

2017 Consumer Products Industry Outlook

Economy

Economic fundamentals for consumer spending appear to be solid going into 2017...

The labor market continues to strengthen



Enabling technology

3 ways enabling technologies can benefit CPG companies



7 opportunities for CPG companies to embrace the potential of enabling technologies



Customization



Economy

... However, the election cycle has created uncertainty



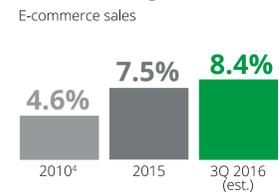
Enabling technology

CPG companies **slow** to adapt to digital **\$0.56** of every dollar spent influenced by digital interaction⁵

Digital ad spend (2016 estimates)



Continuing shift towards online retailing



Online CPG sales projection growth:



Platforms

Create platforms specific to CP that...



Consumer mindset

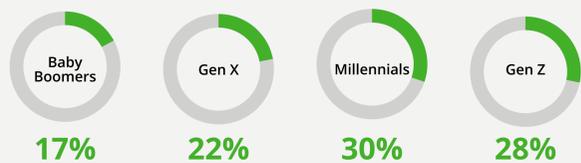
Consumer trends influencing CPG companies

Disrupting the consumer food value chain is an evolving set of drivers



Consumer immersion in the digital world:

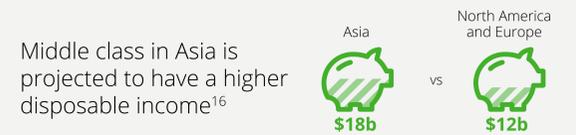
All age groups join the ranks of digital users.



Engage with influential consumer segments:



By 2025, prepare for a shift to a global marketplace that's heavily influenced by Asia Pacific.



[1] Deloitte US Economic Forecast, 3rd Quarter, 2016 and US Government (from Haver Analytics). Unless otherwise noted, all data supplied by Haver Analytics, which compiles statistics from the US Bureau of Labor Statistics, the Bureau of Economic Analysis, and other databases. See www.haver.com/databaseprofiles

[2] Ibid

[3] Deloitte, 2016 digital influence survey, July 2016.

[4] Source: Retail Indicators Branch, US Census Bureau

[5] The Digital Future: A Game Plan For Consumer Packaged Goods, GMA August 2014

[6] Deloitte, The 2015 American pantry study, June 2015

[7] Capitalizing on the shifting consumer value equation, Deloitte, January 2016 in collaboration with FMI and GMA.

[8] <http://www.pewhispanic.org/2016/04/19/statistical-portrait-of-hispanics-in-the-united-states-key-charts/>

[9] Ibid

[10] '5 tips for marketing to Gen Z' The Huffington Post, July 2016

[11] '5 tips for marketing to Gen Z' The Huffington Post, July 2016

[12] <http://www.inc.com/haley-peterson/heres-what-you-need-to-know-about-generation-z.html>

[13] 'Buying Power: Women in the US,' New York, Catalyst, May 20, 2015

[14] Ibid

[15] http://www.geohive.com/earth/cy_agg2025.aspx

[16] United Nations Global Population Prospects, 2015 Revision, <http://esa.un.org/unpd/wpp>