

Keynote | [Systems Thinking] Digital Disruption: Competitive Advantage for CPGs?



EPAM
CONTINUUM

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THE MARTECH
SUMMIT



MEET ME IN LONDON ON NOV 17 & 18



Digital Disruption: Opportunity for CPGs?

Liz Salway, Head of Media, CPGs

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Digital Media Spend and market disruption

What that means for CPGs

What's possible – the in-housing continuum

Key takeaways

Top Global Advertisers

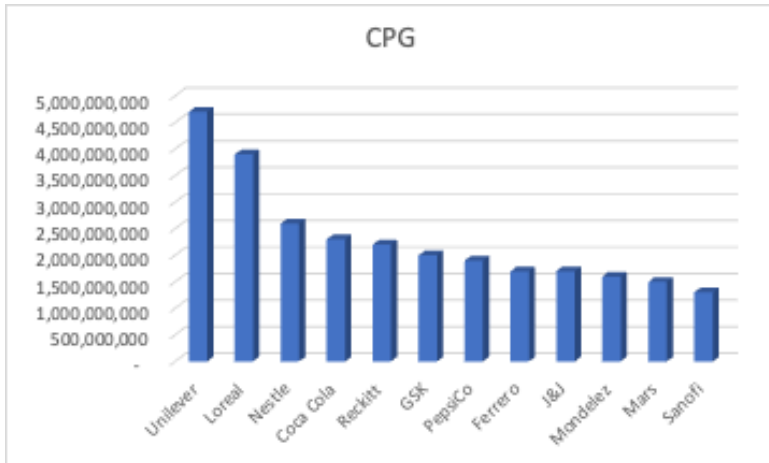
\$72BN

Based on 2021 Spend
Source: Statista

Top Categories

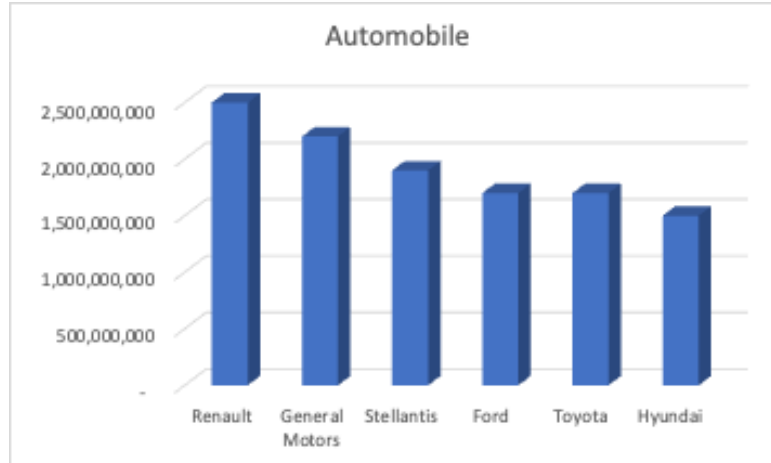
CPG

\$35.5BN



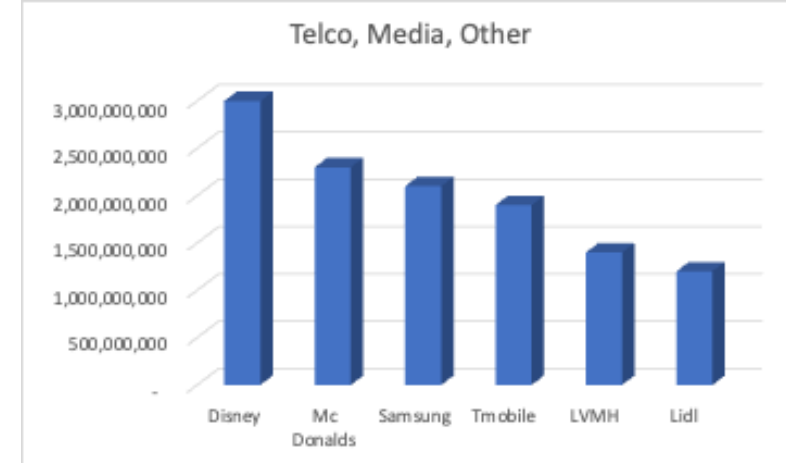
Automotive

\$12BN



Telco, Media & Other

\$12BN



Environment fraught with digital disruption

D2C

Sales and Marketing have to work together

Identity

Lack of first party data, demise of 3rd party connective tissue

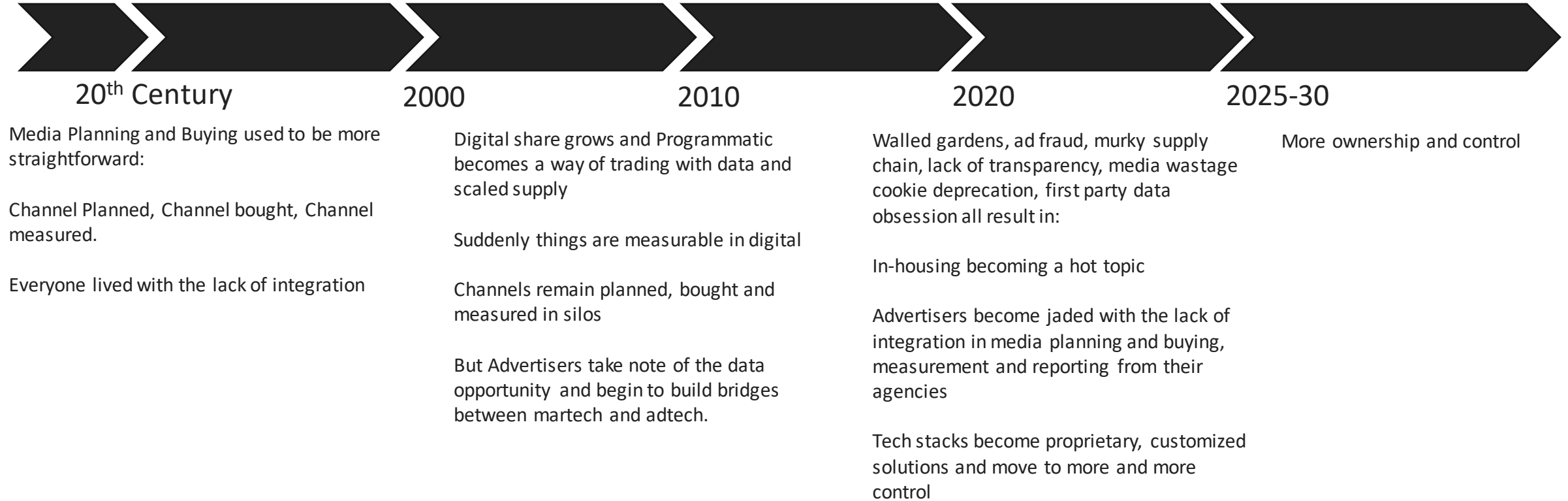
Retail Media

How much to spend and where? Where does it come from?

Measurement

How much can I measure and how much should I model?

Why are we here and where are we going?



This is a hot topic – there is appetite for better control driven by tech

IN-HOUSE MARKETING | 09 MIN READ

7 facts why in-house is the future of digital marketing

In-house is the direction where digital marketing is travelling – and it has been for some time now. You need only take a look at the latest Bannerflow report on in-housing in Europe to see that [over 73% of brands have an in-house team](#) and 78% of ANA US members report some degree of in-house capabilities. Indeed, the shift from agency to in-house has far surpassed the trend phase and moved well into becoming the new normal for digital marketing.

For those who are still on the fence (a number that is steadily decreasing) this article lays out the seven key reasons why [in-house marketing](#) is future:

- 1 Increased transparency
- 2 First party data
- 3 Brand ownership
- 4 Agility
- 5 In-house technology
- 6 Improved agency relationships
- 7 Reduced costs



Ultimately, the goal of in-housing media data is to build a single source of media truth; a reliable hub where all global media data can be kept, analysed and utilised, helping to better inform all media investment decisions a brand or advertiser makes.

As the debate continues over the creation of in-house media agencies, the decision to in-house media data should be a no-brainer for global brands; gaining more control, faster insights and more reliable data will undoubtedly increase operational efficiency and ultimately, ROI.

MARKETING BREW

“the agency are an external partner distant from the day-to-day needs of the brands”



campaign

In-housing: everything you need to know



Increasingly brands are looking to seize control of their marketing, media and creative. But what are the payoffs - and the pitfalls - of in-housing?

Why in-Housing Media Data Should Be High on the Agenda for Global Brands

Cutting out the middleman

Pharmaceutical giant Bayer—which manages every piece of its digital media investments within its consumer health division—went in-house in 2018, wanting to be closer to the action. “While an agency is effective in managing strategy...they are external partners and distant from the day-to-day needs of our brands,” wrote Jeff Rasp, head of media, digital platforms, and content at Bayer, to Marketing Brew. “This was by choice so we would have end-to-end ownership, from strategy to measurement and everything in between.”

Advertisers who plan to in-house media planning and buying

63%

Based on Kepler survey 2021,
150 senior marketers
>\$10BN in revenues
Automotive, Retail and Finance.

3 Big Pain Points for Global Advertisers: What they are saying:

Data as Challenge and Opportunity

“The deprecation of the third-party cookie is making my marketing use cases incredibly challenging to activate across a disconnected walled garden ecosystem.”

“I understand the promise of first party data to deepen engagement and insight of my consumers, but scale is a huge challenge”

“There is so much data, but it’s not organized in a way that I can easily use it to intelligently scale effective brand marketing and connect the funnel for a seamless user experience.”

Murky Supply Chain

“Programmatic is great but it’s added layers of tech and cost between the brand and the media owner, and ad fraud is a major concern.”

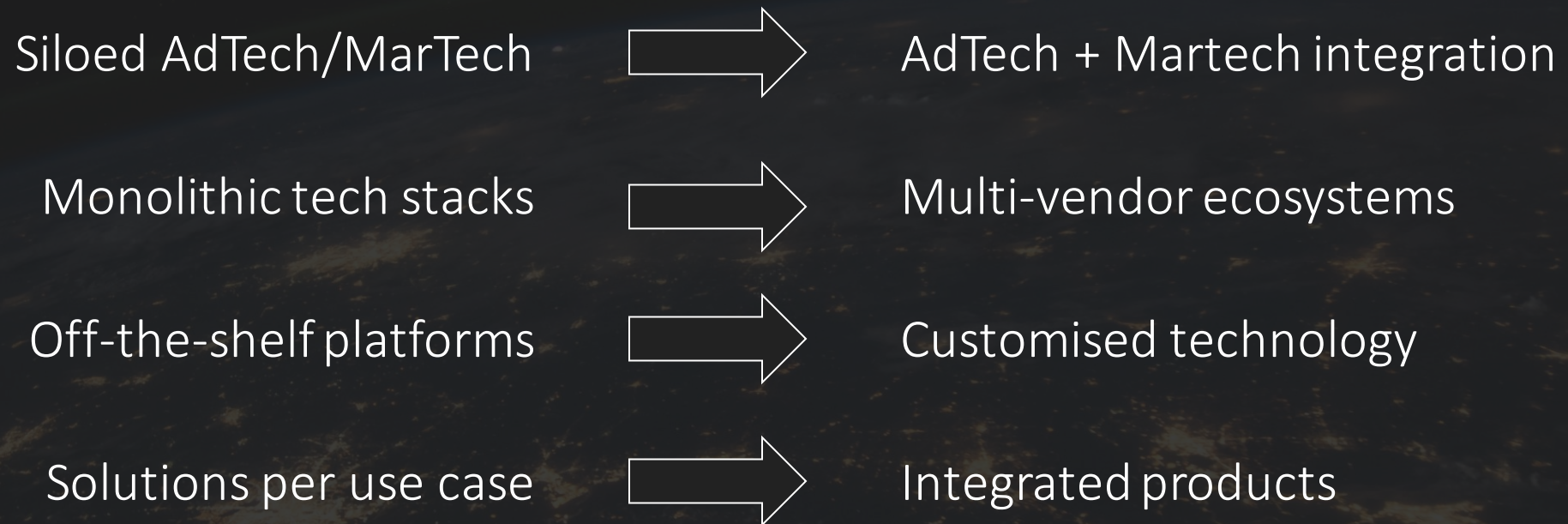
“I want to disintermediate supply so I can work more smartly with large premium media owners who can align their targeting to my objectives – and for the substantial 2nd party data opportunity that partnership affords me.”

Measurable Reach, Frequency & Actionability

“I have to live with certain realities with multiple walled gardens unwilling to share reach and frequency measurement holistically, but can I do it better?”

“How can I be more agile in moving budget around to maximize the value of my investments according to my objectives”

Market leaders are responding with a common approach



The building blocks of an integrated product approach

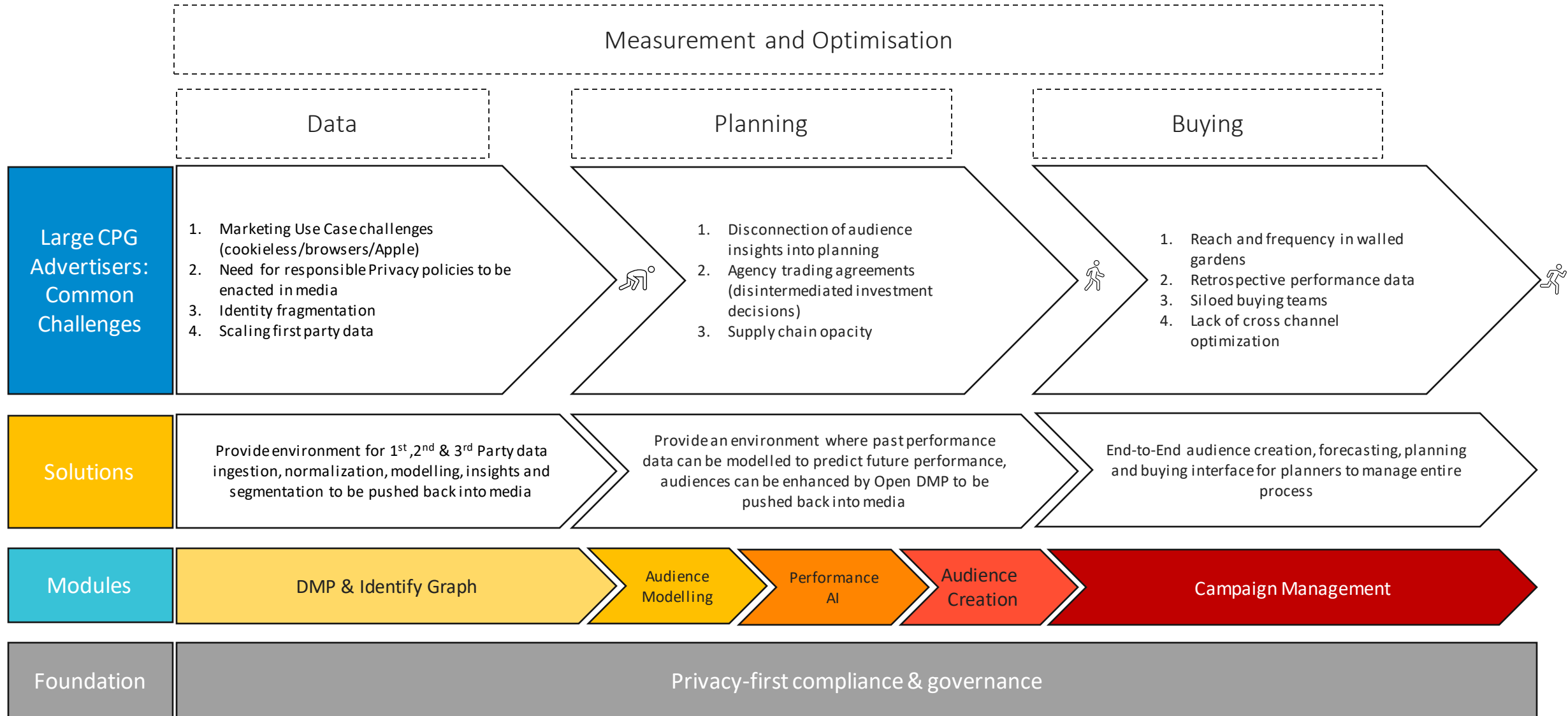
**Data Collection and
Management**

**Segmentation
(Audiences)**

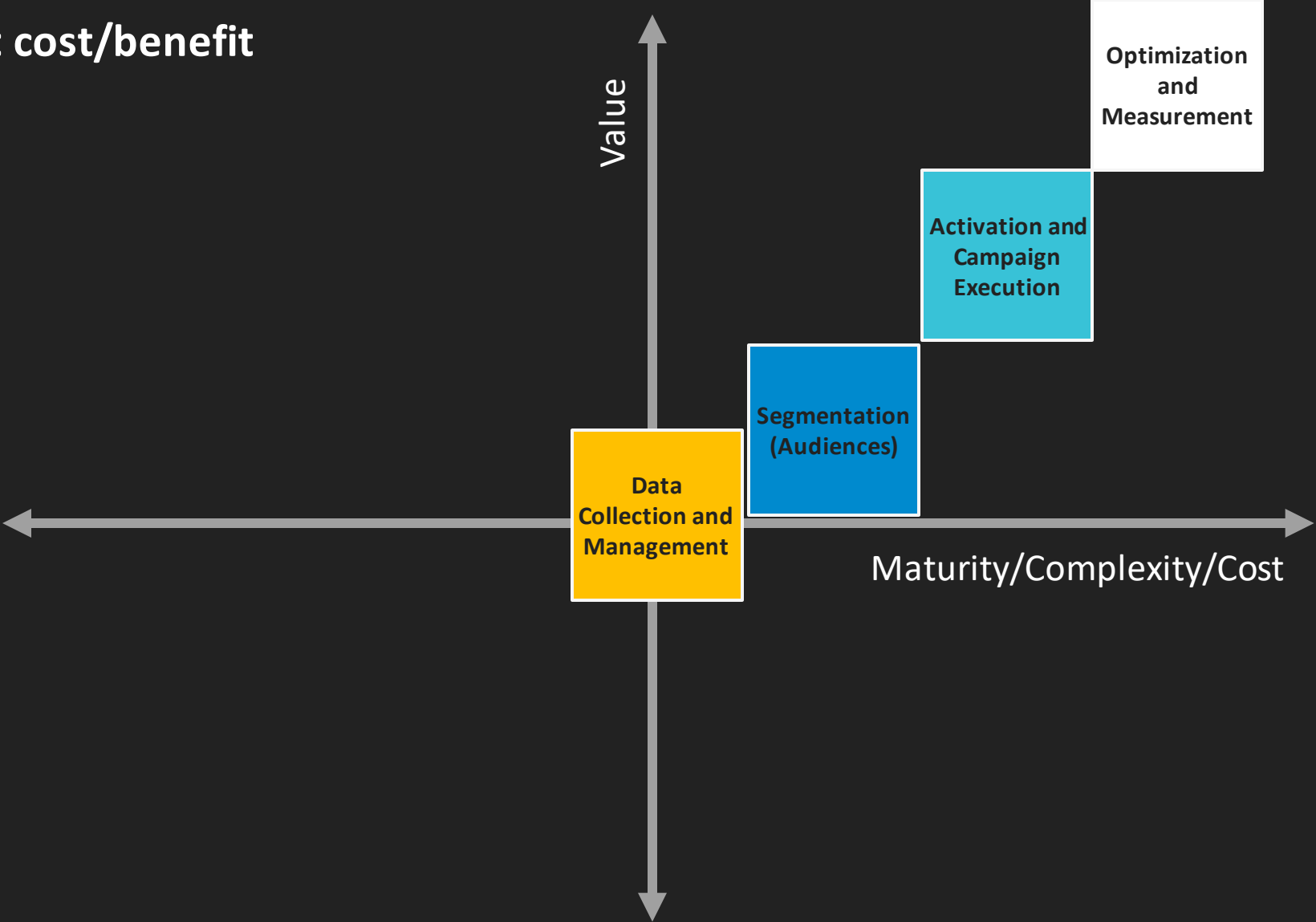
**Activation and
Campaign Execution**

**Optimization and
Measurement**

And how does it address the challenges marketers have?



What about cost/benefit



\$2BN in Advertising @ 5% saving

\$100 MN

Based on 2021 Spend
Source: Statista

My advice to you

Raise this cross functionally in your org

Review your current set-up

Assess how much control you have over data, and how well you are leveraging that into media

Make incremental changes showcasing value along the way

Thank you

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