

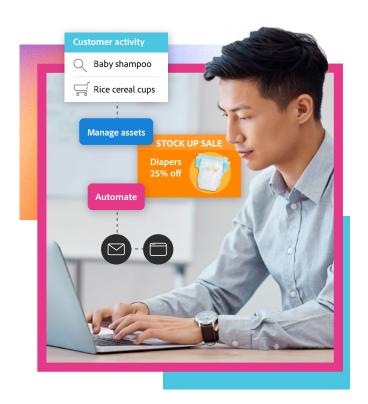


CPG brands are firing up content production—by adopting AI.

Adobe and IBM are helping CPG brands harness AI to ramp up content supply chains and increase content velocity.

The consumer packaged goods (CPG) business is more complex than ever before. "CPG brands are building relationships with consumers that span channels, markets, and screens," said Bruce Richards, the CPG industry strategy and marketing lead for Adobe. At the same time, consumers expect branded experiences to be highly personalized. "For example, a makeup brand might recommend a range of foundations and concealers to match each customer's unique skin tone," said Brett Wachter, EMEA marketing technology consulting leader for IBM.

However, delivering these hyperpersonalized experiences requires building an unprecedented quantity of content. In the paid media channel alone, CPG brands must create engaging ads and other content tailored for every key market segment, format them for a growing array of platforms and retail partners, and ensure they're properly localized. It's easy to see how the demand for content can become overwhelming.



Not surprisingly, marketing and creative teams at CPG brands are feeling the heat. The pressure to create content is straining processes—and budgets—that were never intended to meet large-scale demands. For example, creative teams may include multiple external agencies, and workflows are often fragmented and siloed and across brand teams, functions, and geographic regions, leading to ineffective coordination. At many companies, resources are limited, even though greater demands are being placed on these teams.

Content is a powerful growth engine for CPG firms. Addressing content production shortfalls with process enhancements and automation is no longer optional.

75% of CEOs believe that competitive advantage will depend on who has the most advanced generative Al.

Meet the AI-powered content supply chain.

A new generation of technologies—including AI and generative AI, which combines humanlike creativity with high-speed cloud computing—promises to help brands speed up and scale content production. Already, C-suite leaders are ready to invest in them. According to new research from <u>IBM's Institute for Business Value CEO study</u>, 75% of CEOs believe that competitive advantage will depend on who has the most advanced generative AI.

This guide will explain how Adobe and IBM are partnering to help CPG brands build Al-powered content supply chains that connect the people, tools, and workstreams needed to effectively plan, create, manage, deliver, and measure content.

Origins of the content explosion.

Consumers are engaging with more digital content than ever and the trend shows no signs of slowing. "Most CPG marketers we talk to have seen content demand double in the last two years. According to our research, more than half of them anticipate demand to grow 5x by the end of 2024," said Richards.

Three powerful forces are fueling the demand for content:

Complex consumer journeys.

Consumer journeys are less linear, more complex, and involve more online and offline touchpoints than ever before. The same makeup customer mentioned earlier could interact with a standalone branded store, department store, website, influencer content, branded content, product reviews—all before making a purchase.

The makeup brand must create contextually appropriate content for every one of these touchpoints.

5X growth

in content demand by the end of 2024 is anticipated by more than half of CPG marketers.

Personalized experiences.

Brands are increasingly using consumer data profiles that combine information from multiple channels to design personalized experiences and journeys. Personalized experiences are powered by personalized content. The more personalization you add, the more content you must create.

Nearly three quarters of consumers say that relevant content delivered at the right time and place boosts their trust. For example, let's say a coffee brand knows a visitor to their website is a football fan who attends games in person and lives someplace where it is currently snowing. They might choose to show them imagery of people in a football arena, drinking warm coffee as it snows. But brands' ability to deliver personalized experiences like this may be limited by the quantity and diversity of the content they can produce.

The explosion of paid media channels.

There are now more paid media channels available than ever before. Social media platforms, digital publishers, search engines, and now Retail Media Networks (RMNs), which provide an opportunity for brands to interact directly with retail customers using their first-party data—offer more opportunities for brands to reach consumers with targeted content and build lasting relationships.

Each paid media channel requires content to meet their unique specifications. As a result, brands can end up creating many different versions of the same content, so they can run it on multiple networks and platforms.

Anatomy of a highly efficient content supply chain.

A truly modern content supply chain—especially when it incorporates generative AI and other emerging technologies—will help brands accomplish four things:







Improve content relevance



Enable real-time content distribution



Manage content production costs

1. Increase content velocity.

"Content velocity refers to how quickly a CPG company can generate and deliver content and how easily they can access it," said Alexis Zamkow, the Intelligent Marketing lead for IBM. Drags on content velocity include the lack of well-defined content production processes and workflow automation, fragmented production teams involving multiple internal organizations and external agencies, lengthy approval cycles, and the need to adapt content for different platforms, locations, and media networks.

CPG companies can accelerate content velocity by:

- Mapping out their content supply chain and defining clear roles, responsibilities, and processes
- Tracking and managing tasks and projects in a work management solution. Adobe Workfront
 is integrated with creative/design tools (Creative Cloud) and an enterprise DAM (AEM Assets).
 This integration allows creatives a single place to manage and natively execute their content
 tasks within their design tools.
- Making it easier to find existing content that could be quickly modified by using a DAM like Adobe Experience Manager Assets that automatically tags assets with metadata as they are added to the system
- Adopting AI/ML to automate repetitive, low-value, time-consuming content creation tasks, allowing teams to focus on creativity
- Building content in a modular approach that can be automatically assembled into fully personalized experiences across various platforms, devices, and audiences

How AI could play a role.

Generative AI can assist human creators by producing images and text in response to prompts and automatically creating thousands of personalized variations of content like ads, landing pages, and more. With GenAl, a new era of creativity and productivity is here. Already, Adobe Firefly can help creative teams save time by automatically generating images and performing complex image formatting and transformation tasks.

IBM watsonx is a GenAI platform that is open for model variety, targeted to specific business domains, and trustworthy to be able to leverage content guidance from known sources. It gives strategists, creators, and digital production and analysis teams a leg up in creating the most relevant and impactful brand content

2. Improve content relevance.

Quality content speaks directly to audiences and individuals and inspires them to take action. Generic or irrelevant content, on the other hand, can prompt them to tune out. According to the latest Adobe Trust Report, 58 percent of customers will stop purchasing from a brand that doesn't give them the personal experiences they value.

Brands can build more relevant content by:

- Building unified customer profiles and combining them with content performance data to understand how content influences consumer behavior
- Understanding their return on content investments by using multi-touch or mixed media attribution models
- Making data-driven insights into content performance available to everyone involved in planning and executing content

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How AI could play a role.

Al can rapidly summarize performance data and identify the highest-performing content for different audiences. "It can help you understand which types of content and which formats are most likely to be effective for each key segment," explained Zamkow. "It can also predict which types of content are most likely to be effective for different segments and in different contexts and assemble customized outputs."

3. Enable real-time content distribution.

Every consumer interaction should trigger a personalized, content-driven experience. For example, if a consumer views an ad for Brand Z peach lipstick on Facebook and then visits the Brand Z website, they might be greeted with content explaining that their peach lipstick is on sale at a local beauty shop.

"But this doesn't happen when content cannot be served to the right person at exactly the right moment," said Richards. "Obstacles to real-time content delivery include poor content tagging and a lack of communication between experience delivery systems and the digital asset management system."

CPG organizations can enable real-time content delivery by:

- Ensuring they can collect and stream consumer event data
- Designing content modules that can be assembled into experiences in real time
- Developing extensive metadata for content and ensuring all content is accurately tagged when it's delivered to the digital asset database
- Using real-time performance data to ensure consumers see the most relevant content

How AI could play a role.

"AI could make split second decisions about which content to display and how to assemble content modules based on consumer, segment, and content performance data," said Richards. He added that eventually AI may be able to predict the next step in a shopper's journey and assemble relevant content seconds before it's needed.

"Training solutions like watsonx with specific datasets can ensure any content built on the fly taps into both a consumer's behavior as well as associated product offerings and services from the brand," added Wachter.



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Bruce Richards

CPG Industry Strategy and Marketing Lead Adobe

4. Manage content-related costs.

Reimagining processes and adding automation to increase content velocity will usually drive content production costs down. To reduce costs further, marketers may want to reconsider their approach to the earliest stages of the creative planning and ideation process. The time and labor required to bring new campaigns to market is often an overlooked source of content-related costs. Generative AI has many promising applications in this area.



How AI could play a role.

Al can help human creators quickly create photorealistic mockups that can inform creative briefs and jump-start brainstorming sessions, getting projects off to a faster and less costly start. Today's generative AI can rapidly develop numerous creative concepts based on customer, product, and campaign parameters—but humans should ensure supervision before publishing.

Adobe and IBM Consulting: Building an AI-powered content supply chain.

By pairing Adobe's Al-accelerated Content Supply Chain solution and IBM Consulting services, brands can adopt AI to improve their content supply chains in ways that are effective—and responsible. "We believe CPG brands that are first to add AI to their content supply chains will have a lasting competitive advantage," said Adobe's Richards.

As part of this partnership, Adobe's enterprise customers will have access to IBM Consulting experts, including 21,000 data, AI, and experience consultants, who can help them effectively implement generative AI models for the design and creative process. Examples of these include:



Adobe Firefly, which is initially focused on the generation of images and text effects



Adobe Sensei GenAl services, a copilot for marketers embedded across Adobe's enterprise applications for simplifying marketing workflows to increase productivity



IBM's watsonx, which can help enterprises train and tune machine learning models on trusted data and content sources, scale experiences, and govern the use of content and assets

"We're seeing incredible momentum in AI adoption as more brands turn to generative AI to create seamless and highly personalized customer experiences to drive growth and improve productivity," said Matt Candy, global managing partner for generative AI with IBM Consulting. "By expanding our strategic partnership with Adobe, we can help marketers more effectively design AI-powered experiences while establishing appropriate guardrails, so the AI is built on trust and transparency principles to promote brand consistency and integrity."

"Both Adobe and IBM are pioneers in the thoughtful development of AI and its application to a wide range of enterprise business challenges," said Olivia Kwon Best, general manager for retail and consumer goods with Adobe's Digital Strategy Group. "This partnership will make it easier for our customers to quickly start using AI to connect their content supply chains and spend less time on costly, repetitive work."

Take the next step.

AI is already disrupting how consumers experience brands and shaping their expectations. Truly individualized, one-to-one experiences—powered by hyper-personalized content—could soon become the new normal. Brands that embrace the power of AI and generative AI to enhance every stage of the content supply chain—from ideation to creation to real-time delivery—will be well-positioned to succeed in this new world.

Are you ready to discover how Adobe and IBM can accelerate your content supply chain with AI and GenAI?



About IBM Consulting's AI capabilities.

IBM Consulting is the catalyst for business transformation. With deep industry expertise spanning strategy, experience design, technology, and operations, we have become the trusted partner to over 3,000 of the world's most innovative and valuable companies. Our 160,000 consultants embrace an open way of working, bringing a diverse set of voices, experiences, and technologies like Hybrid Cloud and AI together to accelerate business transformation. Supported by IBM Garage, our proven co-creation method, we bring speed and scale to innovation with an enduring ecosystem of technology leaders to deliver solutions for some of the world's most complex challenges. We collaborate closely, ideate freely, and apply breakthrough innovations that drive sustainable change and re-invent how business gets done. Find out more at: IBM.com/consulting

About Adobe's AI capabilities.

Adobe is making the world more creative, productive, and personalized with AI as a copilot that amplifies human ingenuity. For decades, Adobe has delivered hundreds of intelligent capabilities across Adobe Creative Cloud, Document Cloud, and Experience Cloud through Adobe Sensei, enabling customers to create, work, and collaborate more efficiently.

Firefly, Adobe's family of creative generative AI models, brings even more precision, power, speed, and ease directly into Adobe workflows. It is the most differentiated generative AI offering in the market, trained on a unique dataset that generates commercially viable, professional-quality content.

Adobe Sensei GenAI services are redefining how businesses deliver customer experiences by delivering more speed and productivity across Adobe Experience Cloud workflows. Sensei GenAI will enable brands to instantly generate and modify text-based experiences across any customer touchpoint and leverage different large language models. These innovations are anchored in Adobe Experience Platform, which brings customer data and content together across an organization under one common language model.

As a trusted partner to individuals and businesses of all sizes, Adobe develops and deploys all AI capabilities with a customer-centric approach and according to its AI Ethics principles to ensure content and data transparency. Content Credentials provide "nutrition labels" for digital content and are a key pillar of Adobe's AI principles.

Sources

"2022 CPG Marketer Report," Brand Innovators and NCSolutions.

"CEO Decision-Making in the Age of AI," IBM Institute for Business Value, June 2023.

