

Traditional R&D approaches, with their expensive and time-consuming validation testing, leave CPGs slow to adapt to inflationary markets, supply chain issues, and rapidly changing levels of customer demand.

R&D is an ongoing balancing act between cost, speed, and quality. While the traditional mindset says you can only achieve two at any given time, you need all three to be competitive in today's market:



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### Cost

consumers are facing rising costs in all areas of their lives, so they're looking for savings opportunities at every turn. That creates enormous pressure for CPG companies, which need to lower costs in order to retain customers and protect their margins.

### Quality

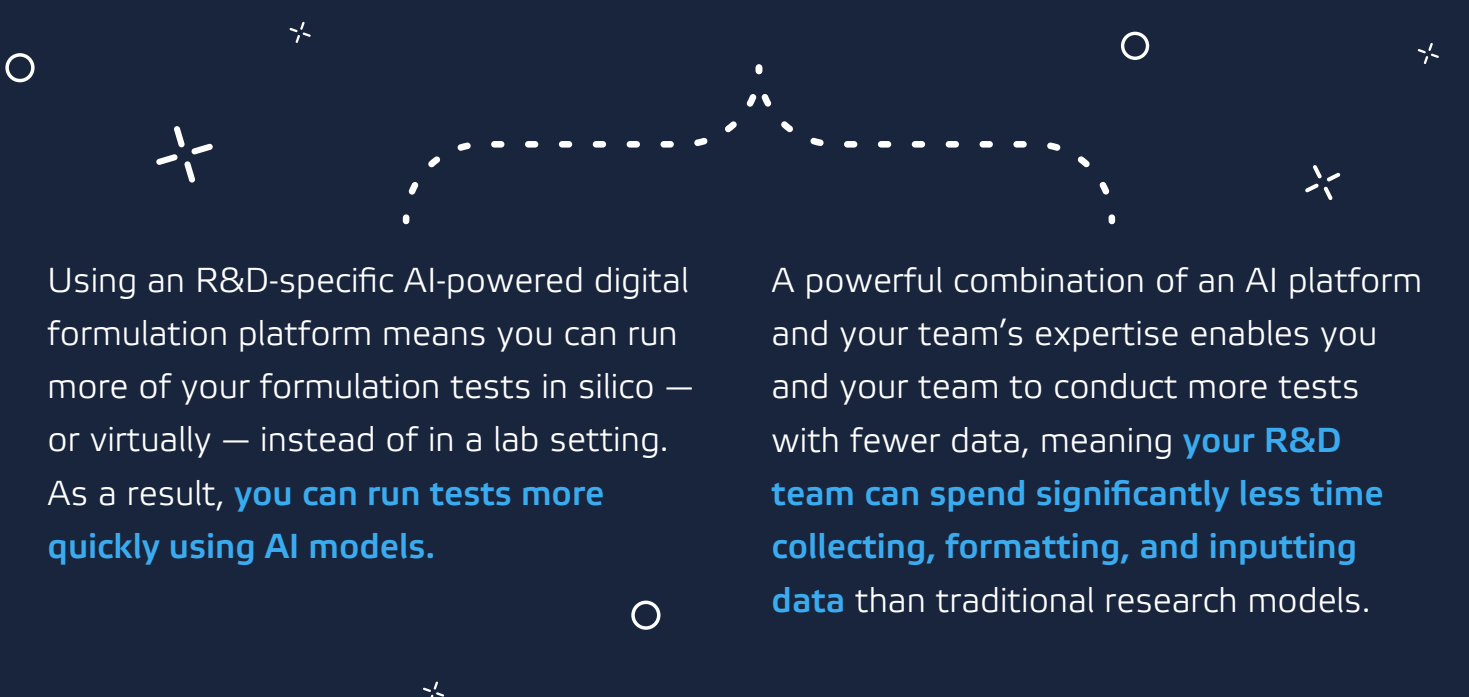
while customers are switching to lower-cost product options, they still have the same high expectations in terms of product quality and performance they received from their previous brand of choice.

### Speed

the highly competitive marketplace reflects the changing consumer landscape, while your investors expect you to adapt quickly to these changes. If you're too slow going to market, consumers will have already made up their minds and switched to alternative options, and you'll needlessly leave significant opportunity cost savings on the table.

# Bringing AI into your R&D toolkit can become your competitive advantage

It enables you to find the elusive balance between cost, speed, and quality of formulation — before your competitors do. It offers CPGs two main benefits that help them innovate, reformulate, and identify cost-savings opportunities much faster than traditional R&D approaches:



Using an R&D-specific AI-powered digital formulation platform means you can run more of your formulation tests in silico — or virtually — instead of in a lab setting. As a result, **you can run tests more quickly using AI models.**

A powerful combination of an AI platform and your team's expertise enables you and your team to conduct more tests with fewer data, meaning **your R&D team can spend significantly less time collecting, formatting, and inputting data** than traditional research models.

With the right platform, AI enables you to quickly evaluate and test new and adjusted formulations to identify opportunities to save costs without compromising quality. AI helps you quickly find ways to cut consumer costs so they'll be more willing to try your products, even as prices rise elsewhere.

This offers CPGs a real opportunity to accelerate innovation — within cost-savings programs and in general. If you can innovate more quickly, you can build your bottom line by maintaining your existing customer base and build your topline by attracting new consumers who are switching away from your competitors.