

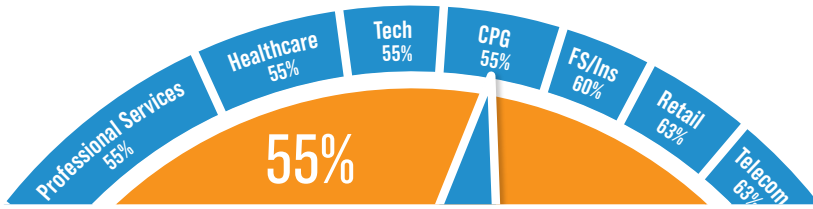
DIGITAL PULSE— CONSUMER PACKAGED GOODS

“Marketing dominates, but competition for digital holds back Consumer Packaged Goods organizations.”

Unlike other consumer organizations, more Consumer Packaged Goods (CPG) companies have digital strategies led by Marketing than by a CEO. And while Marketing has primary ownership over the majority of digital functions within CPG organizations, executive leaders cited Departments Competing for Ownership of Digital and Functional Silos as among the most significant barriers to effective digital business. In the next two years, these leaders believe that in addition to Marketing, the IT, Sales, eCommerce and Business Operations functions are all going to see significant changes as a result of digital technologies. To add to this challenge, fewer than a quarter believe they have the right people in place to prepare for what’s to come.

Digital Disruption Barometer

Consumer Packaged Goods sits roughly in the middle of the disruption barometer, at the same level as Business and Professional Services, Healthcare and Technology.



55% of Consumer Packaged Goods executives surveyed responded that their business would be moderately or massively disrupted by digital in the next 12 months.

Five Functions Most Impacted by Digital

Consumer Packaged Goods executives expect digital to have a sweeping impact across tech-minded and customer-facing functions.

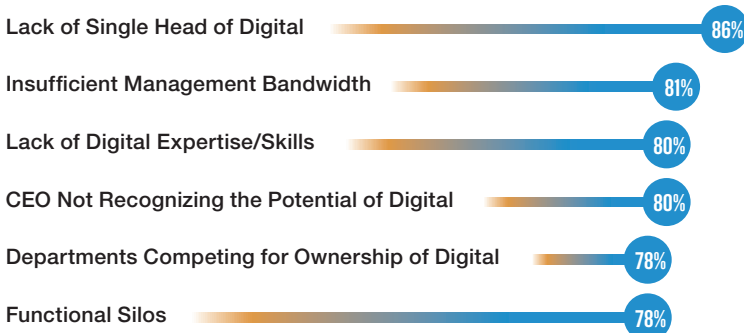
Percentage of CPG Executives: Functions Most Impacted by Digital in the Next 12 Months



Five Top Barriers to Effective Digital Business

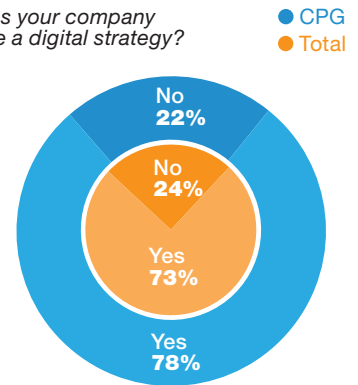
When asked what the biggest barriers to effective digital business are, Consumer Packaged Goods executives emphasized challenges related to skills, leadership and organizational structure.

Percentage of CPG Executives Rating Barriers as of High or Moderate Significance

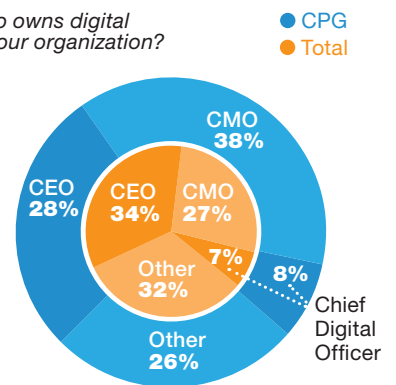


Structure and Strategy

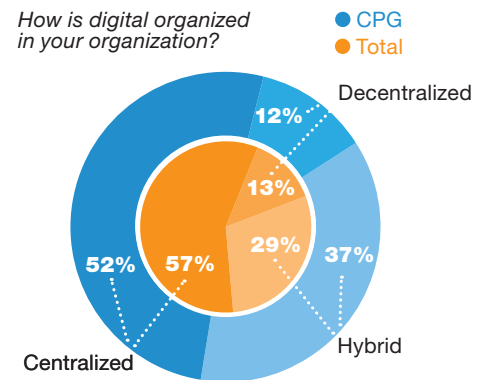
Does your company have a digital strategy?



Who owns digital in your organization?



How is digital organized in your organization?

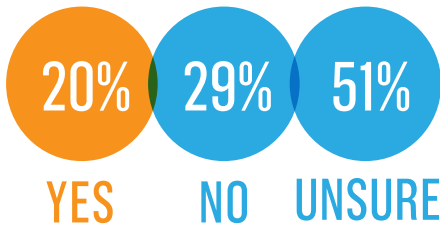


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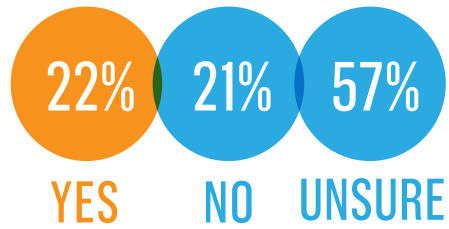
The People Challenge of Digital

People are the driver of digital in an organization. The below shows how many Consumer Packaged Goods executives agreed and disagreed with two key questions.

Do you have the right people to define your digital strategy?



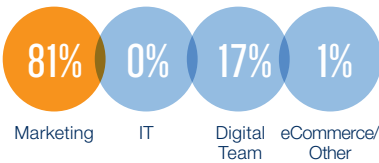
Do you have the right people to execute your digital strategy?



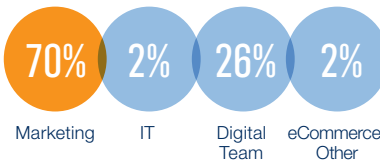
Ownership of Digital within Organizations

Across organizations, various elements of digital are owned by different parts of the organization. The below shows the percentage of functions that own specific elements of digital in respondent organizations. While Marketing often was cited as an owner, the data demonstrate that little consensus has emerged across Consumer Packaged Goods organizations as digital's logical home(s).

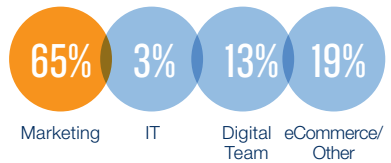
Social Media Marketing



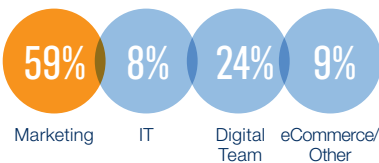
Digital Media Selection



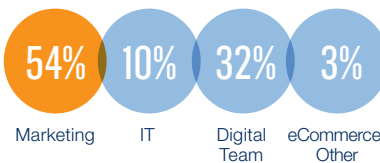
Customer Mobile App Development



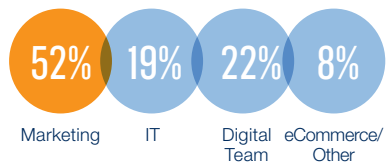
Social Media CRM



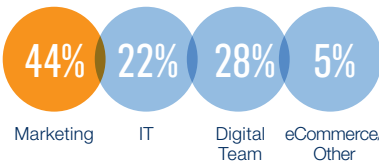
Customer Experience Strategy



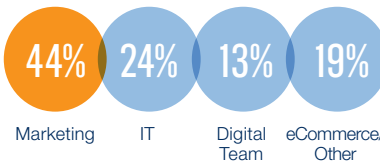
Web Design



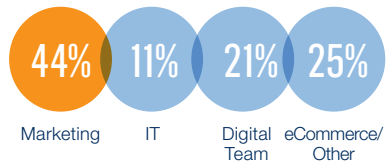
Customer Analytics



Employee Digital Engagement

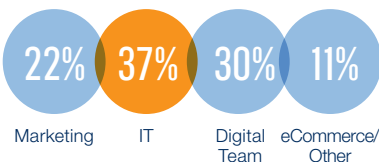


Vendor Selection

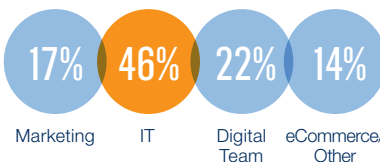


Notable exceptions include **Web Strategy** and **CRM**, which most often are owned by IT.

Web Strategy



CRM



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