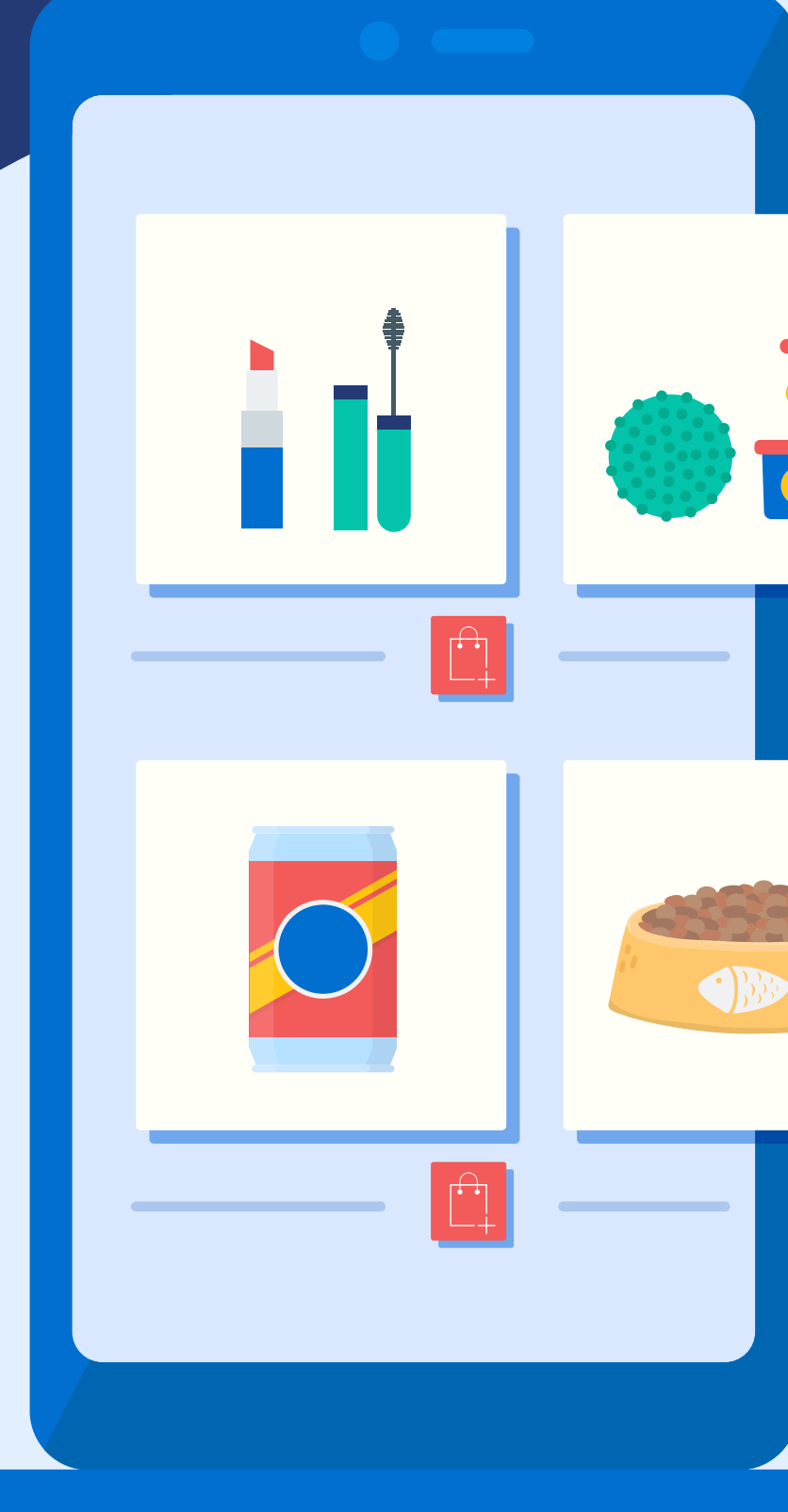


# 10

# RETAIL & CPG TRENDS TO WATCH IN 2022

Retail priorities in 2022 will include conscientiousness, connection, and competitiveness. Beyond the ongoing digital transformation, managing urgent market factors and responding to consumers' evolving needs will shape retail strategies in the new year.

Here are our top predictions for 2022 trends that will influence the consumer packaged goods (CPG) and retail industry in the U.S. and around the world.



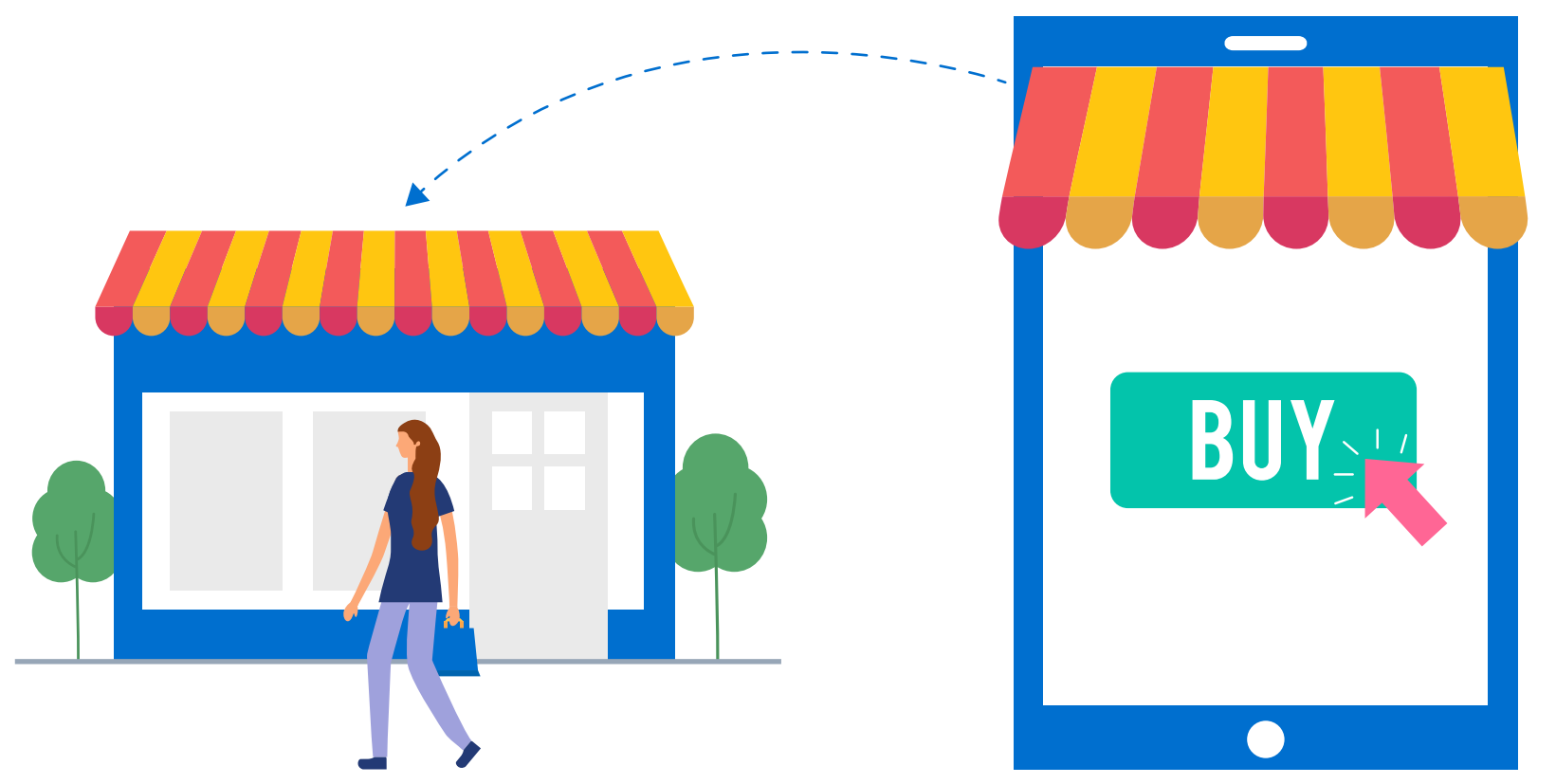
## OMNICHANNEL SPEED

### Rapid delivery



Delivery stars like Instacart, Uber, DoorDash, Deliveroo, and Gorillas will be able to get CPG goods on doorsteps in as few as 10 minutes.<sup>1</sup>

### In-store speed



Expect instant checkouts, smart carts, and sustained demand for curbside pickup and buy online pickup in store (BOPIS).<sup>2,3</sup>

## RISK MITIGATION



### Supply shortages

Companies will need new ways to mitigate out-of-stocks, as supply chain disruptions could last up to three years.<sup>4,5</sup>



### Inflation

Prices will rise due to higher costs of freight, raw materials, and labor, and some products will get smaller due to shrinkflation.<sup>6</sup>

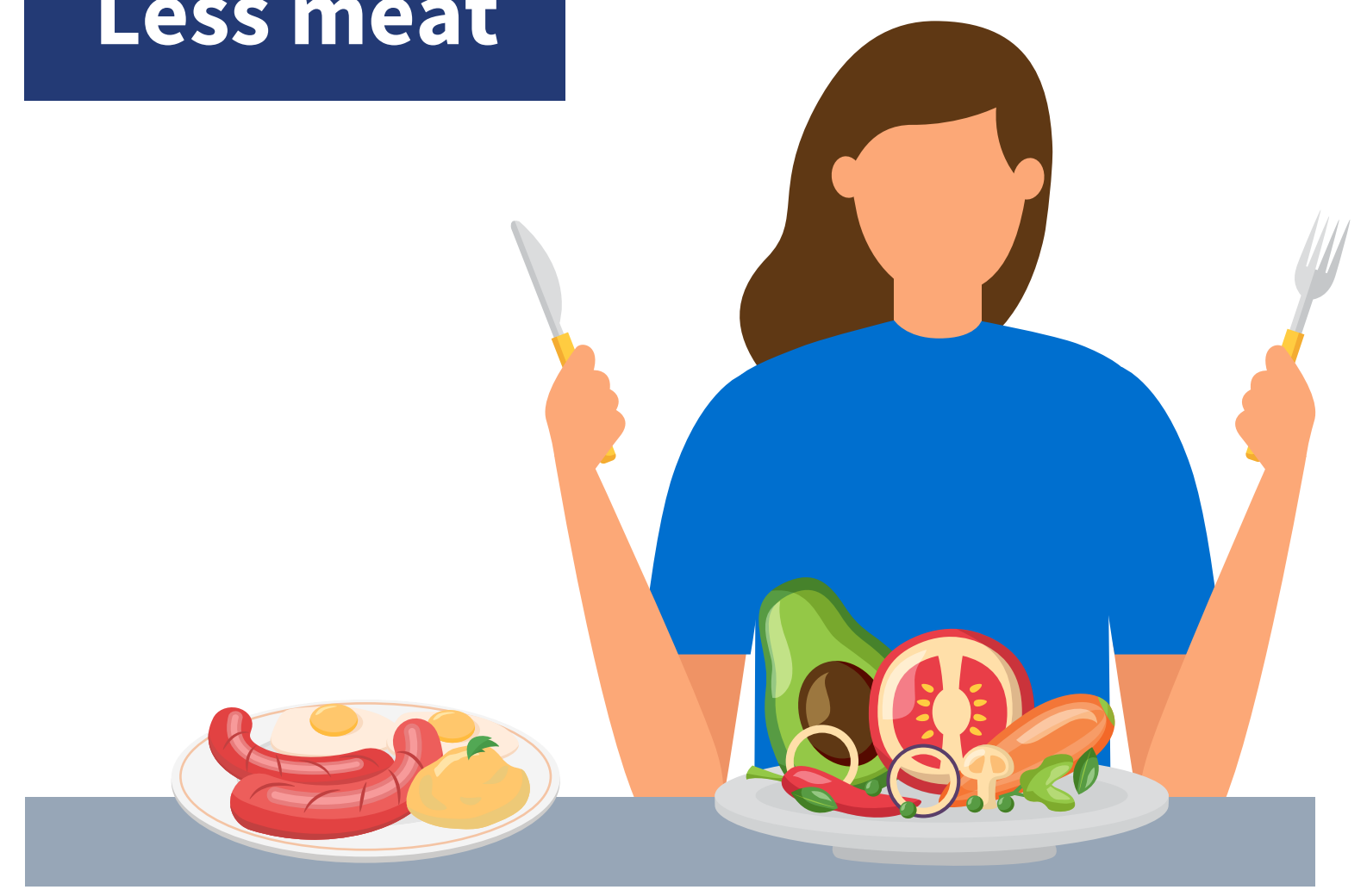
## CONSUMER VALUES

### ESG



Consumers and investors will demand measurable proof of companies' environmental, social, and governance (ESG) initiatives.<sup>7</sup>

### Less meat



23% of global consumers are trying to limit their meat intake, fuelling plant-based alternatives for the upcoming year and beyond.<sup>8</sup>



### Inclusive products

From beauty products for all complexions to gender-neutral toys, innovative and inclusive products will help more consumers feel recognized.<sup>9,10</sup>

## CONNECTING WITH CONSUMERS

### Direct-to-consumer (DTC)



DTC e-commerce is poised to reach \$151 billion in sales in 2022, up 15% from 2021.<sup>11</sup>

### Digital advertising



More brands will invest in digital ads to boost their product visibility among online shoppers on social media and e-commerce sites.<sup>12</sup>



### Livestreaming

Real-time, interactive shopping on online platforms like TikTok, Instagram, Amazon Live, and QVC Now will entertain beauty, grocery, and pet consumers.<sup>13</sup>



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