



THOUGHT LEADERSHIP CONFERENCE

INNOVATION IN SHOPPER MARKETING:

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Agenda

- What is and why shopper marketing?
- Developments and trends
- Impact on manufacturer and retailer
- Key innovation issues

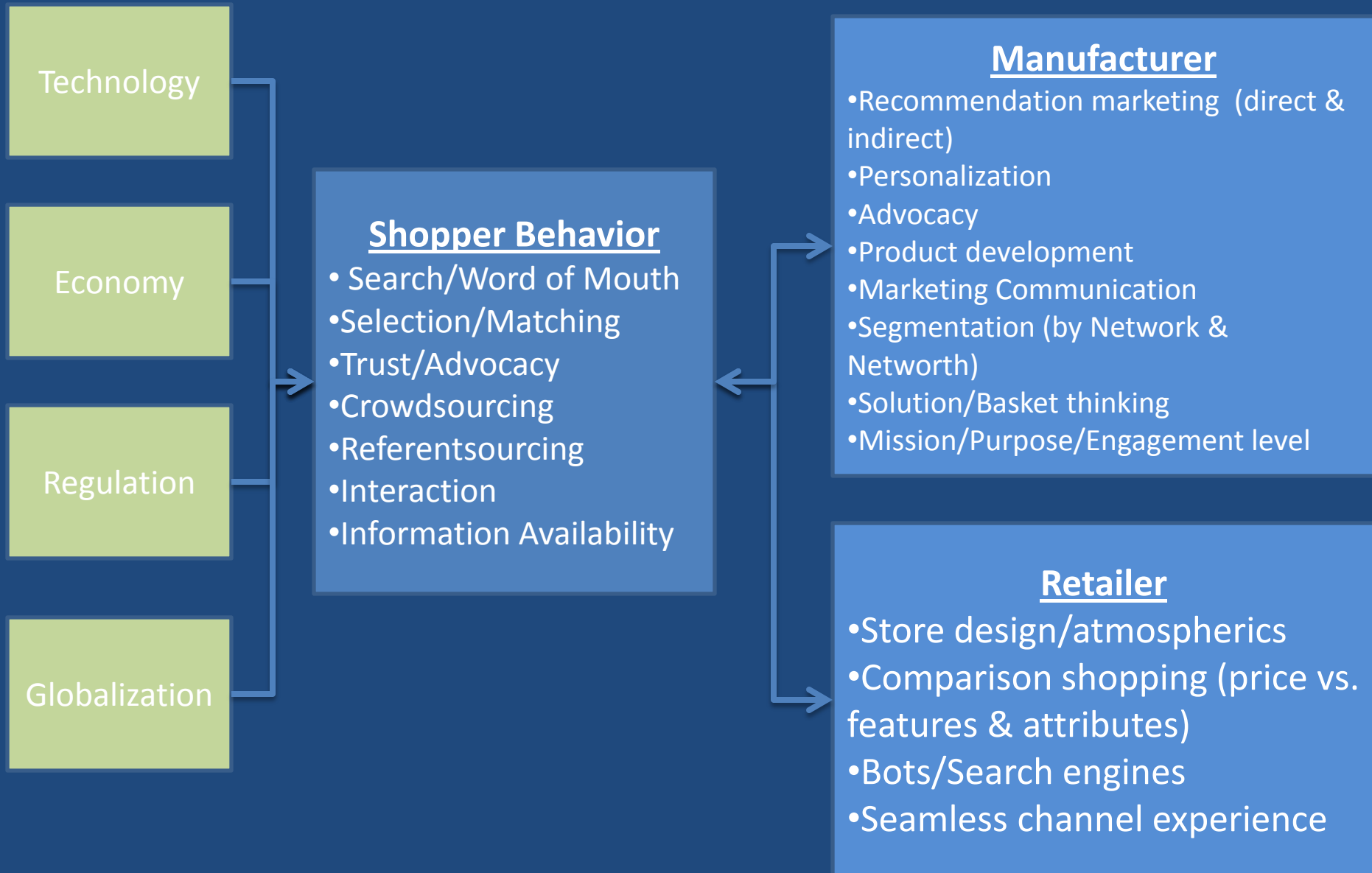
What is Shopper Marketing?

Shopper marketing is a set of marketing activities that comprises the understanding of the motivation, attitude and behavior of shoppers and utilization of such understanding to better plan and execute programs such as in-store marketing and online and mobile communications and promotions.

Why Shopper Marketing?

- Shoppers have more control over the access and use of information
- Lost of manufacturer brand protection/control
- Need to have a holistic view of consumer in shopping mode
- Reaction to “new normal”
- Greater new product introduction efficiency

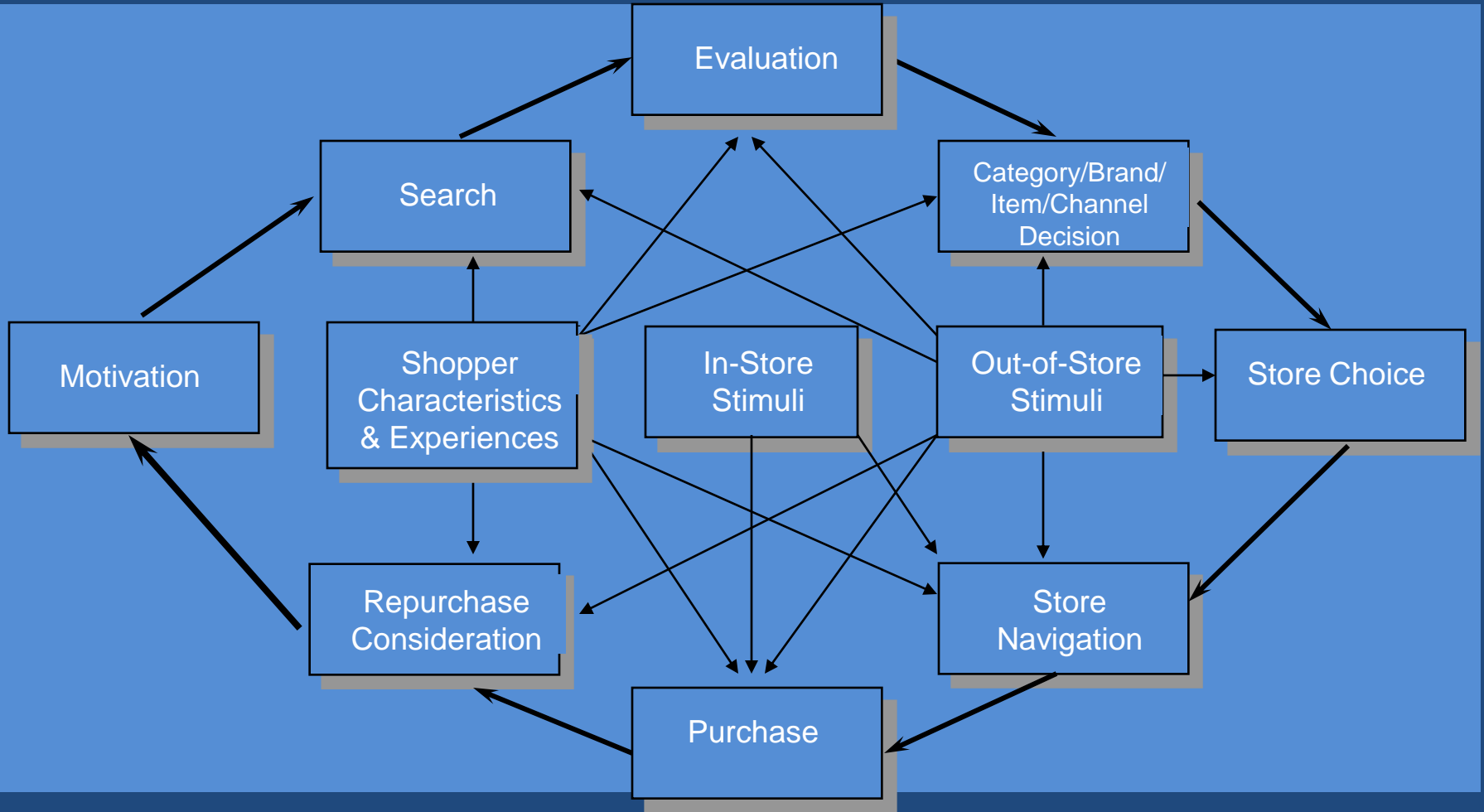
Organizing Framework



Developments and Trends

- Technology enabling search, p2p communication, social networking
- Economic downturn forcing shoppers to reexamine their purchases
- Regulatory issues (privacy)
- Globalization of supply chains and competition

Shopping Cycle



From Mass to Shopper Marketing

Before

- Awareness creation, pull and push
- Brand focus
- Single category
- Consumption mode

Now

- Influence triggers in the shopping cycle
- Shopper focus
- Multicategory
- Shopping mode

Innovations

- Stakeholders
 - Shopper
 - Manufacturer
 - Retailer/Shopping center/Mall
- Store design
- In-store merchandising
- Multichannel
- Metrics
- Organization

Atmospherics and Store Design

- Shopper-centric store layout
- Online navigational path
- Store within store
- Customized sensory experiences
- Controlled experiments
- Virtual shop testing

In-store Merchandising

- Technology utilization (RFID, Mobile-readiness, TV networks, holograms, virtual advisor)
- Rationalization of in-store instruments/vehicles
- Conversion through aisle placements and shelf positions
- Pay-for-performance displays

Multichannel Strategies

- 360 degree visibility and view of shopper
- Seamless experience
- Cross-channel promotion
- Shopping cycle channel match

Metrics

- Dashboard for manufacturers and retailers
 - Conversions (BM: Traffic-visits-purchases; Online: Browse-Buy)
 - Planned and unplanned
 - Decomposition of store sales
 - Connecting shopper metrics to shareholder value

Organization

- Organization: Shopper marketing over sales, shopper research, promotions, merchandising
- Brand (P+L), Shopper Marketing (Revenue, P+L), Sales (Revenue)
- Consortium

Thank You !