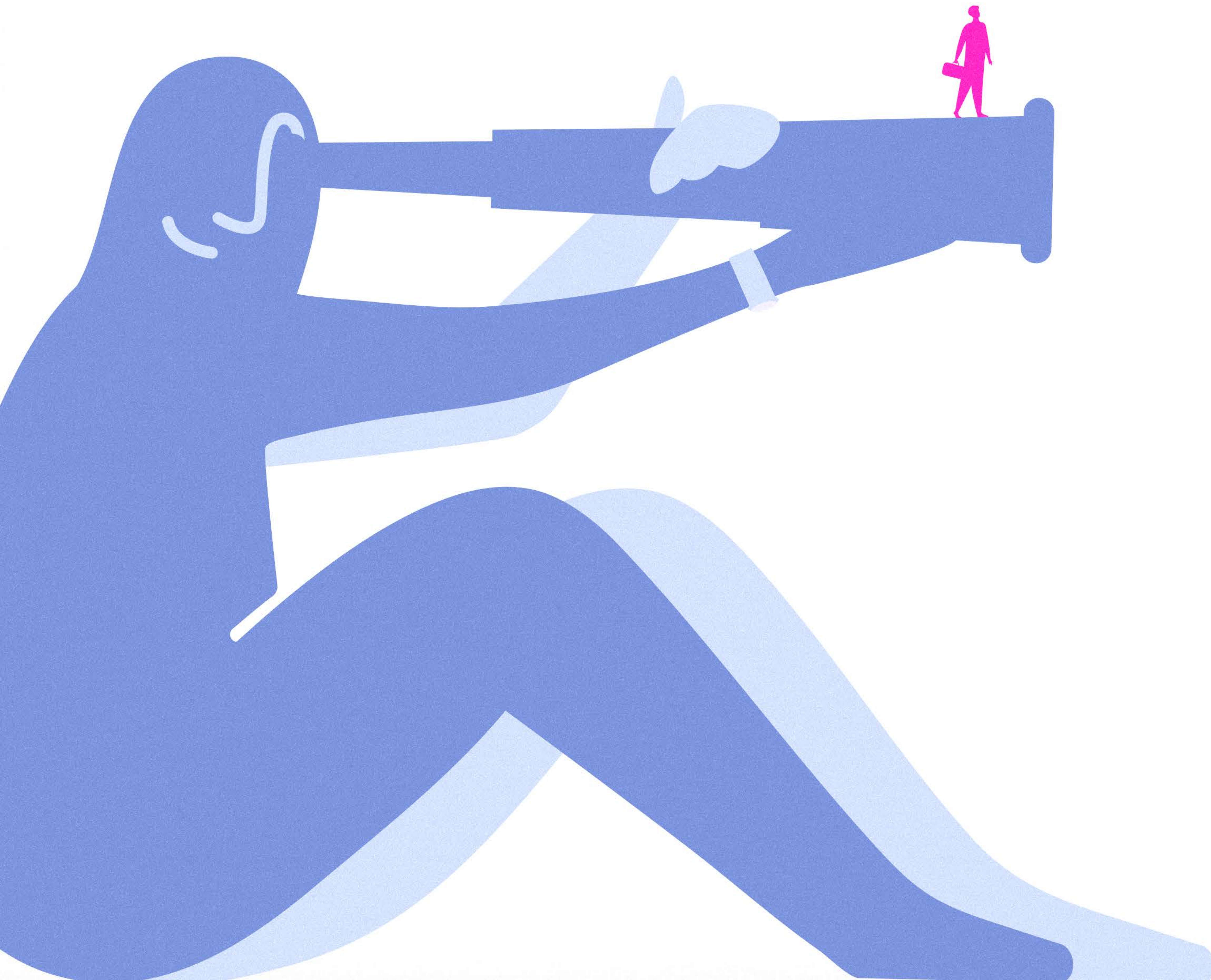


A . I . IN INFLUENCER MARKETING

Marketers are reporting they'll use approximately 20% of their budget for influencer marketing campaigns over the next year. Creating more engaged audiences across platforms will require a shift from macro to micro-influencers.

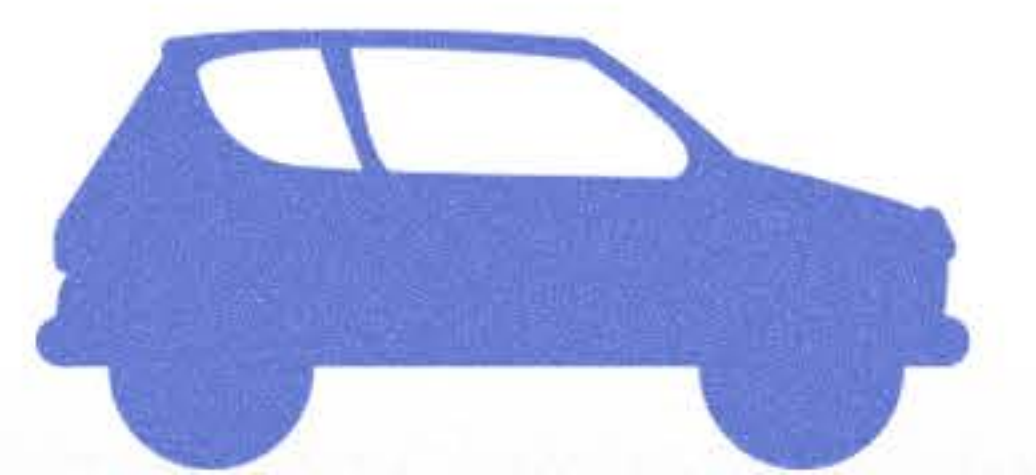
Adopting A.I. will help to measure the performance of influencer marketing in ways humans can't, such as watching and identifying millions of videos from influencers or using predictive A.I. to pay only for conversions made.





COOKIES ARE CRUMBLING

Google announced the death of cookies by 2023. This change has made **CPG** marketers reassess their efforts. While it's not an urgent move, there's an increase in adopting new tools and strategies to have more personalized communication. This will help marketers gather first-party data on their own without seeming like an intruder and invading the customer's privacy.



ONLINE AND EXPERIENCE

A change in customer behaviors since the start of the Covid-19 pandemic has led to an increase in investment in online efforts from CPGs for the next few years. These investments include:

- Integrating new touchpoints in their strategy (NFTs, AR)
- Creating their own Ecomm stores without relying on the middle man
- Adoption of technologies in retail with touchless, immersive experiences that connect the offline to the online world
- Gamification as a new complementary form of media.



WHAT TO DO NOW?

As the number of media platforms and new trends increases, the need for quick deliveries that meet marketing and sales objectives is becoming more urgent. **CPGs** are breaking the mold and adapting their management models to be more

flexible, collaborative, and agile so they can meet the expectations of the industry at large. After interviewing clients, and industry leaders, we found three important components that will shape the way **CPGs** approach 2022.





LET'S GET FLEXIBLE

According to Deloitte's Marketing trends, the CMO role has gained momentum twenty months ago, only 46% of CMOs said that they had a significant impact on C-suites conversations relating to marketing strategy. Now, this number is doubled by 81%.

Covid-19 has been a catalyst for a new trajectory in marketing strategies. We saw an accelerated change in customer behaviors and digitalization. **CPG** marketers started transforming their business models to both elevate the role of marketing and to keep up with the competition.

ELEVATING THE TALENT.

Here are some of the actions **CPGs** are considering to make marketing talent a differentiator.

CREATING A CENTER OF EXCELLENCE

Marketers are breaking the mold of their usual models. Adoption of a center of excellence, made from different providers to face specific tasks like Ecomm, content creation, etc., has proven to make a more efficient workflow. It also fosters a better space for sharing initiatives and solutions for daily requirements.

MOVING IN-HOUSE

64% of marketing organizations have an in-house agency. While outsourcing offers more expertise in areas such as creative, and analytics, in-house provides a more agile response to daily customer needs.

BETTING ON GIGS

Having a wide network of cost-efficient talent and providers for a specific project, as well as looking for innovative solutions and fresher ideas through contests and crowdsourcing, has helped marketers and C-suites reach their commercial objectives and manage uncertainty in this fragile economy.

AUTOMATION

A.I. is on the rise in many **CPGs' marketing and sales strategies**. The use of this technology can be effective in avoiding repetitive tasks, and helps to match data across different touchpoints of customers.

CARE AND COLLAB

Caring is a value that not many people talk about, yet it can be a breakthrough between agencies, providers, and CPGs. It's not only about sending a brief and waiting for the work to give feedback. Now it's about collaborative work between CPGs and their providers.

Involving the client in the creative process, as well as asking for constant feedback after every delivery, are some thoughtful actions that CPGs value. Creating a more personal and collaborative space between providers and CPGs adds trust, which then becomes better deliveries and efficient time management over time.

BUILD A STAR EXECUTIVE

We interviewed our CPG clients on what do they expect from their providers and, we found these common threads:

DIRECT COMMUNICATION IS A MUST

Leave the formality aside for a second, and connect with your client in real-time. Schedule virtual meetings to receive constant feedback, not only after sending the final work but during the creative process.

BE A TEAM PLAYER

Each project is an opportunity to build trust with CPGs. Be involved in their process and ask how I can make my client shine through my work. It's important to show that you are part of their organization.

GET PROACTIVE

Not only give what they ask you for, give more. If you see an opportunity for their brands to grow, show them your team proposals! Inspire one another with ideas.

BE THERE

Keep in mind that you are a partner, and you want to succeed and accomplish objectives just as much as CPGs do. Be there, in the good times and during a crisis too. When solutions are required fast, be the first one to offer to work hand-in-hand and solve any issues together with a quick plan of action.

AGILITY IN MIND

How many times have you heard the word **agile** in your day-to-day work? Probably a lot. But it's not a vague, shallow word. In fact, it's proven that an agile work method is better than a traditional model.

According to Gartner's marketing survey research, agile project management is perceived as:

25% more effective at sensing and responding to changes in business and the market.

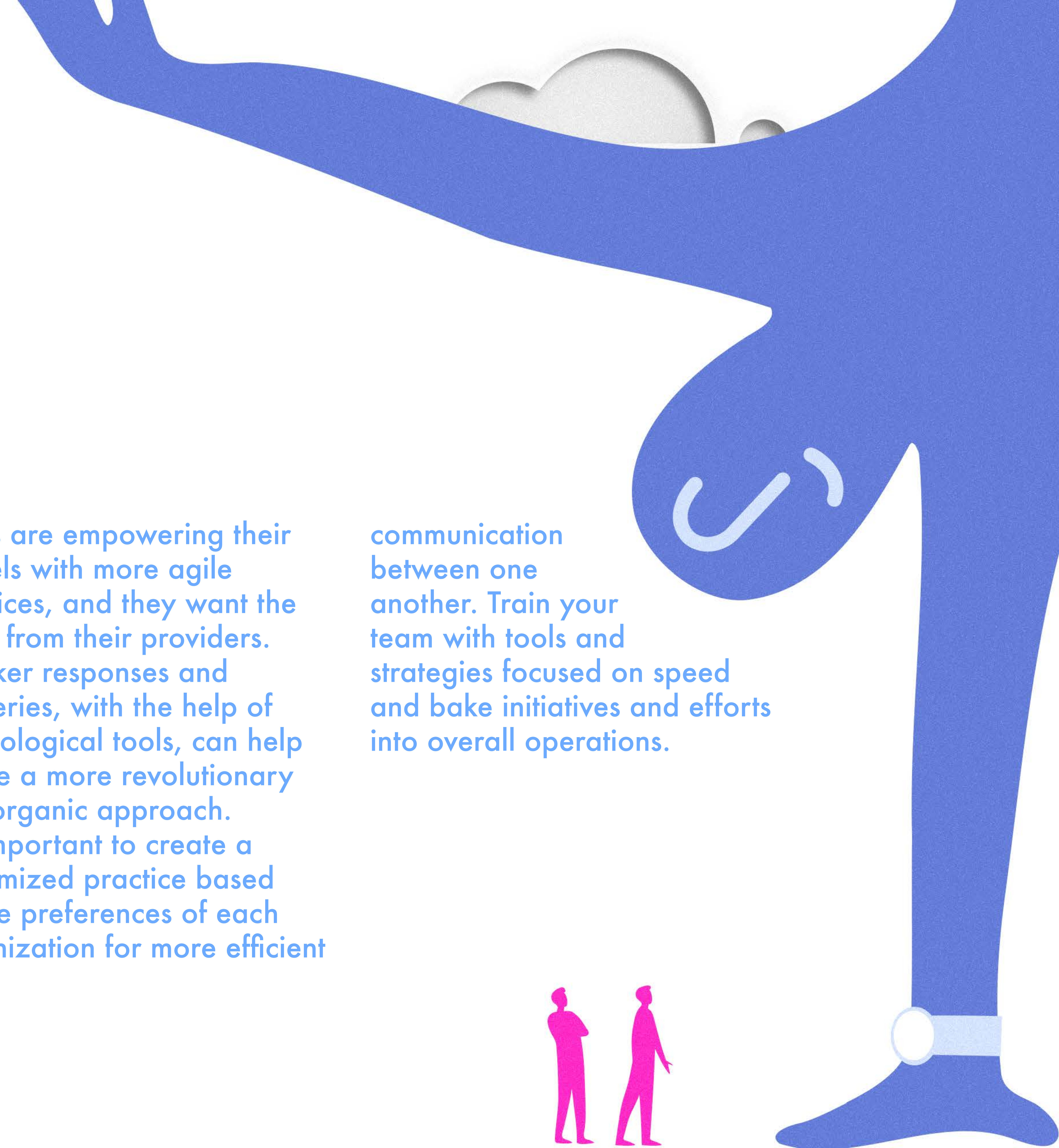
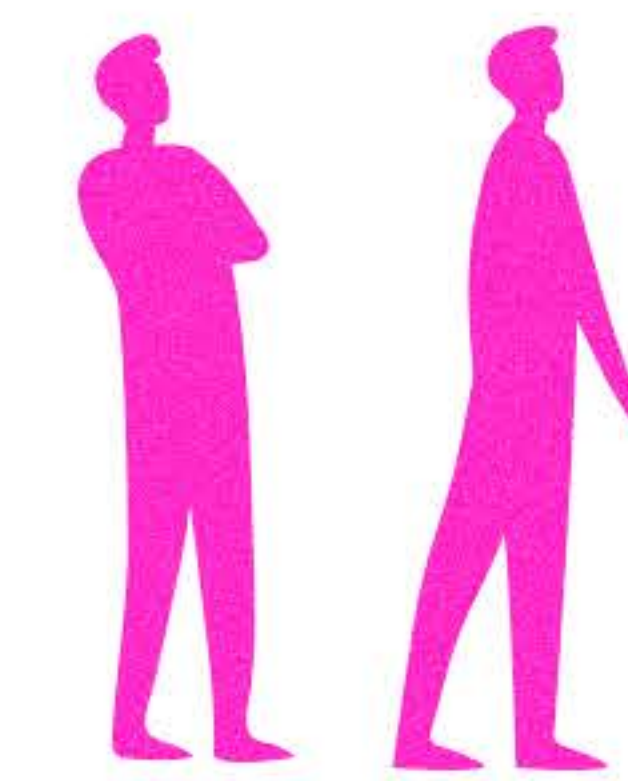
16% more effective at managing, prioritizing, and aligning projects.

21% more effective in execution under a timeline.

20% more effective in changing messaging and content according to the customer sentiment.

CPGs are empowering their models with more agile practices, and they want the same from their providers. Quicker responses and deliveries, with the help of technological tools, can help create a more revolutionary and organic approach. It's important to create a customized practice based on the preferences of each organization for more efficient

communication between one another. Train your team with tools and strategies focused on speed and bake initiatives and efforts into overall operations.



ABOUT 121

121 has been a partner of the biggest CPGs around the globe for more than 18 years.

Our expertise in areas of graphic design, content creation, and digital, focused on speed, quality, customer service, and cost-efficient practices, have helped our portfolio of clients reach their commercial objectives on time and successfully.

SOURCES

Survey among 500 INC 121 clients

The next CMO Second Edition. – A guide to operational marketing excellence.

Deloitte Insights – 2021 Global Marketing Trends

Gartner for marketers – Marketing Organization Survey 2020

GWJ – The global media landscape for 2021

<https://www.inc.com/john-hall/6-marketing-trends-to-prepare-for-in-2022.html>

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