



# Product Intelligence and the Future of Modern Commerce

Deliver against shopper preferences  
and stay ahead of trends





## Shopper Preferences, Modern Commerce, and **the Age of Conscious Consumption**

NATURAL & ORGANIC  
SALES APPROACHING

**\$300B**

---

Sales of natural and organic products are on track to surpass \$300B by 2023 and an estimated \$400B by 2030\*

Up until recently, bread was white or wheat, milk was dairy, and chips were made with potatoes. Today, it's not so simple.

Since the turn of the century, we've seen explosive product innovation. **Of the 71,000 new brands introduced within SPINS-tracked channels in 2021, over 65% were in the health and wellness space.** New entrants aside, as movements like “clean label” continue to gain momentum, even established brands are updating packaging and label claims or even reformulating to adapt. These trends in modern commerce reflect a new era, an Age of Conscious Consumption where shoppers have more choices than ever before in products they purchase to meet their individual health goals, lifestyles, and values. To succeed in today's marketplace, **brands and retailers alike must decipher what shoppers are looking for to deliver against increasingly nuanced preferences.**





## The Rising Complexity of **Identifying Trends and Delivering Against Them**

While the challenge of modern commerce remains the same—sell products shoppers want—conscious consumption represents a fragmentation of shopper preferences, a trend that has led to more products and more competition.

With new ingredients and trends constantly shifting and evolving, how can businesses keep pace with innovation and stay on top of trends?

Further, **the rise of eCommerce has skewed the playing field.** Brick and mortar retailers are no longer competing with stores down the street, but digital giants capable of fulfillment

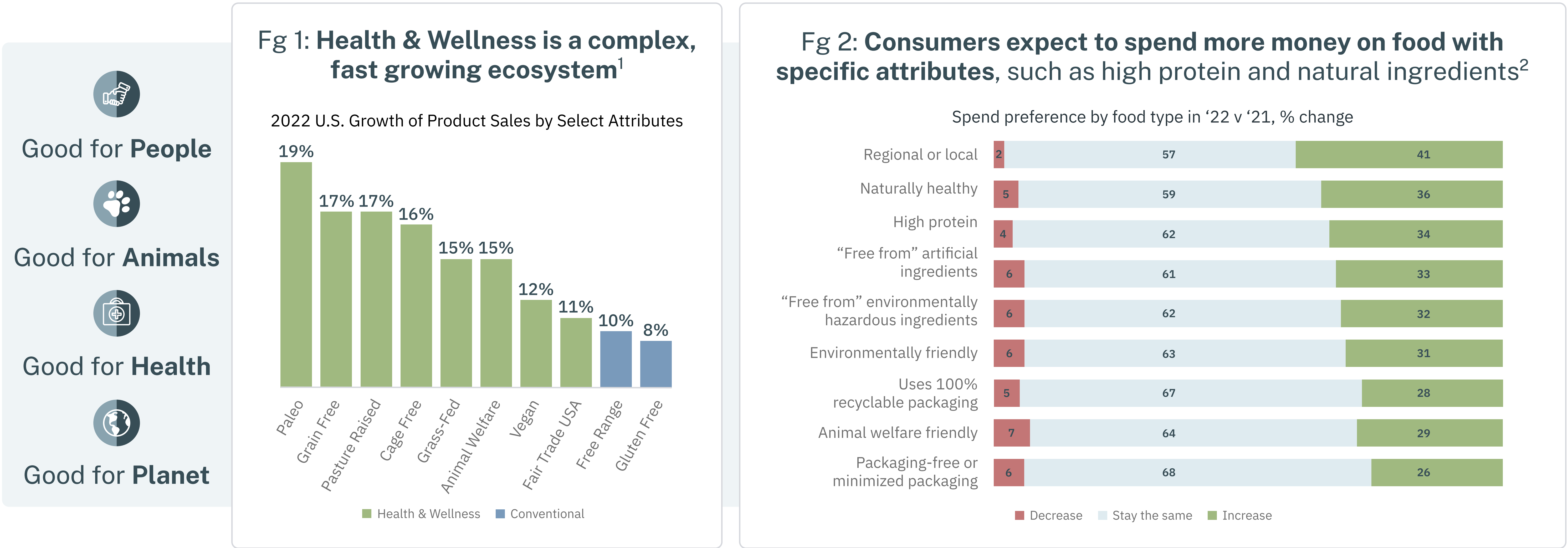
nationwide. Similarly, while eCommerce has made products from brands more easily accessible—this is true for all brands. Short of going viral, **it's become harder and harder to stand out and stay on shelves.**

This increasingly complex and crowded marketplace reflects the priorities of the shopper. Shoppers are more informed than ever and have higher expectations than ever. In a world where everything is available on-demand, delivering against their desires is the minimum expectation. As a result, it's more important than ever for brands and retailers to get ahead of rising trends and keep a pulse on the evolution of the market.

# Health & Wellness Is Now Mainstream

The Age of Conscious Consumption was directly enabled by extensive product innovation and a renewed focus on better products: better for shoppers and their families, better for the planet, better for society, and better for animals. See Figure 1 below for the incredible growth SPINS has seen in sales of products with specific health & wellness in 2022.

Shoppers actively seek these products with specific qualities, and are willing to pay more to support businesses that support their beliefs. Per a 2022 McKinsey study, as seen in Figure 2 below, more shoppers across the board are planning on increasing spend for products with specific wellness attributes.



Sources: (1) SPINS Total US Natural Channel + MultiOutlet, 52 Weeks ending 8/7/2022, (2) McKinsey & Company



# Adapt Alongside Innovation with Product Intelligence

To respond to the challenges of a more complex marketplace, retailers and brands are leveraging Product Intelligence to not only respond to shopper preferences, but actively adapt to and use them as competitive advantages to drive sales and increase shopper loyalty and profitability.

## Retailers

Product Intelligence helps differentiate and optimize assortments to increase basket sizes and meet shopper needs.

- ✓ **DIFFERENTIATION:** Why shoppers should visit one retailer versus another
- ✓ **OPTIMIZATION:** Ensure that what's in stock is what's selling
- ✓ **DISCOVERY:** Connecting shoppers to the products they're looking for

## Brands

Product Intelligence enables informed product development and positioning to bring product stories to life.

- ✓ **DEVELOPMENT:** Produce differentiated goods that shoppers actively look for
- ✓ **POSITIONING:** Maintain consistent narratives across all touchpoints to ensure shoppers see how products deliver against their needs and values

## WHAT IS PRODUCT INTELLIGENCE?

Product Intelligence is using data to **support enhanced shopper experiences and product differentiation and optimization.**

It helps position the unique story of each product, and connect that story to what shoppers are looking for.



**+45–58%**

**Average sales lift on Amazon.com**  
when brands improve content to meet  
category bestseller benchmarks for  
images and video on a product page

Source: [Profitero](#)

# Product Intelligence Through the Ages

The idea of Product Intelligence and applying it to enhance shopper experiences and discoverability has long been an industry staple, but has advanced with technology and data.

Modern Product Intelligence provides complete “source of truth” data sets that span every possible dimension that shoppers care about, whether that’s product imagery, ingredients, nutrition facts, certifications, claims and more. The most advanced solutions algorithmically enrich product data with attributes not explicitly written out on the label, e.g., if a product is gluten-free, vegan, etc.

**Third-generation Product Intelligence is hinged on automated, streamlined data extraction that accounts for and adapts to custom retailer or brand data definitions and requirements**—something legacy approaches struggle to do cost-effectively at scale.



GEN 1

## Basic Categorization

Organizing products into aisles—**grouping like products with like products**—is the simplest form of Product Intelligence.

GEN 2

## Manual Extraction

**Digitizing label data allowed for more nuanced data activation**, but legacy manual processes are slow and expensive.

GEN 3

## Automation At Scale

Modern solutions **automate and enhance data extraction** to ensure data is always complete, up-to-date, and immediately actionable.

# Foundations of Product Intelligence

## Necessary Facets of a Modern Solution

Access to product attribute data is just the beginning. **Modern solutions need automation to allow retailers and brands to match the pace of innovation.** Today, automation supports all aspects of Product Intelligence:



### Extract

Quickly scanning on-label data at scale to digitize thousands of products per week.



### Enhance

Going beyond the label to enrich scanned data with additional attributes based on ingredients and nutrition information to link products to shopper preferences.



### Enable

Transforming data to ensure it's immediately ready for activation and streamline speed-to-market while minimizing need for additional engineering resources.



EXTRACT

ENHANCE

ENABLE



# What Makes **Quality Data**?

It depends on the audience (which is why customization is a must!), but quality data delivers against shopper, brand, and retailer needs:

- 💡 **SHOPPERS:** Do I have the data necessary to discover the right products and understand how they deliver against my lifestyle preferences?
- 💡 **BRANDS:** Are my most important product attributes being correctly positioned to shoppers? Am I getting the insights I need to develop and launch my next brand?
- 💡 **RETAILERS:** Does the data I'm using cover all my products—including fresh? Does it reflect my unique market positioning, enforce my internal standards, and is it granular enough to ensure shoppers can easily find what they're looking for?

**Product attributes need to be flexible and customizable to ensure businesses can easily enforce and express their internal standards technologically, and, in turn, translate those values to their shoppers.**



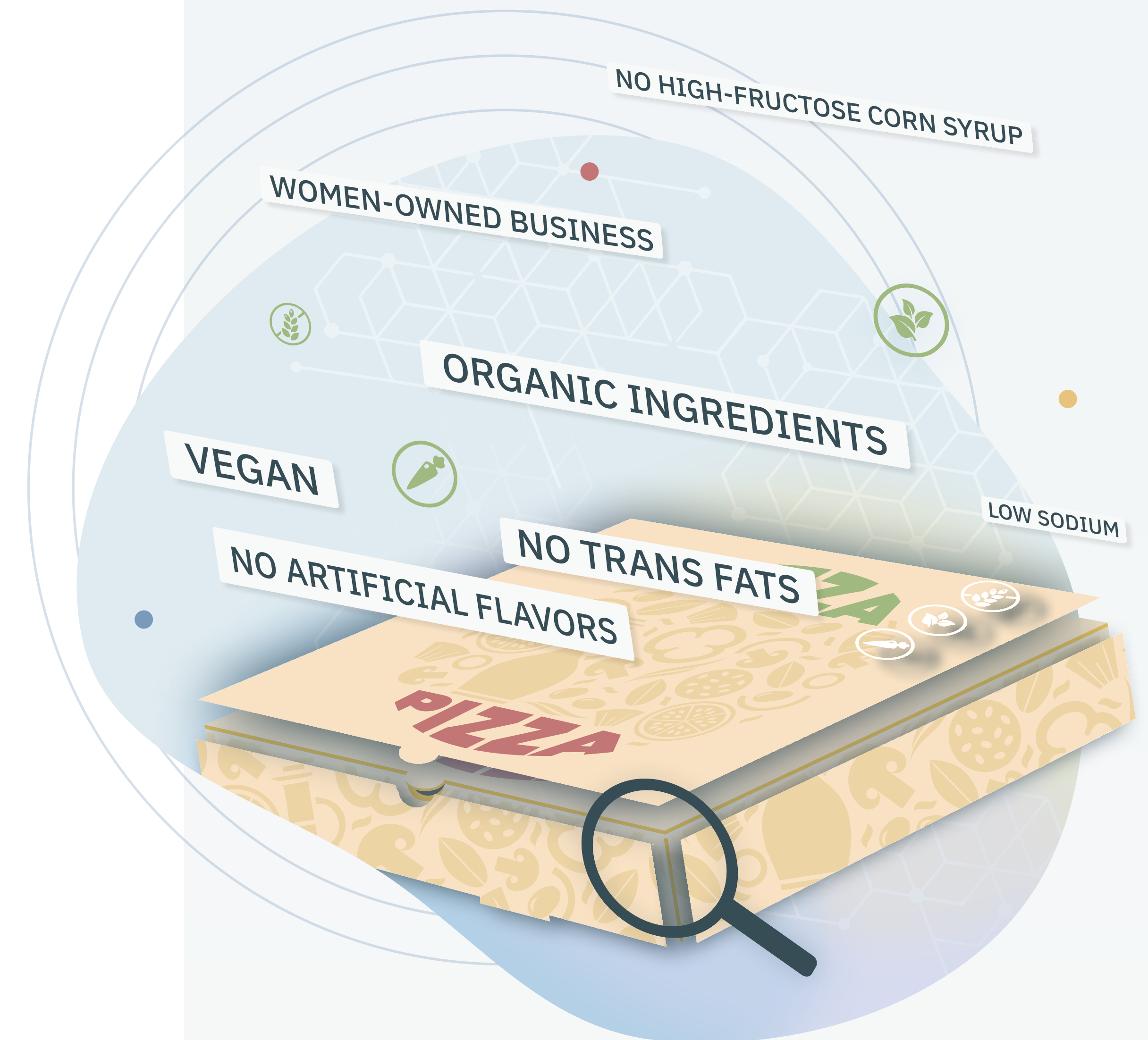


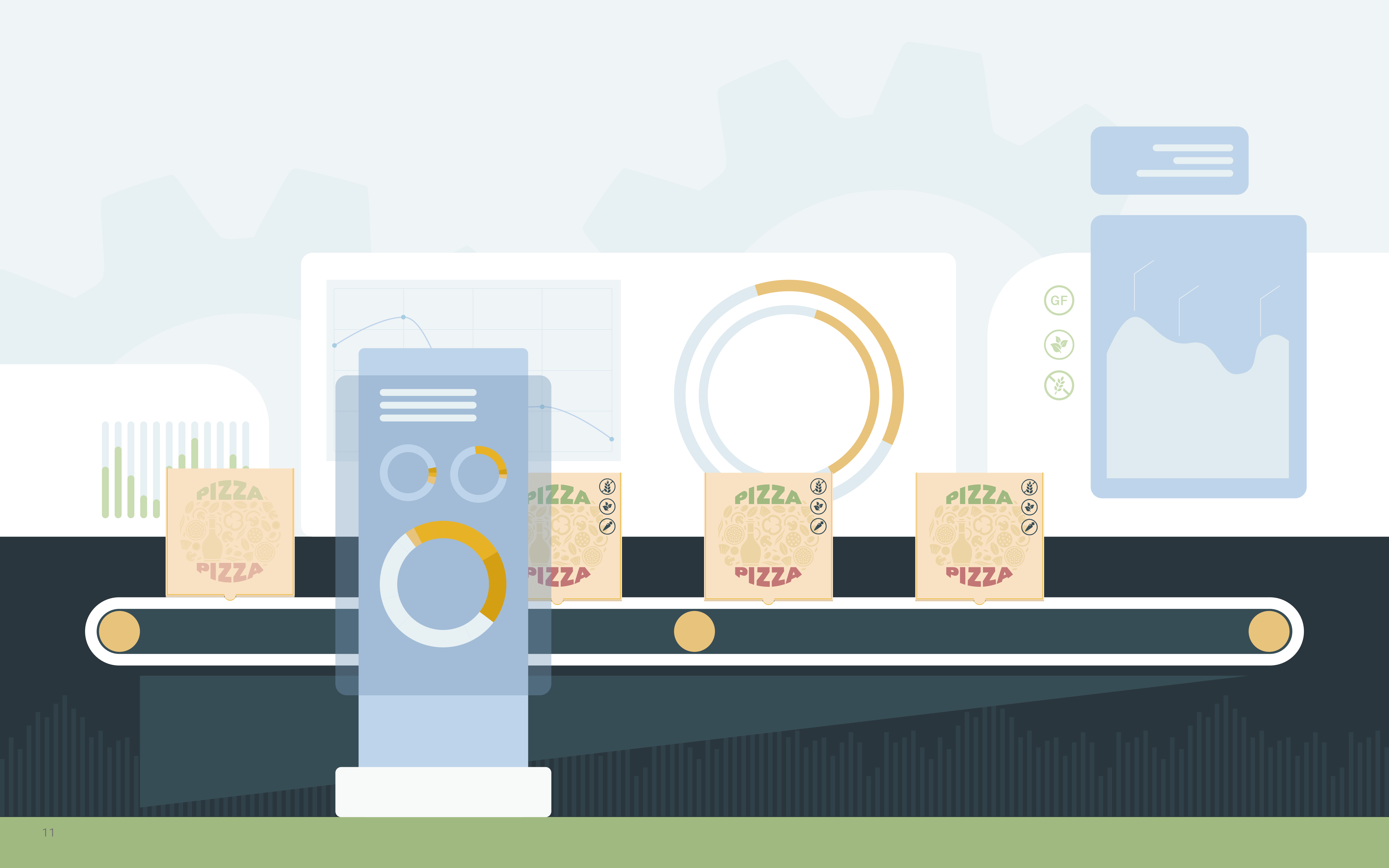
# Going **Beyond the Label**

Automation provides immense value compared to previous iterations of Product Intelligence. In addition to being faster and more accurate, modern solutions enhance the data extraction process by evaluating ingredients and nutrition facts and enrich the output by appending additional attributes products are eligible for.

Developing and designing great product packaging is a huge undertaking, and crucial data often doesn't make it onto the label. Product Intelligence dynamically fills in the gaps to ensure that retailers and brands always have complete insight into their products.

It's as simple as this: **if a product is keto, but doesn't say it explicitly on the label, retailers need a way to figure that out and inform their shoppers. Product Intelligence let's them do that.** After all, if a solution is already automatically pulling data off the label, going one step farther to add what's *not* on the label is the logical next step!







## Quality Data **Doesn't Go Stale**

Innovation isn't limited to new products. As brands adapt to changing market trends, they're constantly reformulating, repackaging, and repositioning their product catalogs. Modern solutions need to support them there as well. Too many legacy services ingest data once and leave it at that. This harms the entire chain across retailers, shoppers, and brands. When data becomes stale, retailers are at risk of providing incomplete or inaccurate data to shoppers, shoppers can't find the products they want, and brands miss out on potential opportunities.

To avoid these scenarios, **Product Intelligence solutions must proactively collaborate with brands and retailers to ensure data stays fresh and up-to-date.** This means creating a technology-driven feedback loop across all parties to verify that product data is up-to-date. As a result, brands stay in total control of their product narrative and positioning while ensuring retailers and shoppers have all the data they're looking for to maximize discoverability.

## Transforming **Insight into Action**

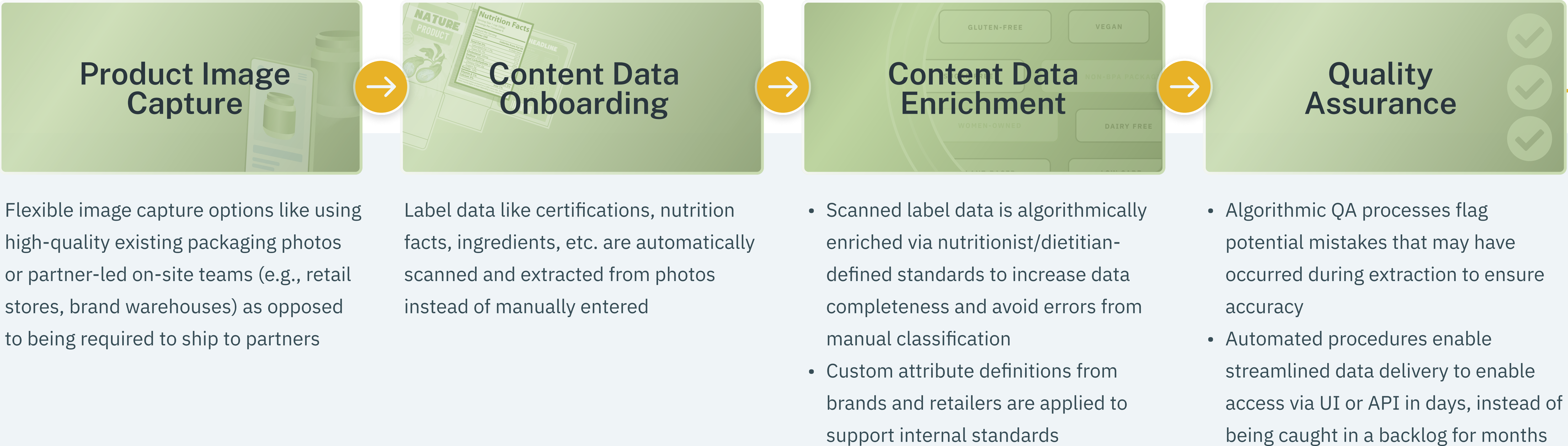
All the data in the world is useless if it's inaccessible or unavailable when it's needed most. With the current rate of innovation and new developments, streamlined data updates and access are necessary to adapt to new products and seasonal assortment updates. Brands and retailers need 24/7 data access to manage data on the fly.

To create an adaptable solution that fits into the workflows of all brands and retailers, access needs to be flexible. Whether it's an intuitive user interface or via API, easy, transparent data access is crucial to standing up modern commerce. The most advanced Product Intelligence solutions take this ease of access one step further through automated data formatting so users can immediately take action without the hassle of wasting valuable time transforming data into their desired format.

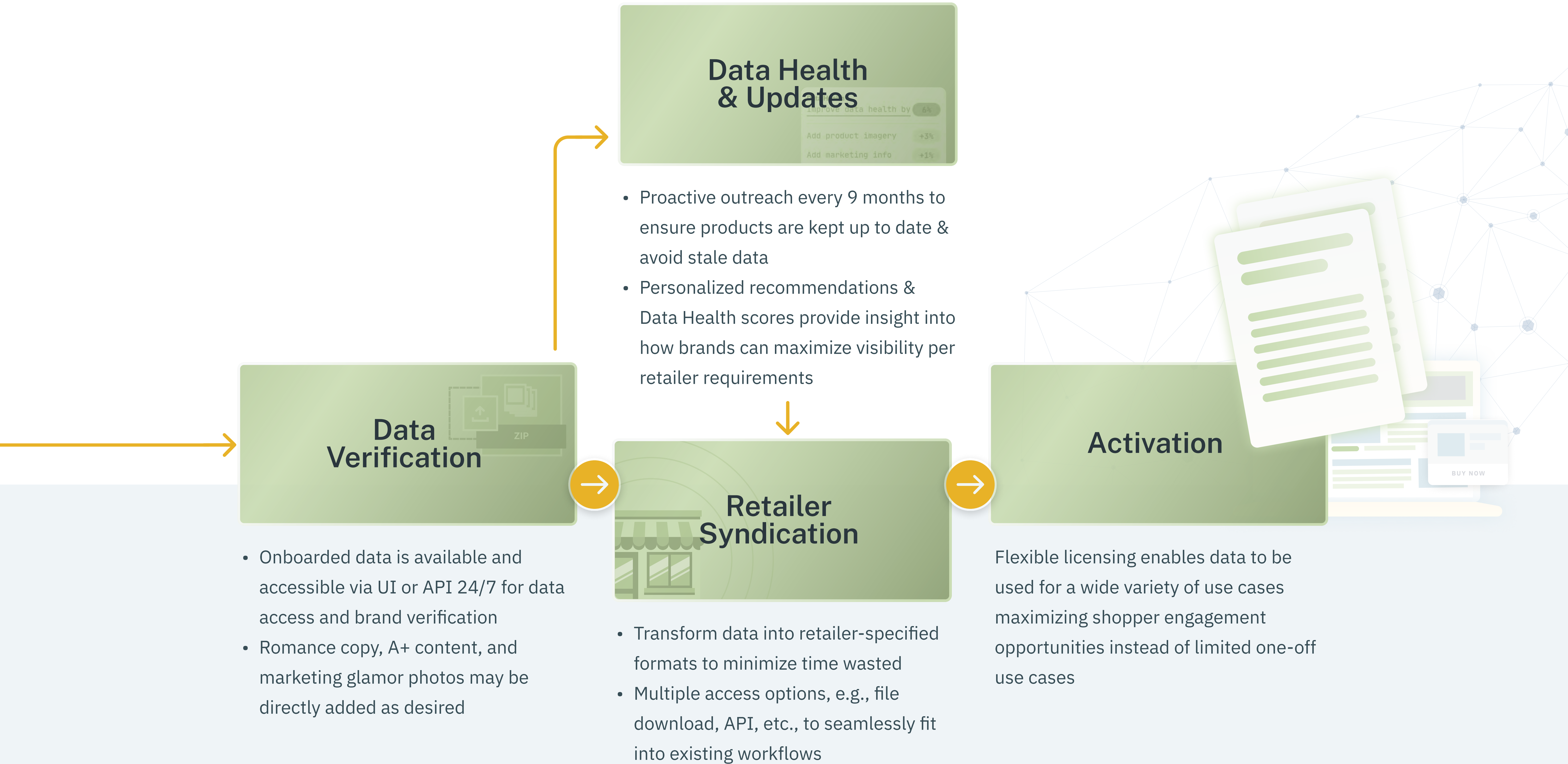
Product Intelligence supports quick data turnarounds to increase shopper value by providing the most up-to-date data available.

# How **Product Intelligence** Streamlines and Supports the Entire **Product Data Lifecycle** for Brands and Retailers

Product Intelligence supports the entirety of the product data lifecycle, starting from image capture all the way through retailer activation. To do this, it needs to be thorough and scalable—piecemeal data doesn’t cut it. **Retailers need to be able to quickly onboard their entire product assortment and brands, their entire product catalogs.** Modern Product Intelligence does this by automating previously manual tasks to go beyond the label and enable quicker, easier data activation to ensure shoppers can understand everything they need to know about a product to make informed purchase decisions.











# Powering **Modern Commerce**

With Product Intelligence making data easily accessible, taking action to power modern commerce becomes simple. Once this level of data is available, the possibilities are endless:


## RETAILERS:



Assortment Optimization




Enhanced Search & Filtering

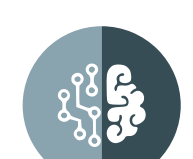


Personalization & Loyalty


## BRANDS:



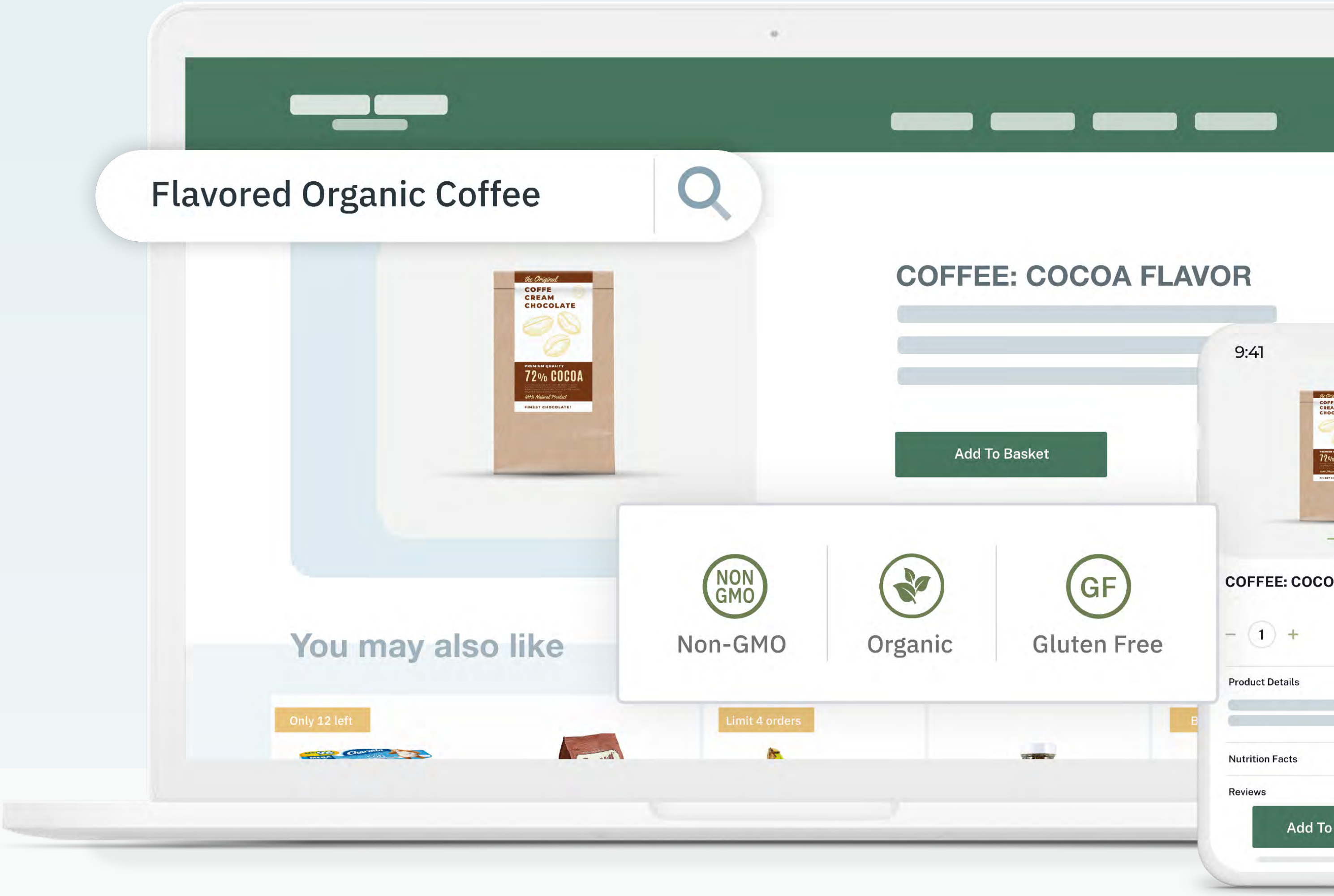
Custom Taxonomy Organization



Enriched Product Data



Search Marketing Optimization



## Key Takeaways:

# How Product Intelligence Deepens Shopper Loyalty to Increase Profits



### Connecting Products to Personal Preferences

Ensuring retailers and brands have the product data necessary—whether it's explicitly on the label or not—to increase shopper discoverability and get them to the goods they most desire.



### Streamlining Speed to Market

Quick data onboarding and updates combined with easy access mean shoppers always have the best data available. As a result, retailers and brands never miss an opportunity due to stale data.



### Maximizing Activation Through Flexibility

Product Intelligence enables a broad variety of use cases without arbitrary restrictions on what can and can't be done. This enables businesses to derive the maximum value from their data without breaking the bottom line.

While many in-market solutions touch on aspects of Product Intelligence, few cover the span and depth necessary to achieve it. Finding and investing in the right solution has the potential to be transformative for retailers and brands alike.

THANK YOU FOR READING

Reach out to us at **Growth@SPINS.com**

---

to learn more about how SPINS Product Intelligence  
powers modern commerce