



# KEEPING UP WITH CONSUMERS: **A GUIDE TO CPG CHALLENGES.**



# Keeping up with consumers: a guide to CPG challenges.

## Not the Kardashians.

No, this isn't keeping up with reality stars—we're talking about consumers. Your target market. And you face four major challenges in 2021.

They are:



1. A shift to online shopping.



2. Changing demographics.



3. Weakening brand loyalty.



4. Wellness and sustainability.

Without research, you'll lose market share in each one. So, let's dig in. After all, market research is expected to increase 3% in 2021<sup>1</sup>—you should use it to stay ahead of the competition.





# #1. A Shift to online shopping.

## You know the story.

Things changed. Now, \$1 of every \$5 is spent on eCommerce.<sup>2</sup> Which is great...if you've got a handle on the consumer journey. But, here's a well-known secret—you probably don't.

Why? Because no one did.

## Not until recently.

eCommerce research is no longer a nice-to-have. Your brand needs app + web behavior. Without it, you're missing half the consumer journey. Don't miss out.

Find out exactly what buyers think of your app, website and eCommerce experience. While it's fresh in their minds.

### **A few research ideas:**

1. Evaluate UI/UX for your app or site.
2. Observe buyer behavior to build a strategy of what consumers want.
3. Hear why shoppers chose a certain app, site or product—yours, or a competitors'.

## #2. Changing demographics.

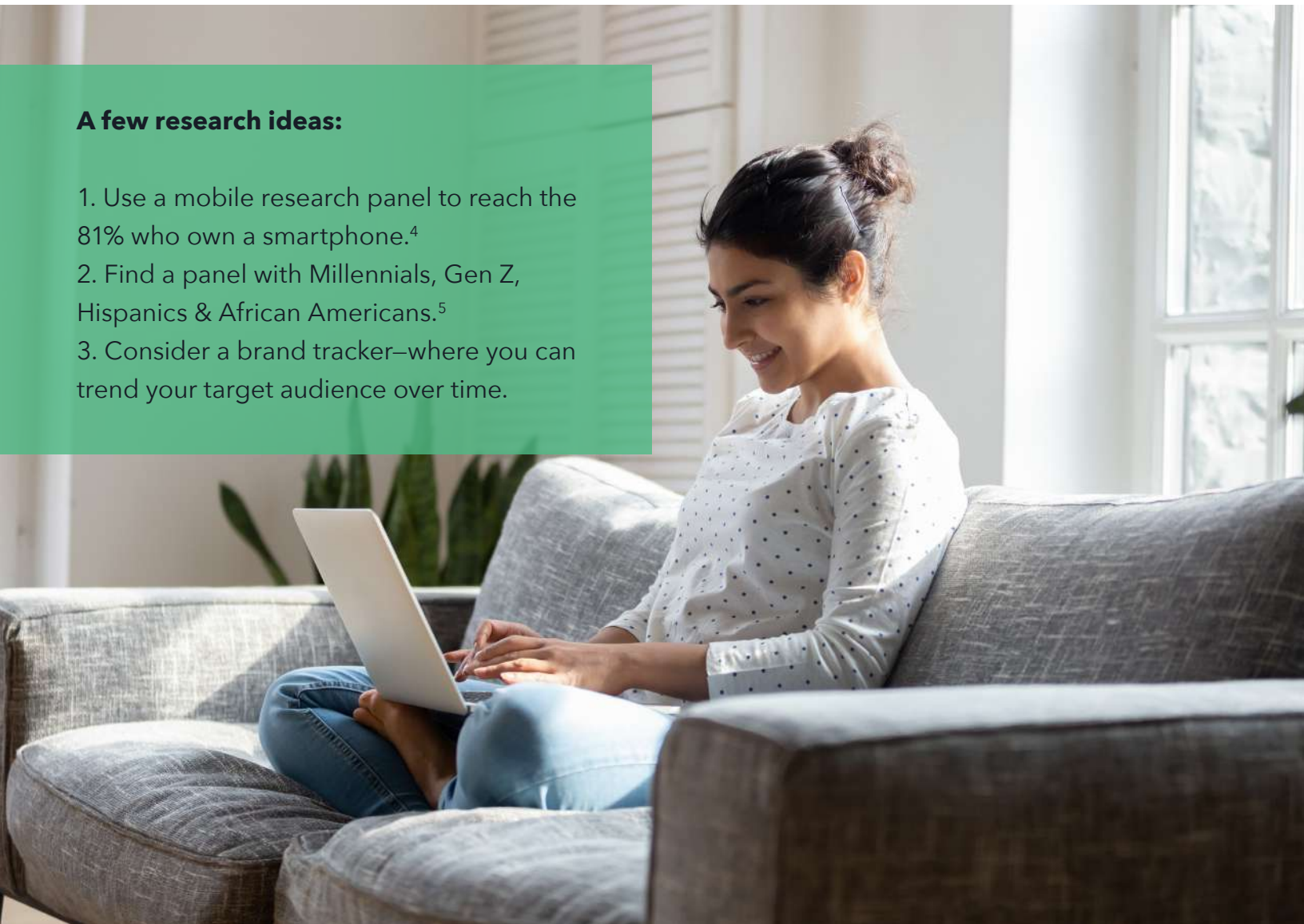
### Here's the truth.

Your consumer changed...and, not just from COVID. The reality is your research needs representation. The U.S. now has an aging customer base and shifting demographics.<sup>3</sup> In fact, Millennials are no longer in the 18-24 segment, that's Gen Z. Do you have this group?

And, you need diversity. By 2045, the country is expected to become majority-minority. That means anytime you're using a consumer panel, you'll want to consider all ethnicities. Why? Demographic, psychographic and socio-economic groups shop differently. To deliver the right message at the right time—you have to know your audience well—and that takes research.

#### A few research ideas:

1. Use a mobile research panel to reach the 81% who own a smartphone.<sup>4</sup>
2. Find a panel with Millennials, Gen Z, Hispanics & African Americans.<sup>5</sup>
3. Consider a brand tracker—where you can trend your target audience over time.





## #3. Weakening brand loyalty.

### You've lost loyalty.

In fact, 72% ditched their favorite brands in the pandemic.<sup>6</sup> Why? They couldn't find what they needed in stock. And, when faced with "to buy" or "not to buy"—they chose a new brand.

Add a million other options, with every brand online, and you've got a crisis. The internet makes it easier for buyers to find what they need, but it does so at the expense of loyalty.

The silver lining here is research. Use it to find out what they value, and then communicate it.

#### A few research ideas:

1. Check out the competition—see how Hinge stole [60% market share](#) from Tinder.
2. Run omnichannel research like this grocery chain did to [double online shopping](#).
3. Test your [ad recall](#) on social media or out-of-home ads to get a pulse on your brand.

# #4. Wellness and sustainability.

## Consumers care about sustainability.

And not just the Millennials. In fact, 91% of people shop for sustainable products.<sup>7</sup> That's people who are walking out of Walmart. Yes, we were surprised by the research too.

The point is...people care. What they put in their mouths, what they wear and what goes in their homes. It all factors into their decision. Your brand needs to pass the sniff test. If they don't feel comfortable with your process, they're not going to buy your products.

### A few research ideas:

1. Talk to in-store consumers to learn about their path-to-purchase.
2. Find out what your brand perception is when it comes to sustainability.
3. Hear what suggestions in-store & online consumers have for your brand.





# Research.

This is your chance. Use the ideas here to uncover what consumers want from your brand. Find out what they're willing to pay for and what's missing in their minds. Then, test. That's what research is all about—learning, adapting, and overcoming.

Now is the time to act.

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