GLADSON

Product Content: A Hidden Crisis for Brands?

Images and information for your CPG products can set your brand apart in a crowded omni-channel marketplace. But do you have what it takes to create, maintain and distribute your brand's content effectively?

FADE IN. AN OFFICE.

A woman sits at her desk, working on her computer. A nameplate on her desk identifies her as Maria Torres, Brand Manager. The phone on her desk rings, filling the office with its shrill tone. The caller ID indicates that the call is from Allison Marshall, marketing director for one of her largest retail clients.

TORRES
Hi, Allison, how can I help you?

MARSHALL
Hi, Maria! I am in a real jam. I hope you can help. We are refreshing our website this week, and I learned we will be promoting your new laundry detergent.

TORRES
That's great news, Allison! Why are you in a jam?

MARSHALL
Well, my web team informed me that they don't have e-commerce images of the laundry detergent, and I can't seem to find them either. Can you help me?

TORRES
I think I can, Allison. Can you give me until the end of the day?

MARSHALL
Yes. Thanks, Maria.
Please call me back when they are on the way!

Maria hangs up the phone and begins searching her files for the images, but to no avail. After 30 minutes of searching and an hour of phone calls, Maria locates a few images, but the packaging has been updated and they are not in the correct format for Allison's website.

DISSOLVE IN ON COMPUTER MONITOR.
We see that Maria has resorted to searching Google for the needed images. After a lengthy search, she stumbles upon the images Allison needs. Relieved, she picks up the phone to call Allison, who picks up on the first ring.

MARSHALL
Did you find the images, Maria?

TORRES
I did, Allison – they are on the way now.

MARSHALL
Oh, thanks a million, Maria!

TORRES
Anytime, Allison – happy to help with anything you need.

MARSHALL
Well, actually, there is one more thing. I just learned they want to feature a special section for all your products – all 73 items.

Can I possibly get the images as well as the dimensions and full label details for those items ASAP?

Maria hangs up the phone and buries her head in her hands in frustration.

FADE OUT.

Unfortunately, in today's digital economy, where hyperconnected consumers travel diverse, unpredictable and multichannel journeys along the path to purchase, the preceding scene is played out countless times a day, every day, in offices all around the CPG and retail industries. Retailers and manufacturers alike face unprecedented pressure to deliver timely, precise, extensive and (perhaps most important of all) consistent product content to an increasingly diverse list of constituents and stakeholders.

Web managers, mobile app developers, social media mavens, shopper marketing specialists, category managers, sales managers, operations executives and, of course, brand managers are all clamoring for more content for more needs more often than ever before. Compounding – and magnifying – the problem, of course, are the relentless demands of the new consumer.

Empowered consumers today seek increasingly rich, detailed product information to ensure that the items they purchase meet their dietary requirements, health concerns, environmental concerns and budget, and they have little tolerance for inaccurate or missing information. Fulfilling the ever-escalating expectations of these omni-channel shoppers is essential to long-term success, and the ability to provide accurate and available product content (images, nutrition information, ingredients, usage and warnings, dimensions, etc.) has become a critical foundation that allows retailers and manufacturers to deliver brand experiences that convert shoppers into buyers and keep consumers coming back to the brand (via stores, websites, mobile apps, etc.) week after week.

Consistently providing accurate and comprehensive product content, however, has proven to be no easy task, even (and perhaps especially) for the world's largest brands and retailers.

Current Trends Amplify the Need for Product Content

Several trends are converging to change the CPG landscape forever, and individually and collectively they amplify the need for retailers and brands to be able to deliver reliable, accurate, consistent and timely product content to an ever-expanding array of constituents.

The Changing Behaviors of the Grocery Consumer

The core grocery customer is digitally savvy, connected and willing to shop more formats than ever. She has wholeheartedly embraced club formats, dollar stores, super centers and specialty entrants like Trader Joe's and Whole Foods, and consequently "traditional" grocers are feeling the squeeze. Traditional grocery stores nationwide have lost 15 percent of their market share in the past 10 years,[1] and product content now plays an important role as retailers and brands seek to recapture the attention of their core customers.

In addition to changing consumer behaviors, the demographics of grocery shoppers are shifting as well. For example, an increasing number of men are going grocery shopping. Fifty-two percent of fathers now identify themselves as the primary grocery store shopper,[2] and according to ESPN, almost one-third (31 percent) of all grocery shopping is now being performed by men.[3] Men typically bring a different set of expectations to the grocery store aisles. They want to be efficient, effective and quick to leave. Forty-nine percent of men want to shop "only if I know what I am going to buy," and 57 percent want to "quickly buy what I need and leave the store."[4] This desire for efficiency puts product content in the spotlight, as men want access to decision-driving content that helps them complete the shopping journey as swiftly as possible.

Young people of both genders are also making up a greater percentage of grocery shoppers. As expected, millennials (people born between 1981 and 2000) bring new behaviors, including heavy engagement in online and social shopping. Millennials are 20 percent more likely than shoppers of other generations to rate a product on the web, 40 percent more likely to check

out brands on Facebook or Twitter and 80 percent more likely to like brands that use social media.[5]

Even more significant is that when researchers studied millennials who identified themselves as the primary grocery shopper in their household, 50 percent indicated that they would like to try new technology that "aids in their ability to seek and share information."[6]

Clearly, Millennials expect product information at their fingertips, whenever and wherever they choose to shop.

Shifting Shopper Priorities

Just as the demographics of grocery consumers have changed in recent years, so too have shopper priorities.

Dietary concerns, health concerns and sustainability concerns continue to expand as more people are conscious of the nutrition values, ingredients and processing of the products they put in their carts. Forty-five million Americans are now at least partial vegetarians.[7] The gluten-free market is now a $4.2 billion business.[8] Forty-nine percent of Americans are limiting or avoiding fats altogether, while 66 percent are cutting back on foods that are higher in solid fats.[9]

While it may be impossible to predict the next gluten-free, South Beach, Atkins or fat-free health fad, it is clear that these trends have put significant pressure on brands to produce detailed, transparent and consistently accurate product information and to present the information to consumers when and where they need it – whether that be on the product package, the shelf label, the website, the mobile app or other platforms.

And if Phil Lempert, the Supermarket Guru is correct, the pressure for transparency and accuracy will soon come from more than just consumers:

"2013 will be a transitional year as on-package claims proliferate and confuse. Supermarkets will start taking on the role of gatekeeper and actually demanding proof and transparency of claims before they will permit products to be sold on their shelves." [10]

The Path to Purchase Becomes a Long and Winding Road

Shifting shopper demographics and priorities have combined with rapidly evolving technology to wreak unprecedented changes on the consumer's path to purchase. The iconic "weekly trip to the local grocer supplemented by an occasional visit to a convenience store" has long been supplanted by diverse and difficult-to-predict behaviors that incorporate new store formats, new technology and new devices into ever-expanding shopping journeys. While the industry has spent millions trying to predict when, where and how shoppers will choose to shop, the path to purchase has become an omni-channel journey full of twists and turns, gadgets and networks, blogs and websites. A few recent trends shed a spotlight on the importance of delivering accurate and consistent product content to every avenue within the omni-channel path to purchase:

- Thirty-six percent of consumers research grocery purchases online before going to the store, most often to search for coupons, competitor pricing and recipe ideas.[11]
- Fifty-two percent of consumers have visited a grocer's website or mobile site.[12]
- Visitors to CPG brand websites buy 37 percent more in retail stores than do non-visitors to the brand sites.[13]
- Visitors to the Top 10 CPG websites spend 200 percent more on those brands than do non-visitors.[14]
- Four out of five consumers use smartphones to shop.[15]
- Sixty-two percent of Americans (still) "often" read grocery advertisements printed in the local newspaper, and 76 percent indicate that the ads help them make better decisions.[16]
- Despite all the research conducted outside the store, 76 percent of all grocery purchases decisions are still made inside the store.[17]

As these statistics indicate, predicting exactly how or where any individual shopper (or even any group of shoppers) will shop every time they shop is impossible. As a result, retailers and brands have responded by casting an extremely wide net in an attempt to reach as many shoppers as possible. There is no disputing that the industry has collectively and individually made it a top priority to make brands and products visible and available across as many networks, channels, devices and platforms as possible.

Retailers and brands have implemented a wide array of omni-channel programs:

- Inside the store, shoppers are presented with LED and multimedia shelf displays, tablets, mobile apps, kiosks and smart shopping carts.
- Outside the store, consumers can use their smartphones to shop virtual grocery aisles in train stations and use their fingertips to shop new touchscreen store windows along the sidewalk.
- Online, there are more options than ever before. More and more brands are reaching out to consumers directly, and for good reason: Nielsen estimates that online sales via CPG websites will double in the next two years, from $16 billion in 2012 to $32 billion by 2015.[18]

- As evidenced by the number of apps available, smartphones have become a critical tool utilized by retailers and brands in an attempt to influence consumers at the moment of truth. Consumer Goods Technology reports that 84 percent of CPG companies have implemented at least one mobile app and that 31 percent have deployed more than five mobile apps.[19]
- Coupons continue to hold great sway over value-conscious consumers, and coupons are now offered in countless ways, whether through printed newspaper inserts, mobile apps or at-the-shelf incentives or via social networks and blogs or a wide variety of online coupon aggregators.

And there is apparently no end in sight. In 2013, 40 percent of CPG companies expect to sell directly to consumers, almost twice as many as in 2012 (24 percent).[20]

Competitive survival will require brands to be ever present, and ever consistent. Product content must be accurate, thorough and readily available if brands and retailers hope to satisfy consumers' expectations.

As a Whole, CPG Is Wholly Unprepared

As the demand for product content has continued to mount, brands and retailers have struggled to adapt. The processes, organizations and operations currently in place to help create, manage and distribute product content are typically disjointed and redundant. The industry, as a whole, is incapable of responding to the depth and breadth of content required to support an unprecedented diversity of partners, projects and stakeholders.

The problem usually begins with the structure of the organizations themselves. Product content is typically managed and maintained by a variety of individuals in a variety of departments:

- Research and Development (R&D) typically manages ingredients lists.
- Engineering designs the box or the bottle and maintains precise product dimensions.
- Brand Management manages the packaging design.
- Marketing manages the images and product descriptions.
- Operations (or often IT) manages the dimensions relevant to logistics.

As a result, product content often ends up managed in silos that mirror the operational organization. Multiple departments manage the entirety of content for each product, and no single database exists to house and maintain all product content. Change management processes are equally in silos – a critical flaw in an environment where changes can, and do, come from all corners of the enterprise, be it R&D, Marketing, Production or Operations.

Additionally, most CPG manufacturers simply do not have the infrastructure and resources needed to manage the entire product content life cycle. Creating, maintaining and distributing complete, accurate, up-to-date product content is a time-consuming and potentially costly challenge that often places a burden on internal resources – particularly when the business lacks clear understanding of who actually owns product content. Budget concerns often lead to intradepartmental handoffs and finger pointing that further complicate the process.

It should be noted that retailers are not immune to these product content challenges, either. As private label products become an increasingly important part of every retailer's category lineup – store brands now account for 18 percent of all packaged good sales in the US[21] – retailers are facing the same pressures as their nationally branded counterparts to manage their private label product content thoroughly and efficiently.

Content distribution is also a vexing problem for brands today. Most organizations do not have the infrastructure in place to manage the automated and custom distribution processes required to support the needs of the dozens (if not hundreds) of audiences and channels that populate today's diverse list of internal and external consumers of product content.

It is easy to see why coordinating and managing the creation, maintenance and distribution of product content across departments, geographies and corporate dynamics is – at best –challenging for small to midsize businesses, and virtually impossible for large global corporations. Most businesses are simply incapable of effectively responding to the escalating demand to provide more thorough content, to more audiences, more rapidly than ever before.

Service, Standards and Sales Suffer
The struggles to effectively create, manage and distribute accurate product content have resulted in a plethora of problems for brand owners across the industry. The physical costs associated with managing the new realities of product content erode margins and place unexpected burdens on most departments. Internal operations and third-party logistics processes suffer from inaccurate (or worse, nonexistent) product dimensions that misinform capacity-driven functions such as put-away, picking and transportation modeling. Mistakes in shelf planning functions due to inaccurate package dimensions cascade all the way down to the store.

Brand integrity suffers irreparable harm when product updates (changes to packaging, ingredients, etc.) are not accurately and consistently represented in the marketplace. Brand confusion quickly sets in when a product's physical packaging no longer matches the images and descriptions consumers see online or in print media. Missing, outdated or low-quality product images also cause damage to brand perception – damage that can be quickly and irrevocably magnified through the viral power of social media.

Slow response times caused by disjointed and dysfunctional product content management processes also have a direct impact on client relationships. As illustrated in the opening of this paper, retailers are under intense pressure to react quickly and effectively to new sales and marketing opportunities, and they no longer have patience for brands that are incapable of responding in a timely and accurate manner. Product content distribution processes must be flexible and adaptable to the unique needs of each client, and service personnel must be able to react quickly when requests arise … or client relationships will suffer severe damage.

In addition – and most important – the customer experience is suffering. Rather than consistently delivering accurate and reliable product information to all content consumers, the industry is consistently failing to execute … and shoppers are feeling the pain:

- Twenty-seven percent of online product pages are missing product detail information.[22]
- More than two-thirds of online product information pages fail to meet information quality expectations.[23]
- More than one in four product pages have presentation, accuracy or completeness issues in the product details section.[24]

In short, the failure to provide complete, accurate and up-to-date product content will negatively impact customer relationships, brand integrity, internal efficiency and, ultimately, omni-channel effectiveness. For a brand owner, every hour spent struggling to collect, validate and distribute the right product content to the right audiences is an hour lost that could have been spent growing sales, serving customers and building customer loyalty.

Doing nothing is no longer an option. The convergence of new expectations, new consumer behaviors and new technology has created a perfect storm that is silently lurking over current product content management processes. Failing to act – and quickly – will lead to dire consequences for retailers and brands alike, as consumers no longer tolerate misinformation or missing information.

The time to act is now.

Overcoming the Barriers
Fortunately, there is an established path to success. Organizations are discovering ways to overcome the myriad challenges facing brand owners as they attempt to successfully manage and distribute product content to their ever-expanding list of internal and external content consumers.

Best Practice: Leverage a Consolidated Source of Product Content
There's a reason consistent and accurate product content is a major challenge facing CPG manufacturers today. Creating, maintaining and distributing their products' images and information can be complex, costly and time-consuming.

In order for brands to deliver consistent, accurate and up-to-date product content, it is essential that they leverage a consolidated source for images and information. A consolidated product content database that serves internal and external needs allows organizations to overcome the silos inherent in the way most companies manage product content.

If brands do not have the processes or technology necessary to create, maintain and distribute their own product content – or do not want to invest in this infrastructure – they should consider partnering with a third-party provider that offers CPG product content creation, maintenance and distribution as its core competency.

Best Practice: Commit to Constant Updates
Packaging redesigns, updates to ingredients and nutritional values, shifting marketing messages, and other variations in product attributes are a constant reality. Those changes, factored across numerous SKUs and product categories, can wreak havoc on the integrity of product images and information.

Delivering up-to-date product content throughout the CPG product life cycle requires a process-oriented and scalable approach to product content management. In order to maintain the integrity of product content, organizations must commit to constant updates of their product images and information within the consolidated database.

 These updates should be performed by experienced professionals who understand the product content requirements of retailer customers, consumers and internal departments. It's also imperative that the maintenance of the database consistently follows industry guidelines for product content management, has stringent quality assurance processes, and offers automation to ensure that the most up-to-date product data is being fed to internal systems and third-party recipients.

Best Practice: Inject Flexibility and Scalability into Distribution

Requirements for product content have become as diversified as the CPG industry itself. Depending on the channel or application the content is being used for and the customer or vendor making the request, product content types and formats can vary greatly. As a result, content distribution models must be flexible enough to accommodate the requirements of each content consumer.

In addition to flexibility, distribution models must be scalable, allowing brands to distribute product content to vast numbers of the right recipients, removing much of the burden placed on internal resources. Organizations that are able to inject flexibility and scalability into their product content distribution models increase their omni-channel advantage through more consistent content, tighter brand controls, more responsive customer service and more repeat business.

Gladson myBrands – A New Solution for New Challenges

As the omni-channel economy evolves to place greater emphasis on product content, Gladson, the leading provider of product information and related services to the CPG industry for more than 40 years, has evolved its offerings to include a new solution specifically designed to streamline product content management for manufacturers' nationally branded products and for retailers' private label brands. The solution, Gladson myBrands, combines the best-in-class capabilities of Gladson's content creation, management and distribution services for e-commerce, advertising, category management, nutrition and market research content into a single solution designed to make it easy for retailers and brands to meet the escalating product content needs of internal and external constituents.

Gladson myBrands delivers a flexible, efficient and secure way to implement the best practices that lead to effective creation, maintenance and distribution of complete, accurate and up-to-date content to a diverse list of content consumers. Gladson myBrands ensures that high-quality product images and complete product information are available for a wide range of enterprise uses, including e-commerce, mobile apps, advertising, market research, logistics, nutrition programs, space management applications and more.

With Gladson myBrands, it is now possible to eliminate redundancies, streamline processes and achieve cost savings for the creation, maintenance and distribution of product content, which lead to several tangible and measurable benefits:

- One "version of the truth" established in a single digital library.
- Compelling, consistent, up-to-date images and brand content that support retailers' and brands' marketing programs, websites, mobile applications, etc.
- Efficient and effective support for the requirements of internal audiences, including websites, sales team requirements, market research, research and development, operations, and shopper insight programs.
- Greater brand control and consistency across all media and channels.
- Product content maintained at the lowest possible cost while simultaneously ensuring timely content availability and delivery.
- Product information and images that are complete, consistent and compliant with GS1 standards.
- Internal systems and processes that run at peak performance through the availability of accurate product data.
- Syndicated distribution of product content to an extensive network of retailers, online apps and websites, as well as custom content delivery to satisfy specific customer requirements.

With Gladson myBrands, brand owners everywhere can rely on proven best practices developed over 40 years to ensure that their product content is accurate, up to date, and immediately available so that the right content reaches the right audiences in the right format and on time.

To learn how Gladson myBrands can be your brands' omni-channel advantage, click here.

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