

CPGenius Marketing
Shopper Insights
for Success

CRITEO

Stock up on CPG insights

CPG leaders are adopting advanced ad tech solutions at speed to stay ahead of today's rapidly evolving consumer needs. From leveraging generative AI to advancing the phygital experience with commerce media, CPG marketers are committed to enhancing the shopper journey like never before.

To help marketers connect with shoppers everywhere shoppable moments happen, Criteo surveyed over 1,200 US shoppers and analyzed data from hundreds of CPG retailers and brands.



HERE'S WHAT WE UNCOVERED ABOUT TODAY'S CPG LANDSCAPE:

CPG retailers saw their online transactions rise 13% in July 2023 compared to one year ago.

Two out of three US consumers report spending more on groceries in Q3 2023 than they did last year.

About one-third of consumers shop from both online and in-store grocery channels.

In November, customer acquisition opportunities rise and shoppers become less likely to browse multiple brands.

Grocery and Health & Beauty consumers significantly shorten their shopping journeys during the holiday season.



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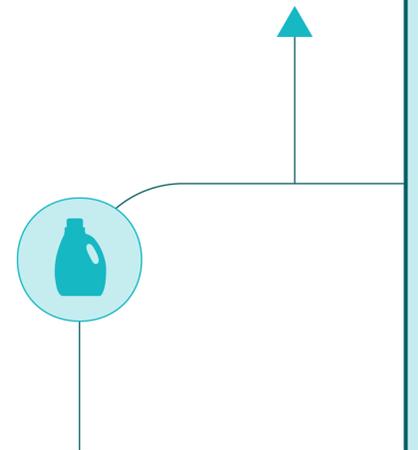
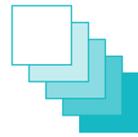
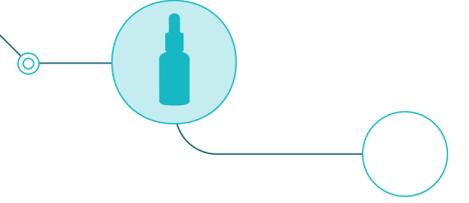
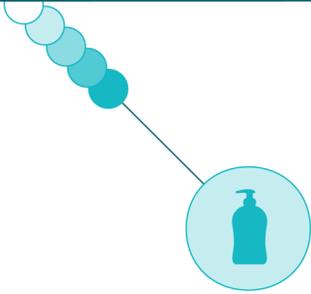
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Product Trends**



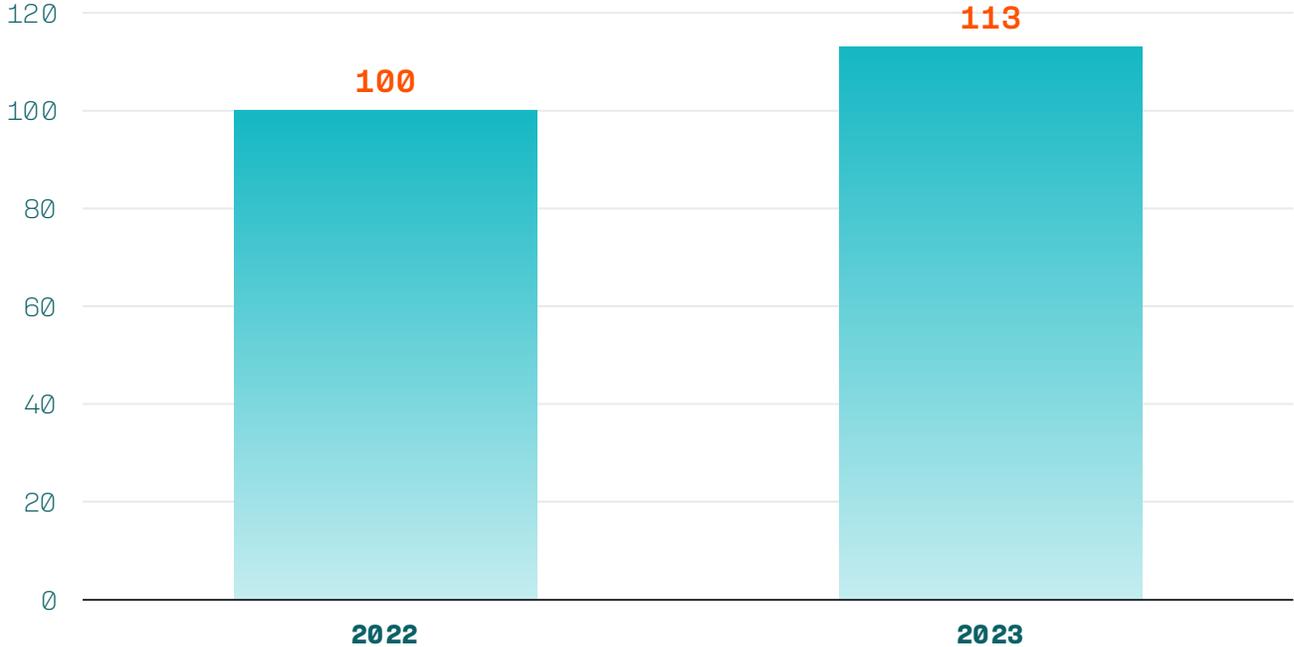
The State of CPG

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Online sales show steady growth

Indexed Online Transactions, July 2022 - July 2023



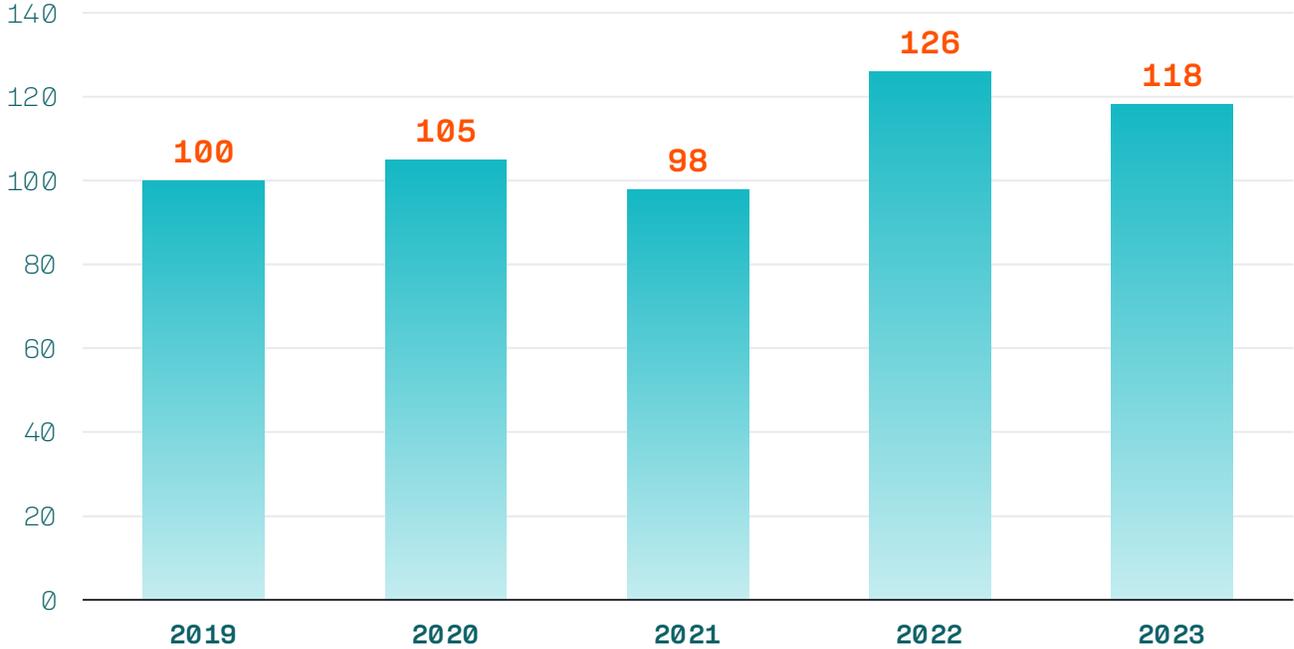
- CPG retailers saw their online transactions rise 13% in July 2023 compared to July 2022.
- During the same period, their conversion rate rose 12%, and their online revenue increased by 5%. While inflation is easing, consumers are increasingly shopping for CPG products online.

Source: Criteo Commerce Data - CPG (Food & Non-Food) retailers, July 2021 compared to July 2022. All site types. United States.



After a strong increase in 2022, average order values are down

Indexed Average Order Value, July 2019 - July 2023



- AOVs of CPG purchases are down this year, showing a decrease of 6% in July 2023 compared to last year.
- However, AOVs are above pre-pandemic levels, with a significant 18% increase in July 2023 compared to in July 2019.

Source: Criteo Commerce Data - CPG (Food & Non-Food) retailers, July 2023 compared to July 2022. All site types. United States.



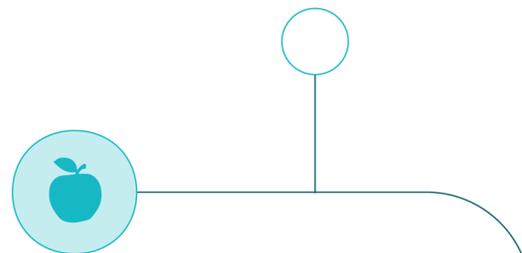
Shoppers are spending more on groceries

Over the last six months, have you spent more or less on the following compared to the same period last year?

	Spent less	Spent more	Spent the same amount
Groceries	8%	66%	26%
Health & Beauty/ Personal Care	20%	33%	47%

- Two-thirds of consumers report spending more on groceries in Q3 2023 than they did last year.
- Nearly half of consumers report spending the same amount on Health & Beauty/Personal Care products over the last six months.

Source: Criteo Shopper Survey, Insights on Groceries, Q3 2023, US, N=1,209



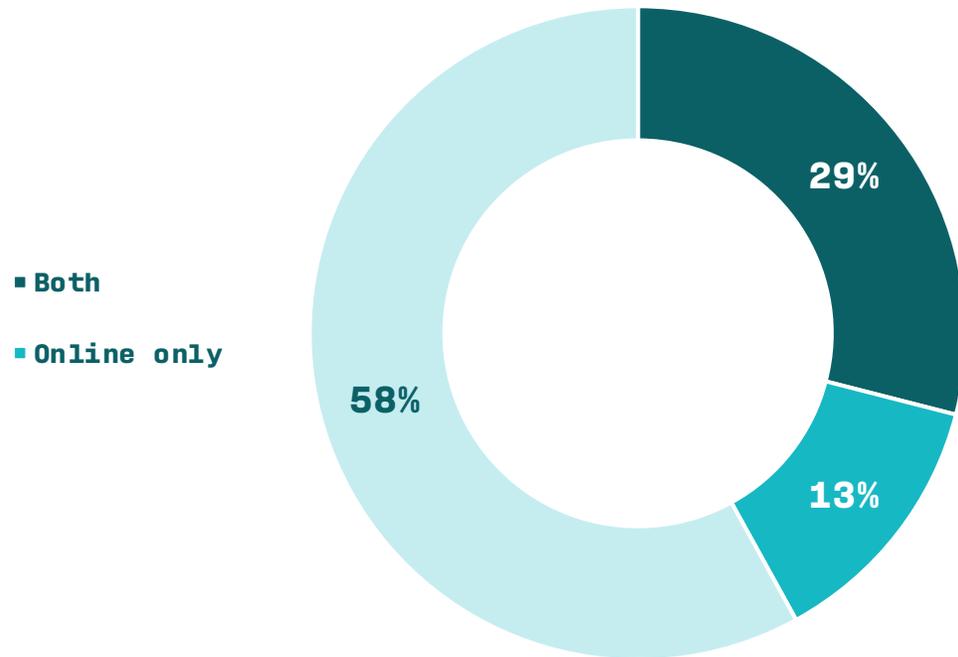


Customer Journeys & Preferences

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Shoppers enjoy buying groceries on multiple channels

Transaction Channels for Groceries: Q3 2023

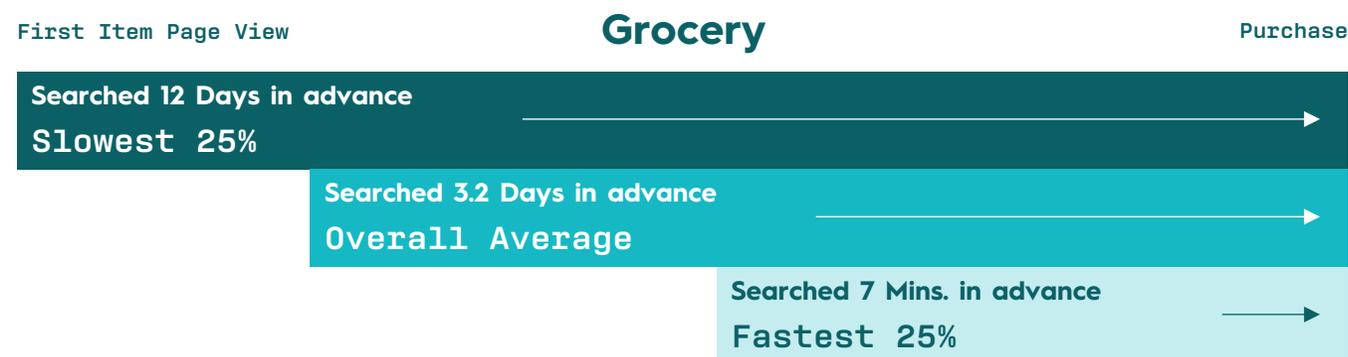


- Physical stores continue to dominate as the preferred avenue for grocery shopping, but nearly one-third of consumers now use a blend of online and in-store grocery channels.
- 13% say that their recent grocery purchases happened online only.
- Cater to consumers' preferences by creating a seamless shopping journey that connects multiple channels.

Source: Criteo Shopper Survey, Insights on Groceries, Q3 2023, US, N=1,062



Slow and steady wins the shopping journey



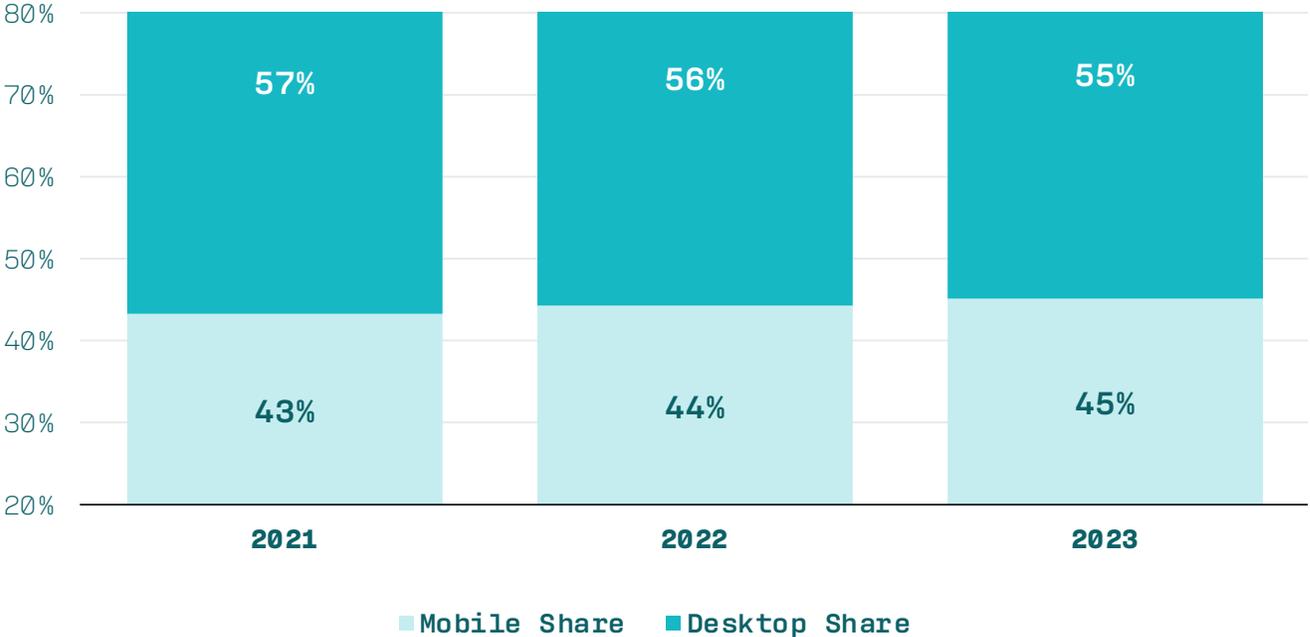
- For Health & Beauty goods, the quartile of shoppers with the longest path to purchase between a first product page view and a completed transaction took on average 17 days. The path to purchase for \$200+ items is 9% longer than for items less than \$60.
- For Grocery, the quartile with the longest path to purchase lasts on average 12 days. The path to purchase for \$100+ items is a sizable 29% longer than for items less than \$20.
- Peak season campaigns should plan for touchpoints throughout the longer window. That means launch campaigns even earlier, particularly for higher price point items.

Source: Criteo Commerce Data - US, Key retailers by vertical (CPG - Health & Beauty and Grocery), average time from first product page view to completed transaction during the Black Friday weekend. Quartiles represent 25% of fastest buyers, & 25% of longest buyers



Desktop is preferred for CPG purchases, but mobile is catching up

Share of Mobile Sales, July 2021 - July 2023



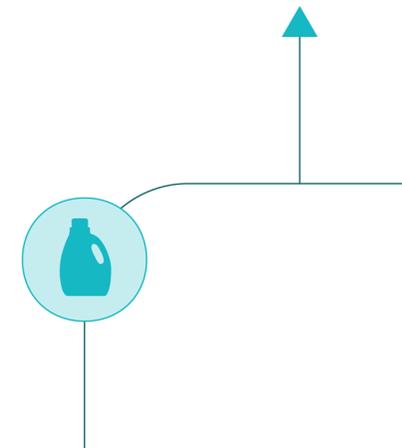
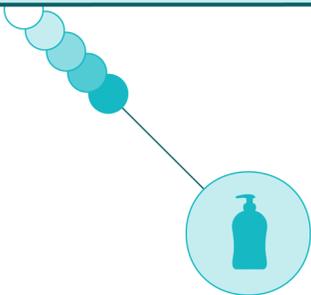
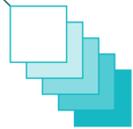
- The share of CPG transactions completed on mobile increased one percentage point every year.
- With mobile becoming an integral part of the shopping journey, marketers must connect desktop and mobile experiences to maximize reach, conversions, and customer satisfaction.

Source: Criteo Commerce Data - CPG (Food & Non-Food) Retailers, Desktop vs Mobile (App excluded). July 2021 - July 2023. United States.



2023 Holiday Preview

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Shoppers browse multiple CPG brands, but less so during the holidays

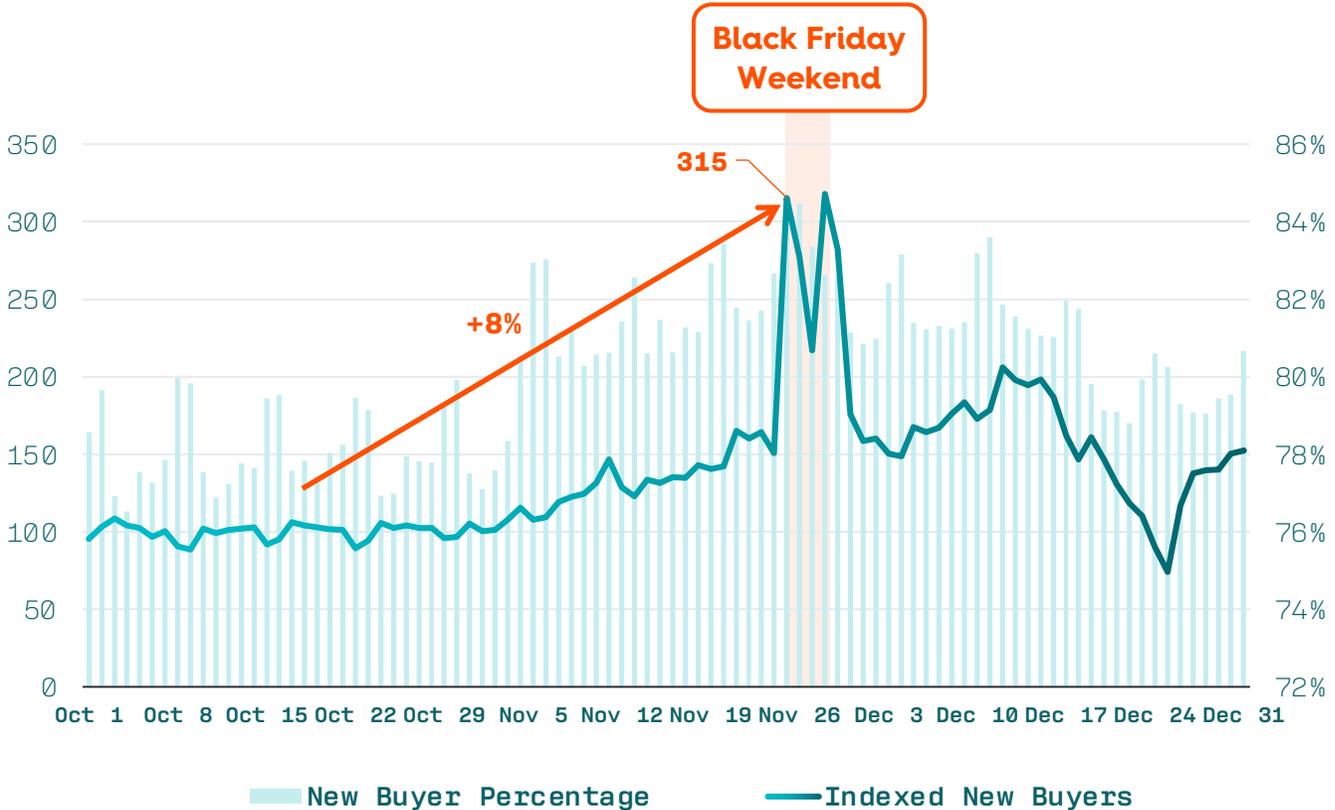
Category	Share of buyers who viewed multiple brands (Nov 2022)	Share of buyers who viewed multiple brands (July 2023)
Perfume & Cologne	39%	59%
Food Gift Baskets	27%	54%
Vitamins & Supplements	30%	54%
Makeup	43%	52%
Skin Care	36%	51%
Candy & Chocolate	32%	51%
Medicine & Drugs	22%	42%
Cookies	26%	42%

- During the non-peak shopping season, CPG consumers check out multiple brands before they make a purchase.
- However, consumers become less inclined to browse during the rush of Black Friday deals.
- For product categories where people are more likely to become multi-brand browsers, cut through the competition with compelling offers they won't want to pass up.

Source: Criteo Commerce Data – Path to Purchase analysis at category level of shoppers with purchases during the last week of July 2023 compared to Black Friday/Cyber Monday Weekend 2022 and their browsing behavior for 12 weeks prior to each respective purchase window. US.



New buyer opportunities kick off in November



- CPG purchases from new buyers start to increase in November and remain high through December.
- Given that shoppers are more open to considering new brands in Q4, plan to use ad formats and placements that will capture their attention—focusing on impressions rather than conversions to maximize results.

+215%
New CPG buyers on Black Friday

+8%
Increase in the share of new buyers on Black Friday

Source: Indexed sales by new buyers compared to the first 4 weeks of October 2022. CPG, all site types, United States. The share of new buyers increases from 78% to 84% during the period (6 pts, 8%).



As the holidays approach, consumers shop with urgency

Decrease of the average shopping journey length for purchases of CPG goods in November vs. October



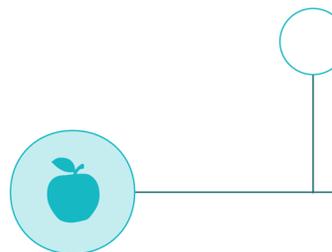
Health & Beauty



Groceries

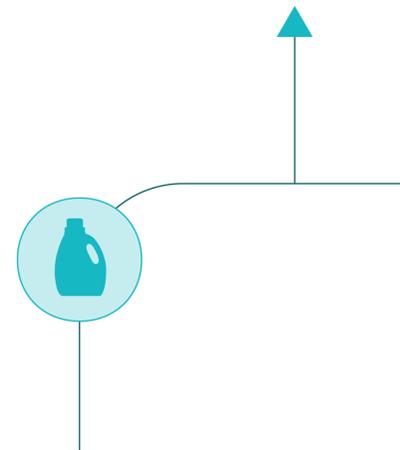
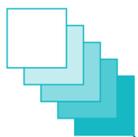
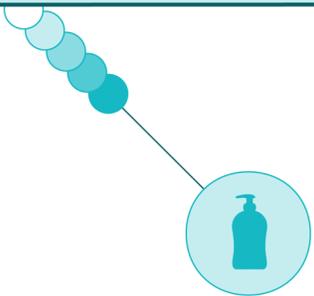
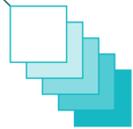
- Consumers significantly shorten their shopping journeys as the holidays near, so capture the attention of shoppers by building brand awareness early.
- In the Health & Beauty category, the average number of days between a shopper's first item page view and a purchase drops from 6.7 days to 4.7 days.
- For Grocery products, the average number of days between a shopper's first item page view and a purchase drops from 5.7 days to 4.3 days.

Source: Criteo Commerce Data - Path to Purchase comparative analysis at category level of shoppers with purchases during the last week of November 2022 vs. the last week of October 2022 and their browsing behavior for 12 weeks prior to each respective purchase window. US. Products include Bath & Body Gift Sets, Makeup, Perfume & Cologne, Shampoo & Conditioner, Skin Care, Candy & Chocolate, Food Gift Baskets, Gravy, Soups & Broths, and Teas & Infusions.



Cyber Month Product Trends

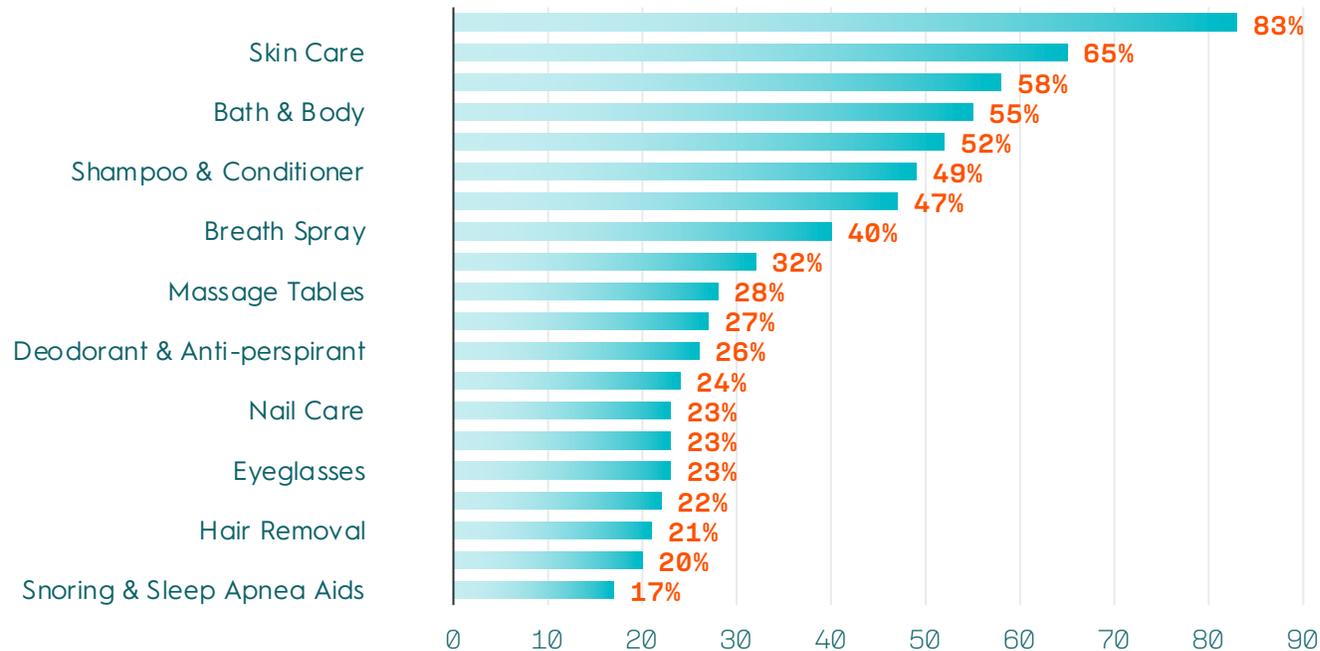
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Health & Beauty

Cyber Month Trends

Top trending products in November 2022, compared to October 2022



Source: Criteo Commerce Data - Indexed sales compared to October 2022. All site types. United States. Percentages represent the average increase/decrease of online sales during November 2022, compared to the same baseline.

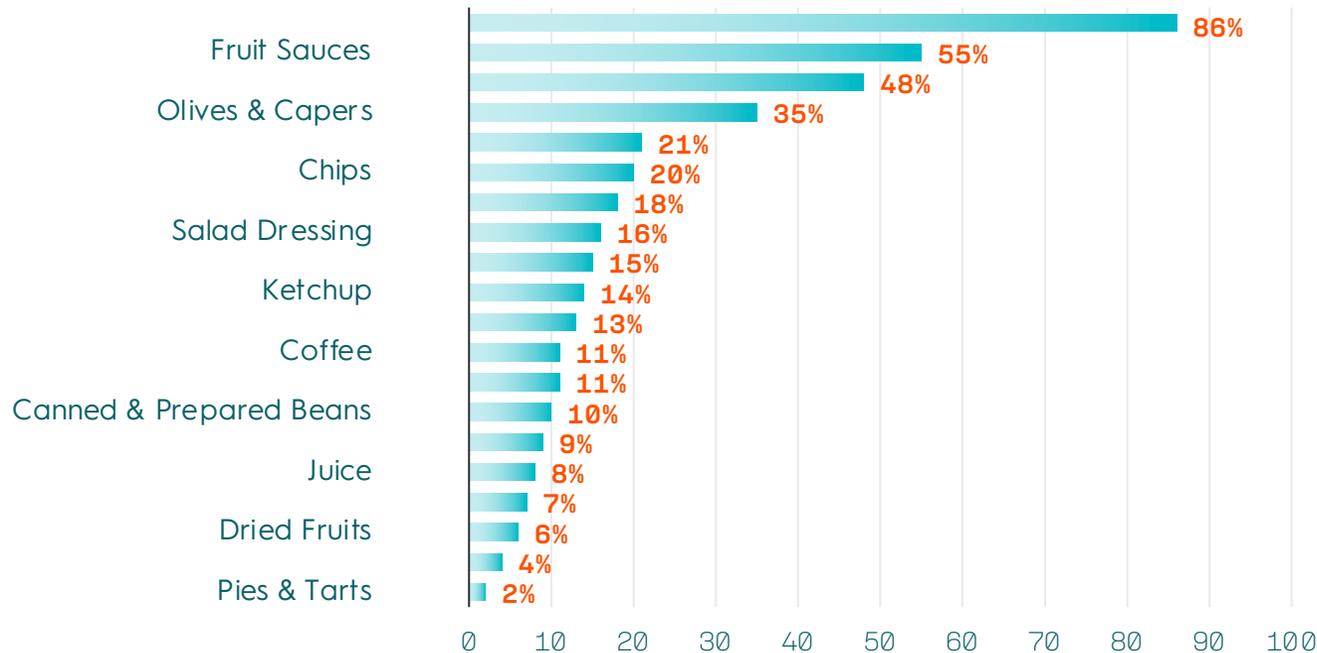
- Health & Beauty products frequently offered as gifts such as Perfume & Cologne (+83%), Skin Care (+65%), Bath & Body (+55%), and Makeup (+52%) all saw a strong increase in sales in November 2022.
- Growth of sales for personal care items such as Toothpicks (+58%), Breath Spray (+40%), Deodorant & Anti-perspirant (+26+%), and Nail Care (+23%) indicate that US shoppers are gearing up to socialize at end-of-year festive events.



Food & Beverage

Cyber Month Trends

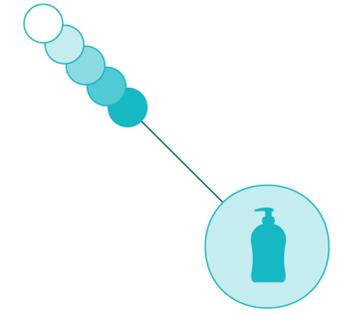
Top trending products in November 2022, compared to October 2022



- Thanksgiving classics such as Gravy (+86%), Fruit Sauces (+55%), and Canned & Jarred Vegetables (+48%) all saw the highest increase in sales in November 2022 compared to the previous month.
- Other cooking ingredients, snacks, and condiments sales showed that shoppers planned for homemade recipes in November.

Source: Criteo Commerce Data - Indexed sales compared to October 2022. All site types. United States. Percentages represent the average increase/decrease of online sales during November 2022, compared to the same baseline.





Ready to win in CPG?

Takeaways for Marketers

Harness Data-Driven Insights

Leverage Criteo to gather real-time commerce data on shopper behavior and campaign performance, enabling continuous optimization of your strategies and powering full-funnel outcomes.

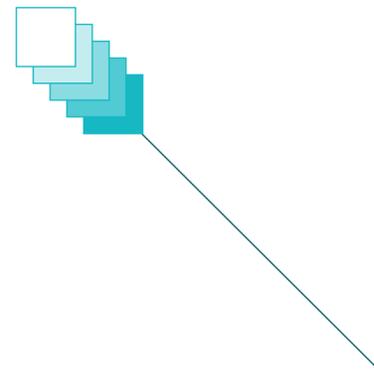
Reach the Entire Shopper Journey

Tap into Commerce Max—an all-in-one, self-service demand-side platform—to engage shoppers across their full journey via retail media onsite and offsite.

Convert Highly-Relevant Audiences

Engage valuable in-market shoppers, drive conversions at the point of sale, and understand the value of your efforts with closed-loop measurement.

Learn more at criteo.com.



Thank you!

Criteo (NASDAQ: [CRTO](#)) is the global commerce media company that enables marketers and media owners to drive better commerce outcomes. Its industry leading Commerce Media Platform connects thousands of marketers and media owners to deliver richer consumer experiences from product discovery to purchase. By powering trusted and impactful advertising, Criteo supports an open internet that encourages discovery, innovation, and choice. For more information, please visit www.criteo.com.

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