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Consumer Products

Segment Burst

Volume 1



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Navigating supply chain volatility

In 2022, consumer products and retail companies continue to struggle with supply chain volatility and labour shortages.

According to [Deloitte's 2022 report](#), 9 in 10 executives recognise that supply chain issues have impeded the growth of the consumer products industry, while 60% admit that labour shortages have taken their toll by reducing production, causing delays in delivery, raising the costs of shipping, and negatively affecting overall quality.

It only takes one major crisis to disrupt the entire supply chain on a global level. For instance, the conflict in Ukraine has caused a rise in gas prices and is expected to disrupt [wheat and sunflower oil](#) production and export.

Surging inflation and workforce shortages add to the general landscape of tension and uncertainty.

In face of multi-faceted global crises, [Accenture Fjord Trends 2022](#) report points to the necessity of making a methodological shift away from abundance and towards scarcity. This means companies must prepare to manage customer morale and their expectations about convenience and sustainability.

Supply chain volatility cannot be eliminated, but it can be managed. The search for stability needs to be combined with flexible, agile solutions that help to mitigate risks and account for the inherent interconnectedness of global production sites.



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Keeping up with Gen Z

As a generation driven by digital natives and tech-first workers, Gen Z motivates the consumer products and retail industry to change its social commerce strategies. Brands need to be mindful of how they appeal to these buyers and the growing workforce of this demographic. If brands want to succeed, they need to keep up with digital trends – or, for that matter, TikTok.

[Accenture](#) estimates that social commerce will achieve \$1.2 trillion in sales by 2025. [Nearly half of TikTok users](#) (totaling over 1 billion) purchase products after seeing them on the platform. As [Forbes](#) notices, TikTok allows brands to build trustworthy relationships with customers and leverage the popularity of influencers to boost brand visibility.

Trust and authenticity matter to young customers. As one of the most socially and environmentally engaged generations, Gen Z is hungry for meaningful content that shows the drive for a better, brighter future. [72% of Gen Zers](#) want to buy from companies that share their values and contribute to social issues.

In 2019 and 2021, [EY's study](#) established that Gen Zers fall into four major personas: Authentic Activists, Secluded Perfectionists, Big Dreamers, Stress Strivers, and (the least numerous group) Carefree Constituents. Most Gen Zers are driven by the obligation to improve the world and the desire to do what they love and to do it well. To attract them as customers and as potential employees, brands must be transparent about their sustainability, diversity, and social justice efforts.

A great example of a brand that speaks directly to the sensitivity of the younger generations is [Ben & Jerry's](#) – known for its active involvement in LGBTQ+ rights, climate justice, the Black Lives Matter movement, and its recent decision to end sales in the Occupied Palestinian Territory.

To [attract Generation Z talent](#), consumer products companies must showcase diversity and inclusion in branding and use social media for job applications. Launching an employee referral programme helps young candidates freely pass along job ads, which makes your talent pool grow in a natural, organic way. Switching to [text recruiting](#) can also prove beneficial because Gen Zers, similarly to Millennials, are not fans of phone calls.

What does 2022 have in store

Experts predict that 2022 will be a financially strong year for the consumer products industry. However, companies must actively seek to build and retain consumer trust to offset the effects of labour shortages, supply chain struggles, and rising inflation.

[Deloitte](#) identified three intertwined trends for the consumer products industry: transparency, digital engagement, and making investments in the future of work.

Consumers and candidates alike value transparency in companies they buy from and want to work for. Organisations that share their diversity and inclusion efforts, material sourcing practices, and fair treatment of workers will attract more customers and candidates. D&I will be the key area of investment in 2022. Recruiting new employees and improving retention are also expected to play a strategic role in the industry's growth.

As for retail, the Great Resignation has motivated companies to focus on the candidate and employee experience. Financial perks are not enough to retain talent – [a transaction cannot replace interaction](#) between actual human beings. Employee wellness, remote work, flexible schedules, better relationships with managers, higher pay, and jobs that bring a sense of purpose continue to be the main factors in attracting retail workers in 2022.

According to [McKinsey](#), traditional recruiting strategies and onboarding processes will have to be replaced with data-driven and AI-driven solutions that improve the hiring experience for both managers and candidates.

Case study

Pontoon was delivering recruitment services to our long-time US customer's retail function. To hire people for their flagship retail sites, we designed a robust sourcing strategy that combined:

- **Talent attraction** – curated through a Customer Relationship Management tool.
- **Social media and job boards outreach** incorporated social media mining technology and creative job ads to increase the efficiency of identifying best-fit candidates online.
- **Media outreach** included email campaigns and an advertising strategy through Spotify, EventBrite, and radio.
- **Grassroots campaigns** included outreach to career centres, high schools, universities, local TV, disability organisations, community colleges and centres, and houses of worship.
- **Candidate engagement** was a focus in the volatile talent market which included high unemployment and government subsidies.

Through our focus on D&I, we delivered a 40% diverse applicant pool with 36% diverse hires.

To read the full case study, please visit [here](#).