A woman with long dark hair and glasses, wearing a brown leather jacket, is looking up and to the right while holding a white smartphone. She is in a grocery store, with a shopping cart and a green plant visible in the foreground. The background is slightly blurred, showing shelves and other people.

shopper marketing

Silencing the Skeptics

Shopper Marketing Builds Brands, Drives Loyalty

As shopper marketing activities have become a larger part of many brands' marketing mix, they've come under increased scrutiny. But measuring their impact has been a challenge.

"Shopper marketers have been working to provide a clear, data-rich answer demonstrating the impact shopper marketing activation can deliver to their brands and business," says Liz Fogerty, chief strategy officer for EDGE Marketing, an Advantage Solutions agency. "They're seeking proof beyond traditional promotional metrics of dollar and unit lift and percent display. They're requesting more advanced measurements of success that furnish a true understanding of the contribution shopper activation efforts deliver as part of a brand's total marketing efforts."

The ability to quantify shopper marketing's positive, long-term effect on brand equity, incremental volume and shopper loyalty has been elusive, Fogerty says. Until now.

Quick Take

- > In the past, the impact of shopper marketing has been difficult to measure.
- > New research reveals shopper marketing's immediate and long-term impact on brand equity, incremental volume and shopper loyalty.
- > Shopper marketing boosts long-term category sales.

Advantage Marketing Partners' consumer, shopper and media agencies, in partnership with Catalina, have researched activation programs in the grocery channel spanning six customers, 10 categories and 15 individual brands. The result: a methodology to measure the impact of shopper marketing and validate it as an

effective, efficient periodic promotional tactic and long-term, brand-building strategy.

The research looked at total performance over multiple time horizons to provide a complete view of the relative impact of retail activation during both promoted weeks and over the long term.

Shopper marketing is a powerful promotional strategy.

The most commonly accepted measures to evaluate promotional impact — average weekly units, average dollar spend and average number of shoppers to the category — increased by double digits across all measured events during the promoted weeks.

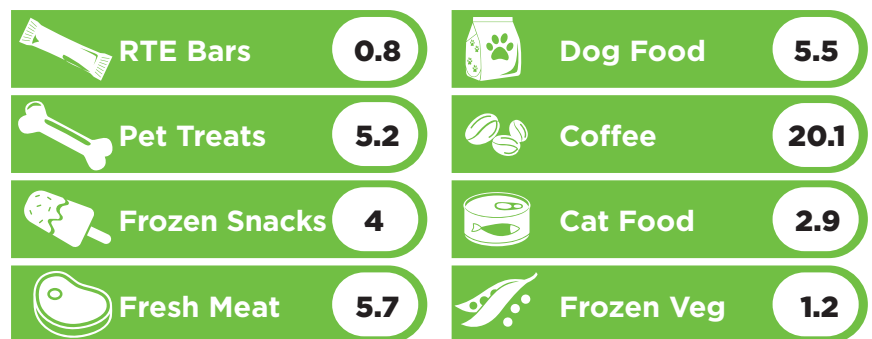
Average Weekly Increase



Shopper marketing delivers immediate short-term ROI.

In more than 90% of programs, across categories, each brand realized positive return on every dollar spent during the promoted weeks. “Every category can benefit from shopper marketing — and all brands should be considering it,” Fogerty says.

Shopper Marketing ROI*



* Return on every dollar spent.

Shopper marketing delivers value through new-buyer acquisition.

One of the most telling findings demonstrating the long-term impact of shopper marketing activation is its ability to deliver incremental new shoppers to both the brand and the category. Across events during the promoted weeks, the study found an average 21% increase in new buyers to the brand and 25% increase in new buyers to the category.

Across all events, the research found an average of 53% of new brand and category shoppers made repeat purchases within 60 days, indicating loyalty to the brand was sustained as a result of the initial shopper marketing engagement.

Based on behavior post event and the speed of repeat purchases, the measured events delivered potential annual growth of more than \$17.5 million to the brands and nearly \$12 million to the participating categories.

“We validated what has always been contended, that shopper marketing delivers an immediate impact to a

Incremental Shoppers

	New to Brand	New to Category
RTE Bars	22,000	14,000
Pet Treats	88,000	65,000
Frozen Snacks	861,000	514,000
Dog Food	91,000	85,000
Coffee	124,500	96,500
Cat Food	30,000	20,000
Frozen Veg	22,000	13,000
Total	1,238,500	807,500

brand’s sales during a discreet period,” Fogerty says. “But what is really exciting is to confirm that it can also bring long-term, extended growth from new buyers, delivering the true value of shopper marketing activation.”

“ Every category can benefit from shopper marketing — and all brands should be considering it. ”

Shopper marketing is particularly impactful on new-item launches.

New-item launch activity was particularly successful in driving brand results. More than 300,000 new-item buyers were analyzed across multiple account-specific launches. Every new-item launch program resulted in substantial increases in units, dollars and shopper counts during the weeks of the event and showed significant growth versus pre-event levels. These new-item programs drove not only new buyers to the brand, but new buyers to the category, too.

One specific new-item launch campaign in the beverage category was particularly successful, with growth rates across all measures significantly higher than average, driving significant growth in new category buyers.



Potential Annual Sales Growth*

	Brand	Category
RTE Bars	\$126,861	\$80,730
Pet Treats	\$1,142,495	\$840,448
Frozen Snacks	\$12,065,982	\$7,220,240
Dog Food	\$2,310,217	\$2,157,895
Coffee	\$1,522,125	\$1,178,419
Cat Food	\$362,011	\$234,748
Frozen Veg	\$148,262	\$89,294
Total	\$17,677,953	\$11,801,774

* Potential sales calculations based on an average 53% of new brand and category shoppers who made a repeat purchase within 60 days.

New-Item Impact

		Event Weeks	Pre-Event Vs. Post-Event*
All New-Item Events	Units, Dollars, Buyers	200%	90%
	New Buyers to Brand	200%	60%
	New Buyers to Category	245%	70%
Beverage New-Item Launch	Units, Dollars, Buyers	500%	220%
	New Buyers to Brand	480%	160%
	New Buyers to Category	600%	210%

* Two buying periods.

“The results of this study by Advantage Marketing Partners and Catalina are hard to ignore,” Fogerty says. “It’s clear the effective implementation of shopper marketing activation for both categories and brands can no longer be questioned. The ability of a brand to gain short-term promotional lift across all expected metrics is bolstered by the long-term annual revenue lift these programs can deliver.

“Shopper marketing proves critical in helping manufacturers effectively meet their customers’ needs to boost top-line growth and win shopper loyalty.”



Advantage is a leading provider of technology-enabled sales and marketing business solutions designed to help manufacturers and retailers across a broad range of channels drive consumer demand, increase sales and achieve operating efficiencies.