

In-store media holds the key to Shopper Marketing harmony



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The battle between brand marketers and trade/category marketers in grocery retail (and the associated battle between above-the-line and below-the-line budgets) is still raging according to an industry-first study into shopper marketing.

But there's more than a glimmer of hope in the results, and in-store media may hold the key to shopper-marketing harmony.

Shopper Marketing: The Journey Begins is a ground-breaking study for the shopper-marketing discipline in Australia, giving us a first-time snapshot of the industry and offering implementable actions to help the sector grow.

The report raises some tricky questions of definition that add to the confusion, such as:

- Consumer versus shopper;
- Above-the-line versus below-the-line;
- And what exactly is 'shopper marketing' anyway?

Firstly, when does a 'consumer' become a 'shopper'? Is it when they set foot in the store, or when they are en route to the shops? Perhaps it even starts when they are researching their purchase intentions online?

All agreed the shopper exists in the store, while four-in-five agree the shopper exists immediately outside the store, three-in-five say the shopper can exist at home and in transit while two-in-five say the shopper can exist at work.

The report suggests a significant shift from the traditional wisdom that the shopper only exists in the store.

Then there's the question of the 'line' (above or below) – TV, print, and magazines versus promotions, point-of-sale materials and demonstrations/sampling. Where does the budget come from?

The study showed this is a tense issue: *"Because brand marketers often hold the majority of the budget they are important stakeholders. However in many companies the brand marketers are perceived to be at best defensive and at worst obstructive with regard to shopper marketing."*

The consensus is that a dearth of understanding of shopper marketing is the reason budgets are withheld,

or not allocated. The report highlights a lack of training for any marketers in shopper-marketing techniques, which has created a knowledge vacuum.

When it comes to the definition of shopper marketing, there were varied responses in the study ranging from activity that occurs only in the store, to forward-thinking responses that indicate online and mobile media.

The report offered this definition: *"(Shopper marketing is) the application of shopper insights across the marketing mix, using multiple touchpoints along the path to purchase, to engage shoppers and increase sales."*

So how could in-store media hold the key to harmony? Firstly, since we formed the TorchMedia network we've been saying that 'shopper' is a mindset, not a location. The mindset needs to be acknowledged in the message – and in shopper media, the call to action comes before the brand.

We advocate that the best shopper-facing media executions clearly show the product, the packaging and the variant. The messaging can be occasion-based ("This product is great for entertaining") or even emphasise the shopping experience ("Buy this product as your reward for doing the shopping"). It can also often acknowledge the possibility that the shopper is not the end consumer – nappies, pet food or even men's deodorant, for example.

The best in-store media enhances the shopper experience; it helps them find new variants, think of new ways to use products, and trial new brands.

Now to the 'line'. In-store media is firmly above-the-line – it's not a sales promotion and it's not POS materials. Its budgets come mostly from the brand marketer, and its creative lead comes from the brand campaign.

In this way, in-store media is perfectly placed to provide a bridge between traditional shopper activity and the emerging discipline of shopper marketing.

Leading by example, great in-store campaigns show how a campaign can be pulled through into the store to enhance the brand, trigger recall and introduce a call to action.

For us, we firmly believe any activity aimed at shoppers needs to enhance

the shopper experience, not detract from it. The store's the perfect environment for 'brand theatre', and this is clear in more mature markets such as Europe and the US where brand theatre is well-developed and an integral part of the shopper experience.

While this concept is still in its infancy in Australia – and there appear to be several roadblocks to advancement – the idea of enhancing the shopper's experience is the important element.

Many of the manufacturer respondents indicated they're considering a consolidation of in-store activity such as POS materials, and focusing on fewer, more powerful executions using new formats and technologies. Maximising impact and reducing stimulation overload can only add credibility to in-store activity among the retailers and the shoppers.

Finally, for those who are considering in-store media, here are some nice stats from the report that show increasing support for the format among brand manufacturers:

- In-store media ranked third behind POS and promotions, in a list of 20 activities that could be considered shopper marketing;
- Around 75 per cent of respondents are aware of in-store media, with half of those considering using it;
- 40 per cent positively rate in-store media (though only around 15 per cent say their in-store media is being measured).

The report clearly shows a third of the market is active in the shopper marketing space, either with research or current campaigns, and that those will be the organisations who reap the most benefit from shopper marketing. We hope more brand manufacturers and retailers will start innovating in the shopper marketing space – as the report indicates will happen. 🛒

"Shopper Marketing – The Journey Begins" can be purchased online at the POPAI website – www.papai.com.au. Workshops on the findings of the report will be held as part of the Retail and Marketing at Retail Expos at Sydney Convention Centre on Wednesday, September 22. More details are also available at www.papai.com.au.