

Exploring the Underutilization of Data Among CPG Companies

Data: The Untapped Asset for CPG Companies

- By 2030, CPG manufacturers will invest **\$23.8 billion in digital transformation**¹
- Spending by CPG producers on data and analytics services is expected to increase from **\$500 million in 2021 to \$4 billion in 2030**¹

\$500 Million
2021

\$4 Billion
2030

Challenges in Effectively Utilizing Data

People

- Companies are experiencing shortfalls in skills, particularly in mid- to junior-level roles
- Lack of insights about data is leading to poor leadership decisions since analytics and data investments are often inconsistent with a company's annual business objectives, leading to subpar outcomes
- Data literacy is mainly limited to subject matter experts
- Consumers have trust issues and fear manipulation of data

Low ROI on data investments since only 40% of CPG companies with digital and analytics investments are seeing returns above the cost of capital.²



Processes

- Less than half of CPG organizations having a complete picture of their data inventory
- Lack of alignment between business and IT teams
- Lack of sustainable operations and resilient supply chains
- Lack of trust and coordination between departments in using data, leading to inconsistent consumer targeting and disparate consumer profile data across organizations

Only 40% of CPG organizations have the capability to combine multiple data sources.³

Technology

- Inadequate technology infrastructure to leverage data
- Limited ability to apply analytics-based business intelligence and AI solutions to data assets

Businesses that utilize cloud technology are 4x more likely to confirm that they face no obstacles in obtaining cloud transformation value. These benefits include enhanced decision-making, productivity, flexibility, resilience, and cost savings.⁴



1

The future lies in reducing the time to insights while transitioning away from legacy systems and implementing AI and automation.³

2

By moving data to cloud-based deployments, businesses may often test and review their products and services based on insights provided by tech-driven tools.

3

CPG companies have been compelled to reconsider their decision-making strategies due to privacy legislation like the GDPR in Europe and the CCPA in the US. To enable new business models, companies must maintain connections with external data ecosystems and engage in data sharing.

6

Companies should create a data-powered culture to empower teams and support data-driven decision-making for a more significant impact.

4

Companies need to comprehend their data pool to succeed with data analytics fully.

5

Data, analytics, new technology, and tools can enable coordination and collaboration across a widely dispersed manufacturing network.



Partner with LatentView Analytics to analyze real-time data to gain insights into consumer behavior and outline data-driven strategies.