

OpenInfluence

Consumer Packaged Goods Creator Marketing



Creators Can Help Brands
Stake Their Claims in a
Crowded Landscape



Digital ad spending on CPG in the U.S. is forecast at \$41.4 billion in 2023

Consumer packaged goods refers to items that are a part of peoples' everyday lives and must be restocked or replaced on a regular basis, such as beverages, clothes, food, household products, makeup, pet food, shampoo, snacks, and tobacco.

While demand for these products is consistent, the lack of consumer loyalty, the wide availability of different products from different brands, and the low cost to consumers of switching brands or products makes it an extremely competitive environment.

Amid this fierce competition, the sector as a whole continues to grow, with a total value of \$2.06 trillion in 2021, seen rising to \$2.808 trillion by 2030.

Among CPG categories, food and beverages is projected to have the highest growth rate over the next few years due to low shelf life, higher population, and the changing habits of people.

Digital ad spending on CPG in the U.S. is forecast at \$41.4 billion in 2023, trailing only retail, at \$77.31 billion, and Insider Intelligence sees that figure rising to \$45.29 billion in 2024.

While the impact of creators on shoppers' purchasing decisions sparks the temptation to use social platforms solely to drive sales, it is important to remember that people access those platforms to be entertained, informed, and inspired.



@indooroutdoorkat x Arm & Hammer

CPG Trends on the Brand Side

Inclusivity

In recent years, there has been a shift toward more inclusive marketing and product development practices to better represent and cater to diverse consumer segments. Examples include L'Oréal debuting a motorized lipstick applicator for people suffering from tremors or hampered by limited hand and arm mobility, and Rihanna's Fenty adding more foundation shades to serve people of all skin colors. Brands are also moving away from obsolete packaging options such as blue "for men" and pink "for women" labeling.

Finally, more products are being rolled out to address different life stages and issues such as blood circulation, menopause, periods, pregnancy, sexual wellness, and sleep. Brands can reach out to those specific segments through creators that may share their characteristics or focus on content related to them.



Sustainability



Shoppers across the board indicated that sustainability factored more into their purchasing decisions than brand name, and this was even more pronounced with Gen-Z, as 75% said sustainability was important when making purchases, compared with just 49% citing brand name.

Research found that 53% of internet users would choose a brand or store less frequently if they discovered that it wasn't operating sustainably, while 70% said they would pay at least 5% more for products if a fully sustainable supply chain was demonstrated.



@heidiisms x Nature Made

The top reasons for changing brands were protecting the environment, lack of transparency, and climate change. Searches for cruelty-free products and companies have risen by more than 380% during the past 10 years, while queries for "puracy" have skyrocketed by 5,200% over the same period. Nearly 60% of shoppers said the first action brands should take is to reduce the amount of plastic in packaging. Creators with a reputation for "green" content can help brands amplify their efforts on these fronts.

However, brands must avoid greenwashing, which Sustain.Life defined as, "A deception tactic whether intentional or accidental employed by companies that can cause customers to believe its products, services, or mission are more environmentally impactful than is true."

Self-Care

The self-care ecommerce market in the U.S. posted \$53.7 billion in revenue in 2021, and that total is projected to rise to \$79.3 billion by 2025.

Consumers have been using several types of products simultaneously, and 68% say they are always looking forward to self-improvement. Millennials spend more on self-care than any other generation, twice as much as baby boomers.

Skincare products are outselling makeup for the first time ever, while CBD products, which did not become legal across the U.S. until 2018, represents a fast-rising category.

There is certainly no shortage of creators who specialize in self-care products, and finding a good match with one of them can prove beneficial to a brand. Mintel senior beauty analyst Clare Hennigan told Retail Brew that "the medicalization of beauty," or "BeautyRx," is a trend to watch in 2023, adding, "In the past, we've seen beauty-focused influencers, or reality television stars. We're now seeing dermatologists and cosmetic chemists really garner and grow followings and attract attention from consumers."



@nilsaprowant x Jove

CPG Consumer Trends



Changing habits

Inflation, the pandemic, and supply chain issues have drastically altered consumer spending habits over the past few years. As a result, consumers are seeking ways to slash consumption, with 44% cooking at home more and ordering online less frequently, 40% looking to minimize waste, 31% only buying products on special offers or discounts, and 26% striving to eliminate unnecessary purchases altogether.

Linking with a creator who shares tips on money-saving ideas or similar concepts can help a brand show that it recognizes the challenges faced by consumers.

Personalization

Consumers today have increasingly diverse preferences and expect products and experiences tailored to their individual needs. They seek unique and personalized offerings that align with their lifestyles and personal values. Personalization allows CPG brands to cater to these evolving consumer demands and deliver personalized products, packaging, and shopping experiences. And working with creators who are known for the types of products they are personalizing helps bring the message home.



@megan_annalisee x Huggies

Convenience and Simplified Purchasing



Lorem ipsum

Convenience will be a major factor in purchasing decisions this year, with studies finding that delivery speed influences 62% of shoppers, 30% expect same-day delivery, 85% turn to other options when delivery times lag, and 48% indicate a willingness to pay more for an item if it ships faster.

The subscription economy is projected to reach \$1.5 trillion by 2025, and this direct-to-consumer model lets brands bring in predictable and recurring revenue, collect first-party data on customers, boost engagement, curate product selections, bolster relationships with customers, and continuously innovate products and improve service.

Subscriptions often introduce consumers to new and unique products or experiences. Whether it's curated subscription boxes, surprise elements, or access to exclusive content, subscriptions can offer a sense of discovery and novelty, which creators can add to with their content. Consumers enjoy the anticipation of receiving something new and exciting regularly, enhancing their overall experience. BOPIS (buy online, pick up in store) remains strong despite the lifting of pandemic restrictions.

With Gen-Z accounting for 40% of online shoppers, it comes as no surprise that omnichannel sales are on the upswing, with SellerApp finding that brands offering robust omnichannel experiences can see total revenue climb by as much as 19%, while Porch Group Media discovered that brands incorporating at least three channels into their retail strategies achieve purchase rates 287% higher than single-channel brands. They can also accomplish that by offering personalized experiences through partnering with creators.

Creator Marketing: The CPG Opportunity



@bevcooks x crystalfarmcheese

CPG brands are spending nearly \$40 billion annually on advertising, and 64% of brands in the sector planned to increase their retail media spending in 2023, with much of that budget earmarked for creator partnerships and social video content. According to Influencer Marketing Hub, 60% of marketers believe creator-generated content performs better and drives more engagement compared with branded posts.

More brands are expected to enter partnerships with creators, and those partnerships often include stellar results from micro-creators and mid-sized creators, enabling brands to take a deliberate approach and ensure that creators they collaborate with mesh with the brands and their values.

Best Practices:

Pre-Campaign Strategy

- Clearly articulate what you want to achieve through creator marketing, whether it's increasing brand awareness, driving sales, or reaching a specific target audience.
- Identify creator marketing opportunities that will advance creator share of voice objectives. Spot creator content engagement driving themes to inspire possible opportunities.
- Diversity creator campaigns across different platforms.
- Consider A/B testing creator reach group performance, acknowledging category white spaces.
- Align target audience reach goals with category creator reach demographic data, opportunities, and white spaces in mind.
- Craft creator campaigns that include online and offline elements, such as teaming up with creators on in-store incentives or discounts for shoppers, and hosting in-person events in stores, like meet-and-greets or question-and-answer sessions, promoting those events via online channels.

Content Creation




- Content should address the different stages of the customer journey, as well as potential customers' pain points, wants, needs, and concerns.
- Provide creators with clear guidelines. Eg: Include a clear visual of the brand and product within the first few seconds of a video or within the first frame of your content in order to enhance brand recall.
- Along with prominently featuring the product, leaning on the creator to add their own personal style and creativity to the content opens the floor to more unique storytelling and personal connections to their audiences, building value around your brand beyond face value.
- Consider content formats such as recipes/tips, behind-the-scenes looks at production, partnerships with creators who share common values (such as sustainability), and live tutorials where shoppers can participate and experiment.
- Tap into creative ways to win the hearts of consumers, and marketing efforts that engage with the consumer directly. Explore creator content that conveys products in a relatable, fun, or even gamified way.
- Expand reach through paid boosting and targeted audiences: Further leverage creative content by bolstering campaigns through investing in paid media. This drives the campaign to the pages of specific audience groups and categories, and it increases visibility of your content through platforms' algorithms.

Five Reasons Why Creator Marketing Works for CPG Brands


1

Creators impact purchasing decisions: Roughly four out of 10 social media users follow creators, and about three out of 10 have made purchases after seeing creators' posts on social media. That figure rises to 53% for those who follow creators. Meanwhile, 54% of social media users between 18 and 29 say creators impact their purchasing decisions a lot or a little, rising to 62% for women in that age group. Insider Intelligence pointed out that the path to purchase from creator content is not linear, meaning that the number of people who made purchases inspired by creators is likely even higher.




2

Creators help brands build trust: More CPG brands will seek to build trust by turning to customer reviews and ratings, encouraging people to post them and responding to both positive and negative feedback. Brands will take steps to avoid being the subject of de-influencing videos by ensuring that their products are safe, that they function as they are described in marketing outreach, and that they are readily available.




3

Video marketing evolves: Video marketing is going beyond repurposing the 30-second videos that have emerged with the rise of Reels on Instagram and Facebook, TikTok, and YouTube Shorts, with brands seeking to both inform and entertain, with the help of creators.




4

Social commerce delivers convenience: Consumers can discover products through creators on social platforms and then use the platform's commerce infrastructure to purchase those products with a few clicks, without having to leave the app they are using.



5

Live shopping continues to emerge: Platforms with live shopping offerings take the convenience aspects of social commerce mentioned above and add the ability for creators to really inform consumers about products by demonstrating how they work and discussing how they personally use the products. While Meta scaled back live shopping on Facebook and Instagram last year, TikTok is making its push into the sector in the U.S.



CPG Campaigns in Action:

Nutri-Grain

About the campaign:

Nutri-Grain fits in everything, from backpacks to back pockets. Most important, it also fits into busy family lives.

Platforms:

Instagram and TikTok.

Strategy:

Let's get real: Every parent knows that their day can go from zero to crazy at any moment when it comes to taking care of the family. We worked with parents and family influencers to show how Nutri-Grain is a smart snack choice for any family and easily fits into their everyday routine.

WHAT WORKED

- Clear visual featuring of the brand within the first few seconds of content ensured that the product did not get lost within the storyline.
- Natural integration of the product into real-life scenarios made it more relatable for parents, tapping into everyday experiences they were familiar with.
- Creators' strengths were leveraged to enhance storytelling, whether it be a comedic approach, a more personal story, etc.



@greyson_land



@shumibrody



@greyson_land

CPG Campaigns in Action:

M&M'S Caramel Cold Brew 2023

About the campaign:

To drive sweepstakes entries and promote M&M'S new Caramel Cold Brew flavor, a diverse group of nine coffee-loving creators was tapped to create content that leaned into coffee culture insights and highlighted the new flavor in celebration of National Cold Brew Day.

Platforms:

TikTok and Instagram. The campaign also included added value shares on Pinterest, Facebook, YouTube Shorts, and Lemon8.

Strategy:

The brand was looking to get creators to engage with the product through one of the following ways: Showcasing themselves creating a caramel cold brew beverage inspired by the new M&M'S flavor; playing with the idea of their name being misspelled on their coffee cup when they order out; or poking fun at how people are obsessed with cold brew and want it year-round, even when it's freezing in the winter.

WHAT WORKED

- Seeing the creators try the product for themselves and offer their authentic opinion on the taste, while showing their faces in content.
- Adding the M&M's branding in the first two to four seconds of content, which allowed the branding to come across but not be in the viewer's face.
- Making sure to always show the product packaging alongside the product for branding and aesthetic purposes.
- Including only two or three key messaging points, as anything more would come off as too "ad-like."
- For snacks, treats, etc., being aware of the serving size, so that creators didn't showcase overconsumption in content.



@cylovesfrogs



@hungryhipsters



@bryanrussellsmith

CPG Campaigns in Action:

Mars Petcare

About the campaign:

With so many brands across the petcare space, including treats and food for dogs and cats, Mars Petcare was looking to activate dog and cat creators, along with human-first creators with pets, across a variety of posts to support product launches, highlight existing products, celebrate pet-focused holidays, and support philanthropic endeavors.

Platforms:

Instagram and TikTok.

Strategy:

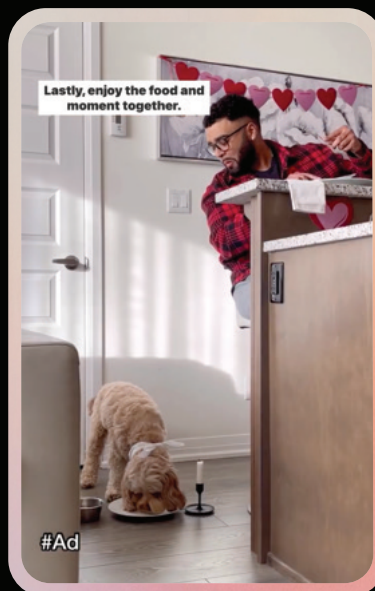
Leverage pet-loving creator ambassadors and seasonal partners to build brand awareness, engagement, and purchase intent for a variety of Mars Petcare brands (Greenies, Pedigree, Cesar, Temptations and Mars Petcare US).

WHAT WORKED

- Using trusted brand ambassadors for product launches: As users become more discerning about buying new pet CPG products, especially pet food, ambassadors who have previously posted for the brand and built trust with their audiences are ideal partners, especially when driving lower-funnel metrics like shares and saves.
- Showcasing the packaging and product worked well to highlight the branding and generate audience recognition. Including the packaging upfront was especially key for a product like pet food, which may not be aesthetically pleasing when served.
- With many different varieties of food, we allowed creators to choose which flavor they would like to be sent, which, in turn, resulted in content that felt authentic since pets were shown truly enjoying the food.



@daisythegoldiee



@lunathemini Cockapo



@maui_thegoldenpup

Check out the strategy team's comparison of four brands in the sector using Go Prism



Open Influence is a global award-winning managed service creator marketing agency focused on connecting humans through authentic content and generating value for brands across all social media channels. Reach out to us today to begin finding and engaging with your community in your next campaign.