



THE NEW CONSUMER MARKETING PARADIGM

Jekyll+Hyde
LABS

For decades, the marketing industry and consumer-packaged goods (CPG) manufacturers have viewed consumer marketing as needing to be directed to two distinct marketplaces: the first is the direct-to-consumer market and the other is brick-and-mortar retail. Direct-to-consumer was originally focused primarily on novelty products and new company product roll outs, while the more established brands worked through major retailers.



However, like many things in life, the passage of time brings change. Our industry is no different. Thus, we now enter the world of omnichannel retail. Although technology was already moving us toward the omnichannel model, COVID-19 and the associated societal upheaval put us on the fast track and accelerated this process by five years or more.

What Does Omnichannel Retail Mean For Brands?

What is important to know?



Physical Ability

In today's brave new world of retail, physical availability is key. We have to meet every consumer where they are. A customer who shops on Amazon today can just as likely buy the same item at a brick-and-mortar retailer next month. There is no difference between online and retail in the mind of most consumers; it is all about what works for them today.

As marketers, we need to have our product as physically available as possible. This means we are no longer simply working to have as much brick-and-mortar distribution as possible, but we also need to treat online retailers with the same thinking.



Amazon is Not the Only Player

Though it has been meteoric, the rapid growth of Amazon is slowing, and they are settling into a steady market share. In fact, there are actually some categories of CPG in which Amazon has lost ground, as many of the big retailers are finally getting their digital act together. Walmart.com is seeing rapid growth and Costco.com is positioning themselves as a major online retailer.



3

Be Everywhere

We now need to get our products listed on all the appropriate websites. If a consumer is shopping Walgreens.com and we are not there, they will buy another brand, the same as they do in brick-and-mortar retail.



4

Don't Forget Your Own Site

There is no question that running your own ecommerce site is inconvenient, but it's worth the trouble. Fulfillment and shipping can be contracted to third-party players. These firms will do all of the work associated with getting your product to the end user.

There are benefits in having your own ecommerce site:

- a. First, you will be collecting the retail price of the product, making a larger margin than selling to retailers at wholesale.
- b. More importantly, you will be developing your own database of customers. These are people that you can market to directly, using them as market research and even activating them with exclusive offers to drive traffic to a new retailer.



Caution! Being on a Platform Does Not Mean Spending Big on the Platform

There are times when in-platform advertising makes sense, but you need to tread lightly here. Keep in mind that in-site advertising is less about *you* making more money and more about the *platform* making money.

Any in-platform advertising needs to be tested carefully to make sure it is really producing. The truth is, you do not need to spend a fortune on the site to see sales.

Over the years, reaching consumers has cycled from the General Store to catalogues, from downtown shops to suburban malls and online. Omnichannel retail is just the latest change – a change that brings both peril and opportunity. For wise, proactive brands, the next big opportunity for greater success is just around the corner.





At Jekyll + Hyde Labs, we live and breathe consumer packaged goods.



No advertising agency in America has the depth of knowledge or the connections within the industry that we do. We love entrepreneurs and want to help every brand succeed.

If you think you could benefit from learning more about us and what we can do for you, please reach out.

JandHLabs.com - 800.500.4210

cpg insiders

The CPG Insiders Podcast brings the insights and expertise that Jekyll + Hyde has gained and leveraged across more than two decades in the advertising business, becoming the top agency in the country for CPG challenger brands. The show offers useful perspectives on creative and media strategies, product packaging, retailer needs, trends, traps to avoid and more about what it truly takes to succeed at retail.



CPGInsiders.com