



Overcome data challenges in CPG

Leveraging AI for product
content success

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CPG, the products we all know and love

Whether it's your daily grocery shopping, last-minute run to the convenience store, or annual restocking of supplies – we're all well-acquainted with consumer packaged goods. CPGs are those Doritos you love, that toothpaste your dentist recommended, the ballpoint pen buried at the bottom of your purse, and your dog's favorite treat... they're the goods that keep society functioning and whose purchases determine your lifestyle choices.

Not only is CPG the most familiar industry, but it's also the most robust. It includes essentials like toilet paper and nice-to-haves like nail polish, as well as fast-moving (FMCG) products like milk and slow-moving (SMCG) items like refrigerators. This versatility makes it an exciting space in commerce, rich with opportunities to expand to more diverse audiences, introduce new products, and experiment with emerging technologies.

Product categories within the CPG industry

- Food and beverage
- Health & Beauty
- Pet
- Cleaning supplies
- Paper products and office supplies
- Houseware
- Toiletries

Fast-moving consumer goods (FMCG) vs. slow-moving consumer goods (SMCG)

FMCG products have a short shelf life and only last about a year, so consumers buy these products more frequently as a recurring expenditure. FMCGs include categories such as food and beverages, personal care, cleaning products, apparel and footwear, tobacco, and pet care.

SMCG products are meant to last longer than a year, such as household appliances, furniture, and home improvement products. These items have a

Top 5 trends for CPG

The current trends and priorities in CPG are almost as fast-moving as its goods. Supply and demand levels have been riding a wild wave over the past few years, which has caused a lot of disruption in the space. Top that off with significant changes in consumer spending, and you're looking at a completely new landscape to market and sell to today's shoppers. To maintain and gain CPG market share in the modern era, you first need to understand the underlying trends.

5 consumer trends that are transforming CPG this year

- 4** **“Clean“ products:** Consumer demand for “clean” and healthier products has been steadily rising. CPG companies are reformulating products to reduce artificial ingredients, incorporating functional and natural ingredients, and offering organic and plant-based options. There's also an increased focus on labeling transparency to provide consumers with more information about the nutritional content and sourcing of products.
- 5** **“Green“ products:** Environmental concerns are increasingly influencing consumer purchasing decisions. CPG companies are now expected to adopt more sustainable packaging solutions, such as biodegradable materials, recyclable packaging, and reduced plastics. Additionally, there's a greater emphasis on reducing food waste and promoting circular economy initiatives.
- 6** **Personalization:** Consumers are seeking personalized experiences and products tailored to their specific needs and preferences. CPG companies are leveraging data analytics, AI, and machine learning to gain insights into consumer behavior and offer personalized recommendations and product offerings. This involves customized packaging, product formulations, and targeted marketing campaigns.
- 7** **Subscription models:** There's a growing trend towards subscription services, such as Blue Apron and HelloFresh, allowing consumers to receive products regularly. CPG brands are exploring this model to enhance customer loyalty, streamline purchasing processes, and create a recurring revenue stream.
- 8** **Local delivery options:** Consumers now expect fast and convenient delivery for every type of shopping experience, which is why many of them now start their shopping journey on local delivery platforms, like Delivery Hero and DoorDash. Not only are CPG brands utilizing these channels to ensure timely and efficient distribution, but also to capture the attention of these buyers.

CPG is nothing without its product content

Despite the many changes to CPG, these evolving consumer trends all have something in common – the reliance on high-quality product content. Whether you want to create personalized Instagram ads or include sustainability and nutritional information on labels, your product data needs to be accurate, up-to-date, and compliant with industry standards.

But product data excellence isn't just about capitalizing on current trends. CPG brands face severe business risks if their product content doesn't reflect the correct information, like pricing discrepancies, outdated stock levels, unclear images, missing ingredients, lack of ecological badges like Fairtrade, and allergen warnings.

Inaccuracies in CPG product data lead to...

➤ **Downtime for products:** Ecommerce channels each have their own set of requirements for brands looking to list their products on their platform. If product data isn't formatted according to their specific standards or is missing certain attributes, they could disqualify products altogether. The less time products spend live on a channel, the fewer sales they generate.

➤ **Regulatory fines:** CPG products are highly regulated for sanitation, safety, and ethical purposes. For instance, a simple pricing mishap could have a huge impact on the food chain's supply and demand charts, and a missing ingredient could cause a major health crisis. Companies are required by law to make certain information available to consumers, and if they fail to meet these standards, they face high regulatory fines.

➤ **Decrease in online conversion:** Inaccurate product data often leads to lost sales. If an ad directs a shopper to a product that's out of stock, that shopper will find a competitor to complete the purchase with. The same thing goes when consumers come across discrepancies in product descriptions or images – more traffic is driven to other brands and retailers with consistent data. To create a successful end-to-end shopping journey, brands need to provide consumers with high-quality, accurate data at every single touchpoint, from product discovery all the way to the point of purchase.

➤ **Damage to brand reputation:** Failure to provide excellent product content can create long-term damage to brand reputation. When consumers can't find the product information they're looking for or encounter mistakes, all trust is broken. Consumers need evidence that the brand is legitimate and the product is reliable, especially when it comes to online shopping. Providing high-quality product information is essential to building good rapport and maintaining brand loyalty.

What to watch: Digital product passports

The EU's **CIRPASS** initiative will soon require companies to provide product information for certain categories bundled electronically to make them easier to track within the circular economy.

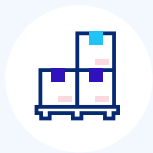
What makes perfecting product content so difficult?

If it was easy, everyone would do it. Unfortunately, the process of sourcing, enhancing, exporting, and maintaining product content has become quite complex.

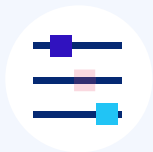
Challenges CPG brands need to overcome to create perfect product content



Manual processes: Creating accurate product content often involves manual data entry and verification. This is a slow and labor-intensive process, especially for CPG brands that offer a wide range of products. Plus, manual data entry is susceptible to human error, such as typos, inconsistencies, or missing information.



Data silos: CPG brands often have product data scattered across various systems. This fragmented data makes it challenging to maintain consistency and accuracy in product content across channels. Different departments usually have their own databases, leading to discrepancies.



Channel multiplication: As the retail landscape evolves, CPG brands face the challenge of managing product content across an increasing number of sales channels, each with its own set of requirements. Ensuring that all platforms have up-to-date product content – in the preferred format – is a logistical nightmare.



Evolving regulation: Regulators are increasingly cracking down on what, where, and how product information is disclosed to consumers to build more transparency into supply chain processes. These laws are constantly changing and vary country-to-country. Not only does this impact brands on a production level, but it also requires them to make constant updates to their listings, labels, ads, and other marketing assets.



Diverse audiences: CPG brands must tailor their product content to meet the diverse preferences and cultural nuances of different audiences. This requires a deep understanding of local consumer behavior and expectations, which can complicate content creation. For instance, international brands managing product content in multiple languages need to ensure that translations are accurate and culturally appropriate.

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Solving product data challenges with AI

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Solving product data challenges with AI

To simplify the process of managing product content, CPG brands need to gain more governance and agility within their operations. This can be achieved through the power of AI. Let's look at some of the top use cases.

- **Generate and optimize content:** By utilizing raw product attributes, AI can create engaging product descriptions and titles. It can also enhance SEO by incorporating relevant keywords, improving visibility in search results.
- **Tailor messaging for target audiences:** AI enables companies to rewrite product descriptions to resonate with different demographics and lifestyles, allowing for multiple versions tailored to specific audiences or seasonal promotions.
- **Translate and localize:** For global brands, AI facilitates automatic translation of product content into various languages and localizes messaging to align with cultural nuances in target markets.
- **Adjust for different specs:** AI can easily modify product copy to fit varying character limits or formatting requirements, ensuring key messages are maintained while adapting to different ecommerce platforms.
- **Manage dynamic content:** AI streamlines the process of updating product content based on changing variables like price and inventory. It allows for bulk adjustments through customizable templates, minimizing manual effort.
- **Map attributes:** AI can predict optimal mapping of product attributes when importing and exporting data to speed up workflows. However, it's important to maintain control over the error margin, as accurate mapping is crucial.



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Driving value with AI-powered product content

[Using AI for managing product content journeys](#), brands not only meet the evolving demands of the CPG market but also thrive in an increasingly competitive landscape. CPG companies stand to gain the following benefits:

- **Improve global data quality:** Ensuring adherence to the most up-to-date data standards and fulfilling all retailer prerequisites guarantees that CPG brands can rely on exceptionally precise and error-free data. AI can also help reduce human errors caused by manual uploads.
- **Accelerate time-to-market:** Automating manual processes enables CPG brands to significantly reduce the time required to publish products across various online channels.
- **Cut costs:** Streamlining workflows can increase efficiency in labor-intensive processes that typically eat up internal resources. These resources can be better allocated throughout the company, lowering costs in overall day-to-day operations.
- **Improve brand reputation:** Maintaining a wide-ranging, hyper-personalized, consistent brand presence on the digital shelf strengthens consumer loyalty.
- **Scale quickly:** At the rate that product assortments grow and product data changes occur, creating, sharing, and updating product content through automated processes empowers brands to scale quickly.

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CPG brands on the path to success

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CPG brand on the path to SUCCESS

Facing commerce complexity

[Beiersdorf](#), is a global leader in skin and body care, known for its iconic brands like NIVEA and Eucerin. The company faced challenges in managing and syndicating product data across various international markets, particularly in ensuring compliance with local regulations and maintaining consistency. Beiersdorf needed an efficient solution to streamline its product content management across multiple channels and regions.

Leveraging a Product-to-Consumer (P2C) strategy

With the highly scalable [Productsup P2C platform](#), Beiersdorf created several bespoke templates and API connections that facilitate seamless syndication and feed management for its millions of SKUs. Productsup automates all product content updates, enhances data accuracy, and ensures compliance with local market requirements.

Driving real results

Beiersdorf now exports 1.8 million products each month, enjoys 100% satisfaction with technical support, and has reduced the time spent on each retailer connection by 166 hours.

Learn more about how Beiersdorf has transformed the way it manages its product content [here](#).



NIVEA

Additional resources

[Productsup's P2C platform](#) is built with advanced AI capabilities and a central management view that streamlines product content journeys. Explore the full extent of Productsup's offerings for distributing optimized content to:

- ➔ **Marketplaces** (Marketplaces PX)
- ➔ **Advertising channels** (Advertising PX)

Book a demo

See the Productsup P2C platform in action by booking a demo with the Productsup team.

Get in touch

Contact our team to have your questions answered and discover how Productsup can support your business.

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