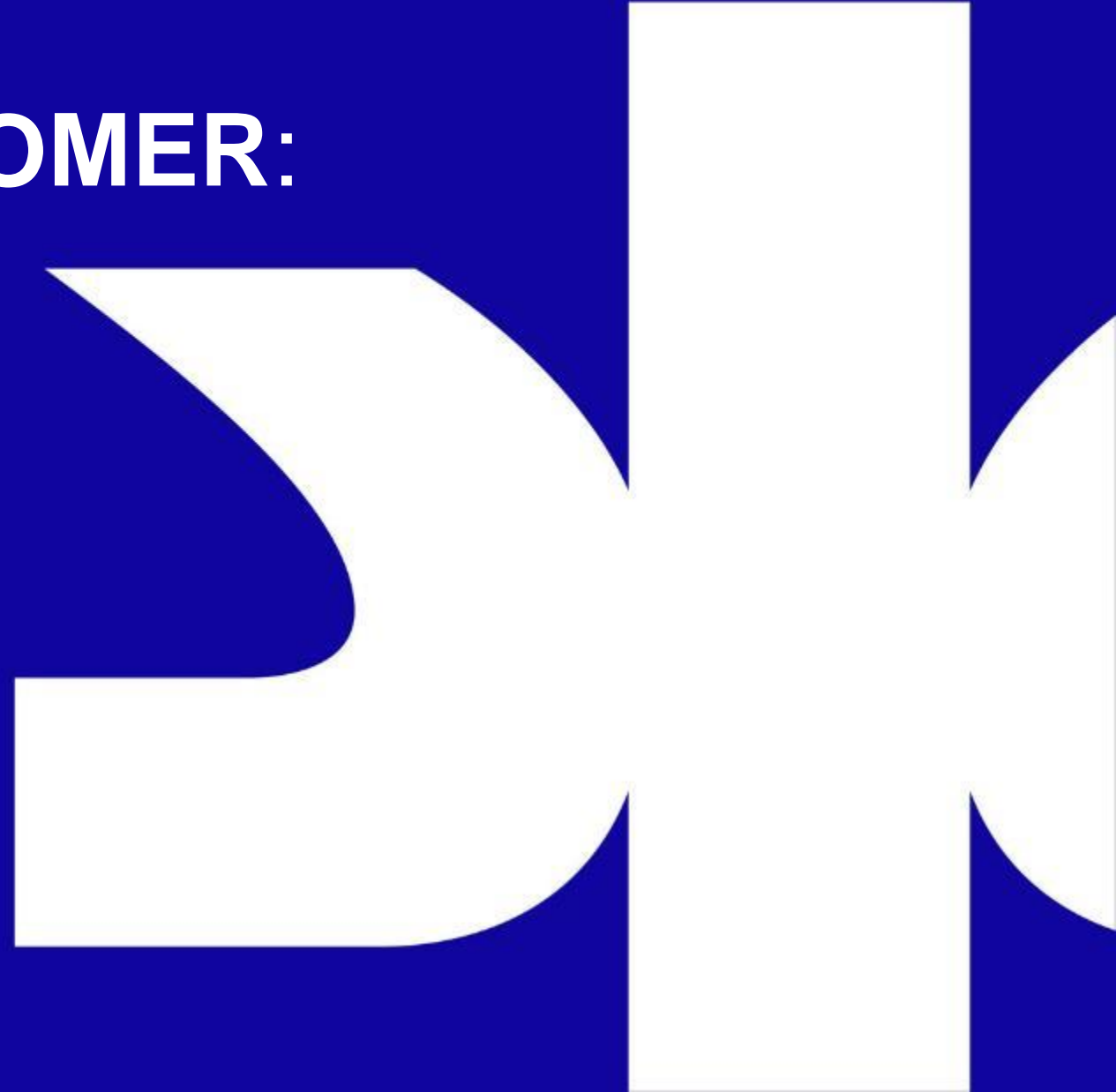


CONSUMER VS CUSTOMER: A PARADIGM SHIFT FOR DATA IN CPG

Josh Blacksmith
Sr. Director – Global Consumer Relationships and Engagement

April 13, 2021





Josh Blacksmith

Sr. Director – Global Consumer Relationships & Engagement

Josh.Blacksmith@kcc.com

[linkedin.com/in/josh-blacksmith](https://www.linkedin.com/in/josh-blacksmith)




|01001010|01101111|01110011|01101000|00100000|01000010|01101100|01100001|01100011|01101011|01110011|01101101|01101001|01110100|01101000|00001101



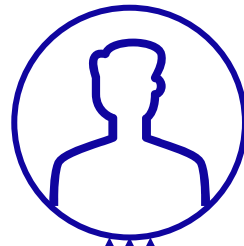


It's nice to
meet you!



It's nice to
meet you!

Data from different sources work together to build a rich consumer profile



1st Party Data / Zero Party Data

Quality Scale Control

Data collected by brands from direct relationship with consumers.

- CEP
- Brand .com
- Consumer Care
- Transactional Data

2nd Party Data

Quality Scale Control

Another company's 1st party data, obtained through data sharing agreements

- Retailer.com
- Publishers
- Transactional Data

3rd Party Data

Quality Scale Control

Data aggregated from multiple sources without a direct consumer relationship

- Interest Data
- Purchase Data
- Anonymous Data

Each data type has distinct advantages and challenges



EXAMPLE DATA POINTS



ADVANTAGES



CHALLENGES

1st Party Data

- Receipt Scan
- Email Open
- Browsing Behavior
- Shoppable Purchase

- Data is owned, accurate, relevant
- Tight controls over consumer privacy

- Can only collect during direct interactions
- Evolving privacy regulations

2nd Party Data

- Retailer Browsing Behavior
- Retailer Purchase
- Basket Mix

- High quality and accuracy
- Data is accurate, and highly relevant
- Can enrich 1st party data with previously unavailable data points

- Data is not owned
- Often can only be used / activated in the walled garden ecosystem
- Cannot be retrieved from walled garden

3rd Party Data

- Demographics
- Lifestyle
- Household Data
- Affinity Data
- Income

- Broad Scale, can quickly obtain large volume of data

- Data is not owned
- Match rates with existing data
- Data freshness and quality can be lacking

Countless use cases demonstrating why first party matters

PENETRATION

Leverage first party data to drive sales and build look alike audiences for prospecting / converting from competition

ENGAGEMENT

Welcome and educate opt-ins on product features and benefits and drive purpose-led content engagement via proactive communications

AFFINITY / LOYALTY

Segment category buyers based on demographics, profile, lifecycle stages, engagement and purchase behaviors to grow consumer lifetime value and drive advocacy

UP-SELL / CROSS-SELL

Identify consumer need / interest overlap for cross sell and identify opportunities to increase basket replenishment

MARKETING EFFICIENCY

Reduce marketing spend and improve ROI by targeting consumers you need to, in moments that make sense. Suppress known consumers from 1pd acquisition campaigns

MARKETING EFFECTIVENESS

Identify where consumers are in their journey and drive higher levels of engagement by targeting consumers in their moments of receptivity

Three Points
of Tension in
CPG Data
Ownership



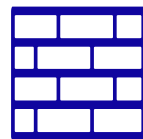
1

Relationships matter to manufacturers too



2

LTV is about the portfolio, not a siloed brand view



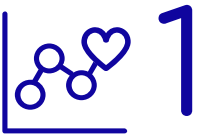
3

Walled gardens and clean rooms get rather messy

Relationships matter to manufacturers too



Everyone owns a direct relationship with our consumers...



...except us.



Manufacturers are responding by investing in orchestrated experiences beyond paid media (PESOs plans)

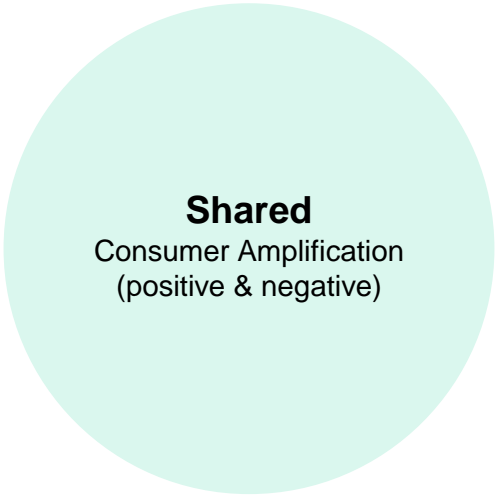
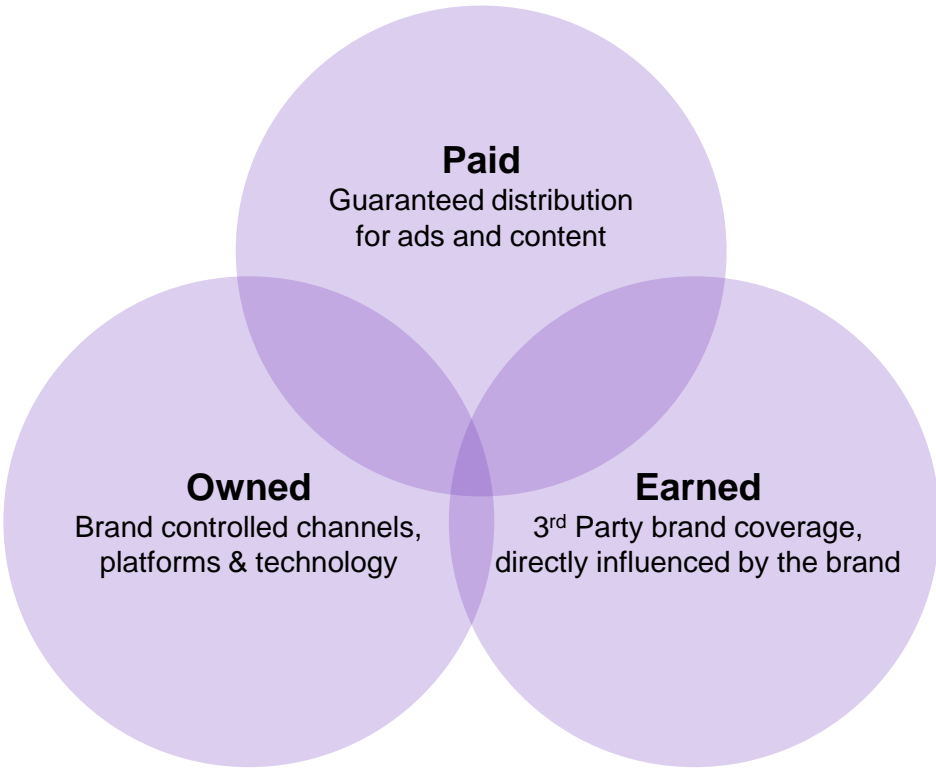


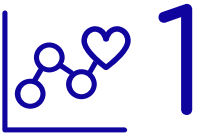
Strategic Channels

Directly Influenced by Marcomms Strategy & Investments

Consumer Channels

Outcomes influenced by POE

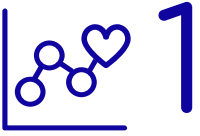




With a PESO focus, we can extend our sufficiency while being smarter about our investments

COST FOR 1MM CONSUMER ACTIONS		
	OLA	EMAIL
Total Cost	\$6.5MM	\$1,850
Cost Per Action	\$6.5	\$0.00185
	(based on CPMs at standard CTR)	(based on 20% open rate for sends at .37 CPM)

Our channels can work together to deliver a meaningful consumer experience





Should retailers just say 'no' to Instacart?

22 EXPERT COMMENTS

DISCUSSION



BRAINTRUST

"For those who believe life has changed irrevocably either get your game on now or give up and go to Instacart. Different story for those who think life will go back to normal."

Dr. Stephen Needel
Managing Partner, Advanced Simulations



Manufacturers are responding through receipt scan partnerships...and standing up DTC  2



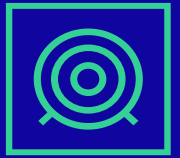
Commercial Opportunity



Consumer Value Proposition



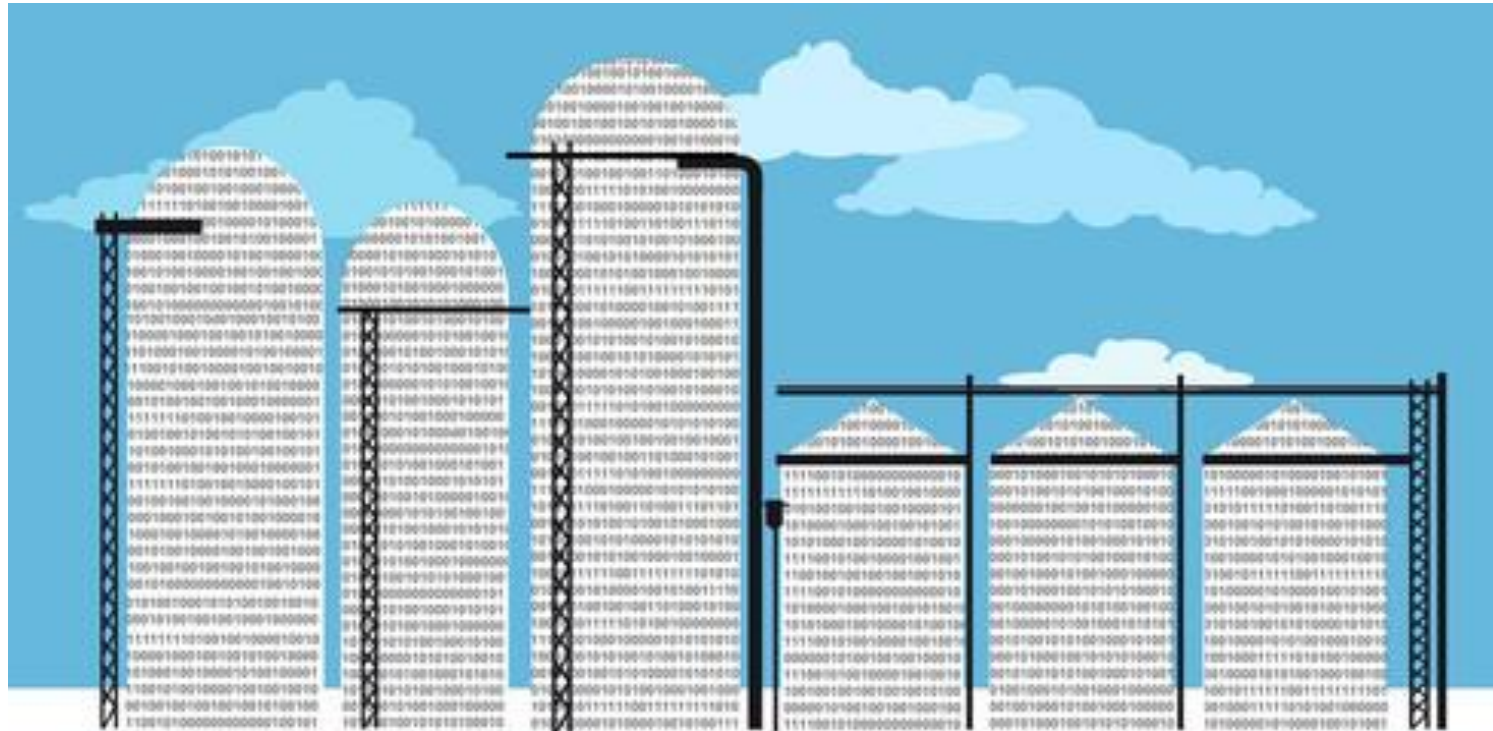
Brand's Right to Win



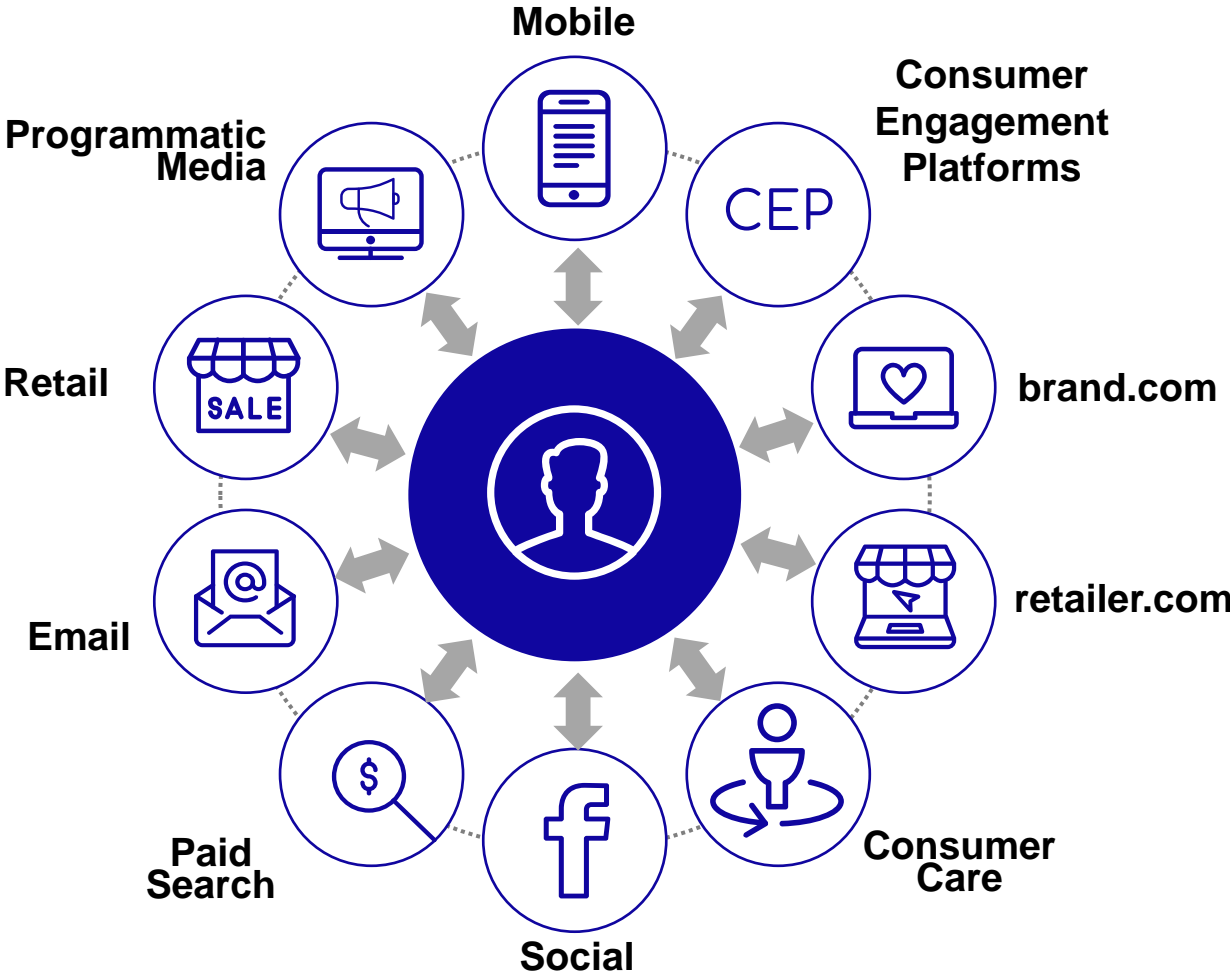
Walled gardens and clean rooms



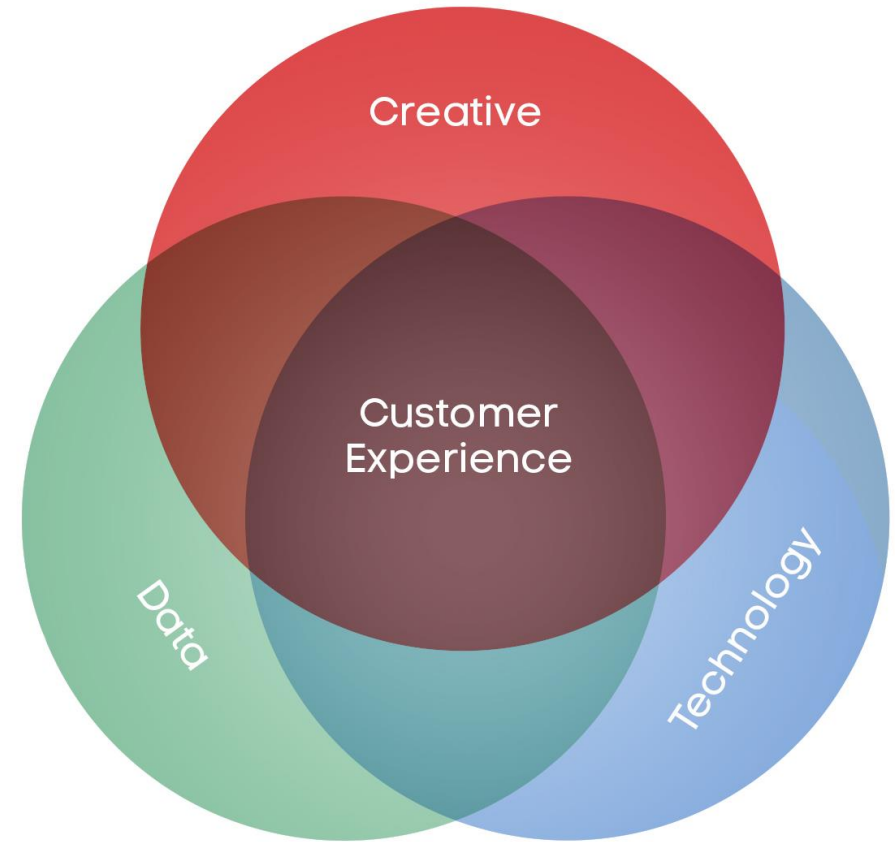
Unfortunately, these gardens are also the new data siloes



Manufacturers are responding by building identity solutions, and strategically deploying audiences



The best news?



SHOPPABLE®