



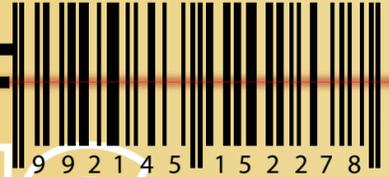
CPG MARKETER'S

PLAYBOOK



INSIGHTS TO DISCOVER, CONNECT, AND SCALE
ACQUISITION. LOYALTY.
SEGMENTATION. DIGITIZATION.

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INTRODUCTION

FROM PRODUCT PLACEMENT TO PURCHASE

62% OF U.S. CONSUMERS WILL NOW SHOP IN-PERSON AT A GENERAL MERCHANDISE STORE RATHER THAN ORDER ONLINE.

That's an 8% month-over-month increase from April to May. For CPG marketers who have been operating in a digital transformation mindset for several years now, what does that mean? Has a year and a half cooped up at home inspired consumers to come up with any excuse to leave the house? And, will that change as time goes on and putting on jeans for a trip to the grocery store loses its luster?

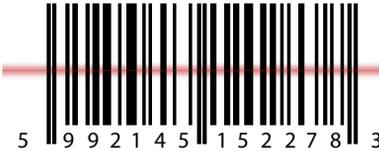
To drive growth now, CPG marketers need to discover deep insights about their customers, connect through resonant messaging and placement, and scale to reach new segments. How do they do that? By using Resonate's [real-time data](#) to drive real-time results. The [Resonate Ignite Platform™](#) is an easy-to-use platform that is pre-enriched with customer research data that is privacy-safe (yes, even after cookie deprecation), fills in the insights gaps when you onboard [your own first- and third-party data](#), and connects directly to your marketing ecosystem for immediate activation.

In the CPG Marketer's Playbook, we'll explore four key elements of CPG marketing through the lens of microsegments created within the Ignite Platform:

- ✓ How CPG marketers can use Resonate's fresh, targeted data to focus on **ACQUISITION** through targeted product placement and messaging, while using purchase lifecycle data to increase engagement and **LOYALTY**.
- ✓ How nuanced **SEGMENTATION** empowers marketers to reach the right audiences with the right promotions and on the right channel.
- ✓ The impact of **DIGITIZATION** and the role that DTC could play as an increasing number of purchases move online.



ACQUISITION & LOYALTY



New customers are great. They're necessary. But it can take up to five times the cost to acquire a new customer than to keep a current one.¹ So, when we think acquisition, loyalty needs to follow closely behind. A CPG brand needs to get the new customer in the door – and then keep them. How can you do that?

- **By using Resonate's privacy-safe, fresh, [values-driven data](#) and geographical insights that will enrich your own first- and third-party data, as well as purchase segments, and give retailers the full picture of [a brand's consumers](#) and where they shop.** With data and insights to back up their marketing, a brand can tell retailers, "We know your customers will love our products because their values align perfectly with our target audience." The retailer gives the brand primary shelf placement and the brand reaches more, similar customers.
- **By using deep behavioral insights to tailor messaging and reach the right audience on the right channel at the right time to keep them engaged.** Beyond retail placement, you need to stay top of mind for customers – and could-be customers. From social media to email to advertising channels, Resonate's data tells you where you'll find your customers, what they're doing there, and how you can [drive engagement and loyalty](#).

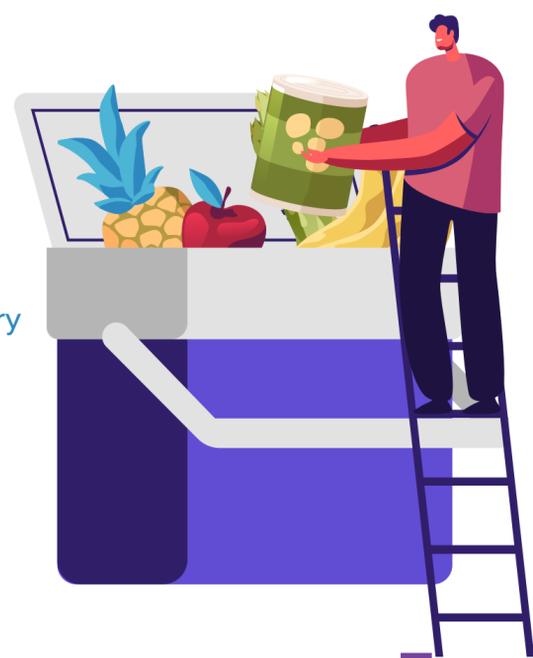
OUR AUDIENCE: MALE MILLENNIAL FROZEN FOOD FANATICS



When you think about frozen food fans, you probably think of someone who is in a hurry and needs something that's easy and nutritious.

The data shows us that, compared the average U.S. consumer, they are:

- 58%** more likely to have shopped at Trader Joe's in the last three months
- 34%** more likely to say a gym membership is a necessity
- 29%** more likely to say convenience is a primary purchase driver
- 27%** more likely to have ordered groceries online in the last three months



INSIGHTS INTO ACTION: How can a frozen food brand use this data to connect with new audiences and retain current customers? Meet them where they are in both messaging and media. We know this customer wants to make grocery shopping easy on themselves. They want convenient options and curbside pick-up. They're also huge fans of online meal kits. Can you make your frozen foods available for distribution via meal kit delivery? Can you work to get placement with online grocery delivery services? Lastly, engage with them. Appeal to their interests in fitness and sports, while advertising on Reddit and Comedy Central. Become part of their daily lifestyle and stay engaged so they don't switch brands.

COLLABORATION OPPORTUNITY: These consumers are more likely than the average consumer to eat at casual dining restaurants frequently and for the convenience. However they're also **66%** more likely to eat at a restaurant simply because it's where they usually go. Can your CPG frozen food brand partner with a casual dining restaurant to bring the reliable meals these consumers know and love into their freezer?

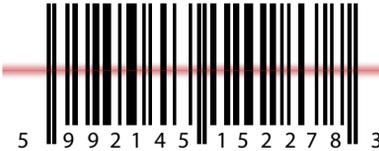


THE DTC EFFECT

Selling online and cutting out the middleman via direct-to-consumer sales has one clear cut advantage: access to first-party data and the ability to form a closer relationship. CPG brands typically miss out on this intimate knowledge of customers when the sale goes straight from the shelf to home, and, by cutting out the Target or the local grocery store, you gain the insights you need to tap directly into your customers' needs, which allows you to build engagement and grow loyalty.

¹Wertz, Jia. 2018, September 12. Don't Spend 5 Times More Attracting New Customers, Nurture the Existing Ones. <https://www.forbes.com/sites/jiawertz/2018/09/12/dont-spend-5-times-more-attracting-new-customers-nurture-the-existing-ones/>.

SEGMENTATION



CPG marketers are often put in the position of creating proxy audiences based on [segmentation](#) through purchase data. Their customer insights are transaction based through a retailer, rather than living within their own database. But, with the [Resonate Ignite Platform™](#), brands don't need to rely on purchase data to create new audiences. We have all the data you need, all in one platform, all on day one. How can CPG brands leverage this for their customers and potential customers?

- **By [creating microsegments](#) that break down buyer personas not only by demographics, but region, behavioral data, values, motivations, and more.** In order to connect and engage with customers, you need to understand them and that goes beyond age and gender. Resonate gives you the deepest, [privacy-safe view](#) of your customers and prospects.
- **By creating segments that dictate how your audiences differ by retailer, how they'll respond to different promotions, and where each segment consumes media and advertising.** You don't have the time to waste time, so make sure you're hitting the right segments with the right promotion and in the right place.



OUR AUDIENCE: FEMALE GEN X DOG OWNERS WHO LIVE ON THE EAST COAST

21%

purchase pet supplies at Walmart

77%

cite best prices/sales as a primary shopping factor

Compared to the average U.S. consumer, these dog owners are:

- 148%** more likely to have shopped at Publix in the past 3 months
- 75%** more likely to watch pet videos online
- 50%** more likely to buy PurinaOne regularly
- 11%** more likely to have spent between \$100 and \$249 at a mass merchandise store in the last 3 months

INSIGHTS INTO ACTION: These dog owners are more than twice as likely as the average U.S. consumer to watch TLC and HGTV, so that tells you exactly where to place advertising. They're also more likely to be on Pinterest and Instagram and more likely to pay attention to social media influencers (hello, pet videos!), which could mean working with content creators to reach new customers and stay on the radar of current customers is a good use of your advertising budget. And, all eyes should be on Walmart or the Southeastern grocery chain Publix for product placement.

DEALS, DEALS, DEALS:

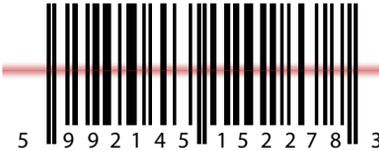
CPG customers can often be lured from one brand to another by the best price and this particular segment both uses coupons and mobile apps when they have coupons. If you're a CPG pet food brand, offer deals for new customers — or existing customers — on big box or grocery store apps.



THE DTC EFFECT

This segment of dog owners looks for products that are both time-saving and cost-effective. What's a good way to get both of these product attributes? By going direct-to-consumer. It may be an uphill battle, however. This group is less likely than other dog owners to order groceries online or to order pet food online through Chewy. How do we know this? They're a great example of how Resonate empowers you with deep, rich, dynamic data on day one — even before you've onboarded your own data. And, how will you bring them over to the DTC side? By circling back to those deals and offering an incentive for signing up, then making it easy and cost-effective to continue.

DIGITIZATION



The pandemic accelerated the digital growth that was already happening within the CPG industry. With customers homebound and unsure whether a trip to the grocery store was a high-risk activity, brands including Beyond Meat and PepsiCo/Frito Lay² got into the online shopping biz, [launching DTC websites](#) for the first time. So, how can CPG brands handle the disruption they'll inevitably face as more brands move online – and become more convenient? How do they know if they're well positioned to shift to e-commerce? How should a CPG brand discover the right audience for online shopping?

- **By tapping into Resonate's behavioral data on hypertargeted audiences.** It's critical not only to know the purchasing decisions that these consumers make and whether they choose to shop online v. in-person, but to understand the why that drives them.
- **By using the enriched, privacy-safe data on purchase segments to understand their actions when they shop online and what motivates them to click, "add to cart."** An e-commerce strategy is only effective if it connects with your target audience and Resonate's deep, fresh data lets you connect with how your customers are shopping now – not how they shopped pre-pandemic.

OUR AUDIENCE: COFFEE POD DRINKERS BETWEEN 25-44

30%

have placed an online grocery order in the last 3 months

40%

are likely to order coffee online

These coffee pod drinkers are ripe for ordering their (caffeinated) food products online. When it comes to non-perishable food, compared the average U.S. consumer, they are:

-  **29%** more likely to buy online to subscribe to repeat deliveries
-  **27%** more likely to buy online to save time
-  **17%** more likely to buy online to save money
-  **12%** more likely to ship online orders home rather than pick-up in store



INSIGHTS INTO ACTION: How could a coffee pod company use these insights to grow their digital footprint? First, they would see that this audience is already more likely to place online grocery orders. Then, the behavioral attributes would show that 25-44 year-old coffee pod drinkers will likely go digital to SUBSCRIBE and SAVE. Combine this e-commerce strategy with ad creative that appeals to their top values, living an exciting life and maintaining an optimistic outlook, and is placed on their top media outlets, Hulu, YouTube, and Instagram, to increase brand awareness and make the online sale.

CALLING ALL SMALL BATCH ROASTERS:

These coffee drinkers are **71%** more likely to cite locally owned as an important shopping factor.



THE DTC EFFECT

As third-party cookies go away in 2022, first-party understanding of your customers will be more important than ever. How do you gain that elusive first-party understanding? By getting it directly from your consumers. And, not only will you end up with a treasure trove of first-party data that can then be enriched within the [Resonate Ignite Platform™](#), you'll also gain access to more control over your digital placement and higher margins.

² Cyr, Madeline, and Kodali, Sucharita. 2021, Mar 15. Brand Go-To Market Series: The CPG Category is Taking Big Steps Towards E-Commerce DTC Sales. <https://go.forrester.com/blogs/brand-go-to-market-series-the-cpg-category-is-taking-big-steps-towards-e-commerce-dtc-sales/>.

CONCLUSION

THE FUTURE OF CPG MARKETING

So, what's next for CPG marketers?

In a world where hand sanitizer is hitting the clearance racks, toilet paper is no longer a golden ticket item, and apparel may one day soon be made of a material without stretch, brands need to stay up-to-date on the freshest consumer data.

CPG purchasing decisions don't often see long lead times and messaging that seems stale won't connect. Marketers need to use Resonate's hyper-targeted, real-time data to optimize product placement, connect with customers where they are now, both physically and digitally, to reach new audiences, increase loyalty, and drive growth.



ABOUT RESONATE

Resonate is a pioneer in A.I.-driven consumer data & intelligence. The Resonate Ignite Platform™ seamlessly enriches any data with the deepest understanding of the U.S. consumer and then integrates into the marketing ecosystem to drive insights into action. Resonate Elements, our proprietary consumer data set, has more than 13,000 attributes, including the Human Element that describes why consumers choose, buy or support certain brands, products or causes. Hundreds of leading brands and agencies use Resonate to better understand their customers and prospects and power decision-making from strategy and execution to drive growth and revenue across the customer lifecycle.

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