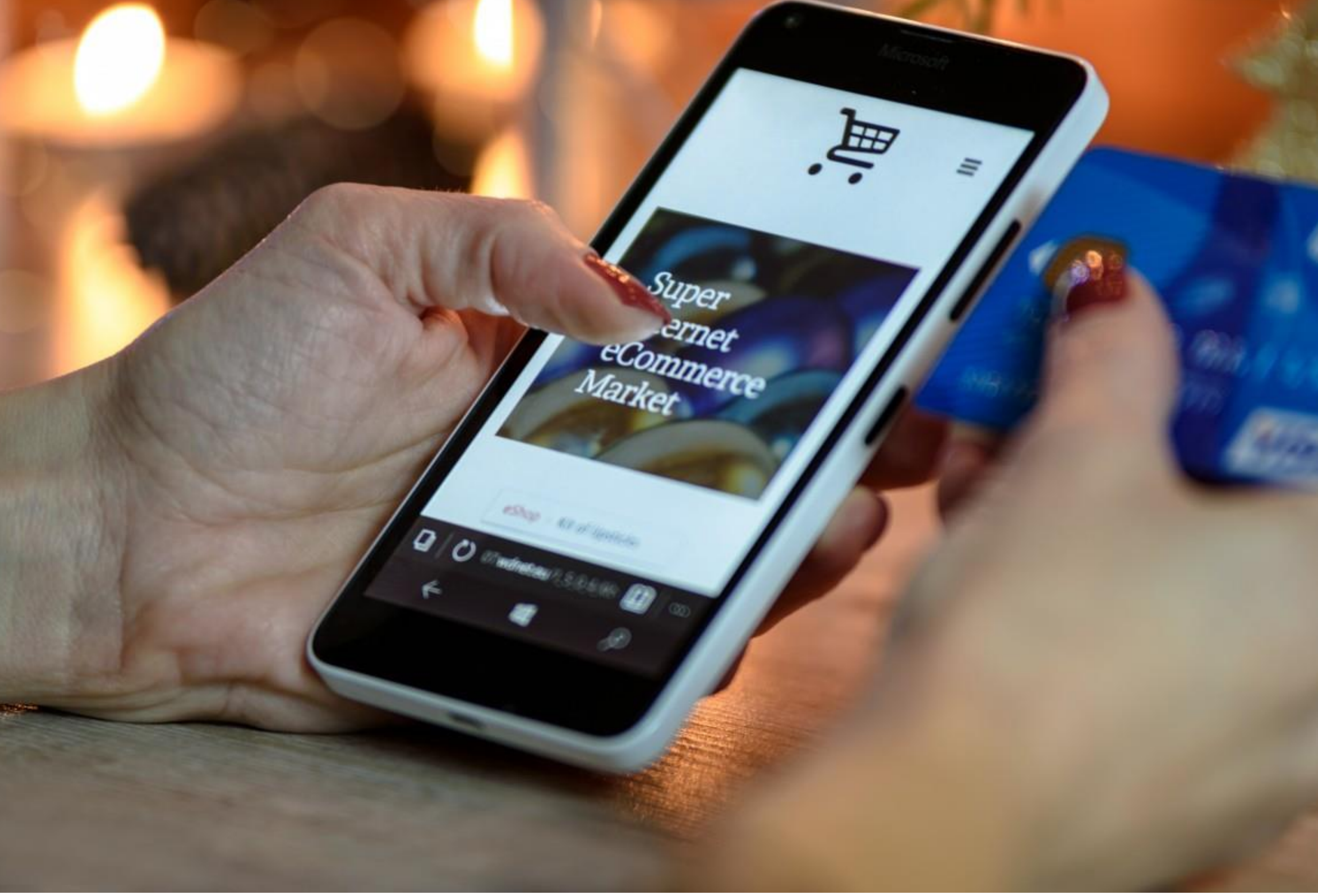

Consumer Packaged Goods

Influencing digital CPG shoppers

fractal
INTELLIGENCE FOR IMAGINATION

The Big Picture

CPG has been underperforming in e-commerce. While online sales are picking up, the growth is skewed to a few categories with most CPG categories still lagging.

The objective was to identify the reasons for the low growth rate of CPG sales online and devise behavioral science informed strategies to influence shoppers.

Client
Leading CPG player

Challenge
Influencing digital shoppers to buy target categories

Solution
Understood behavioral barriers for shopping target categories online and utilized that understanding to create strategies to influence e-commerce shoppers' purchase and subscription for target categories.

Transformative Solution

The vast majority of prevalent research tools depend on respondent's ability to introspect, deliberate and consciously provide responses and analysis. Unlike these, FinalMile's research methodology is game-based to go beyond "Say-Do" gaps - the difference between what consumers say and what they do.

Conundrum Ethnolab research tool is a group exercise designed to eliminate participants' personal filters and capture responses representative of the emotions, mental models and biases underlying the behavior. We deployed the Conundrum Ethnolab in New York and in Chicago suburbs among a group of 85 consumers to understand true drivers of consumer decisions and the barriers to shopping online for CPG products.

The Change

As a result of the engagement, we were able to identify the following insights for clients to take action on:

Most CPG categories are bundled together as 'grocery' because of the long-standing association of buying them together with other perishable groceries. Consumers don't differentiate between non-perishable CPG goods and fresh grocery because of this association. Consumers re-evaluate their shopping modes and choices only when their context changes. Until then this dominant 'grocery mental model' leads to consumers not even evaluating online channels for CPG purchases.

This process revealed that consumers are increasingly shifting to shop on mobile rather than laptops or larger devices. And this holds for CPG/grocery as well. Mobile-based shopping enables interstitial shopping - i.e. shopping between tasks. In this interstitial mode, consumers are far more contented than when they are shopping in a brick and mortar environment. This highly satisficing mindset makes shopping narrow and shallow - searching and adding one thing at a time (which gives very little chance for other categories - than the one being bought - to be considered) and making shallow comparisons on prices.