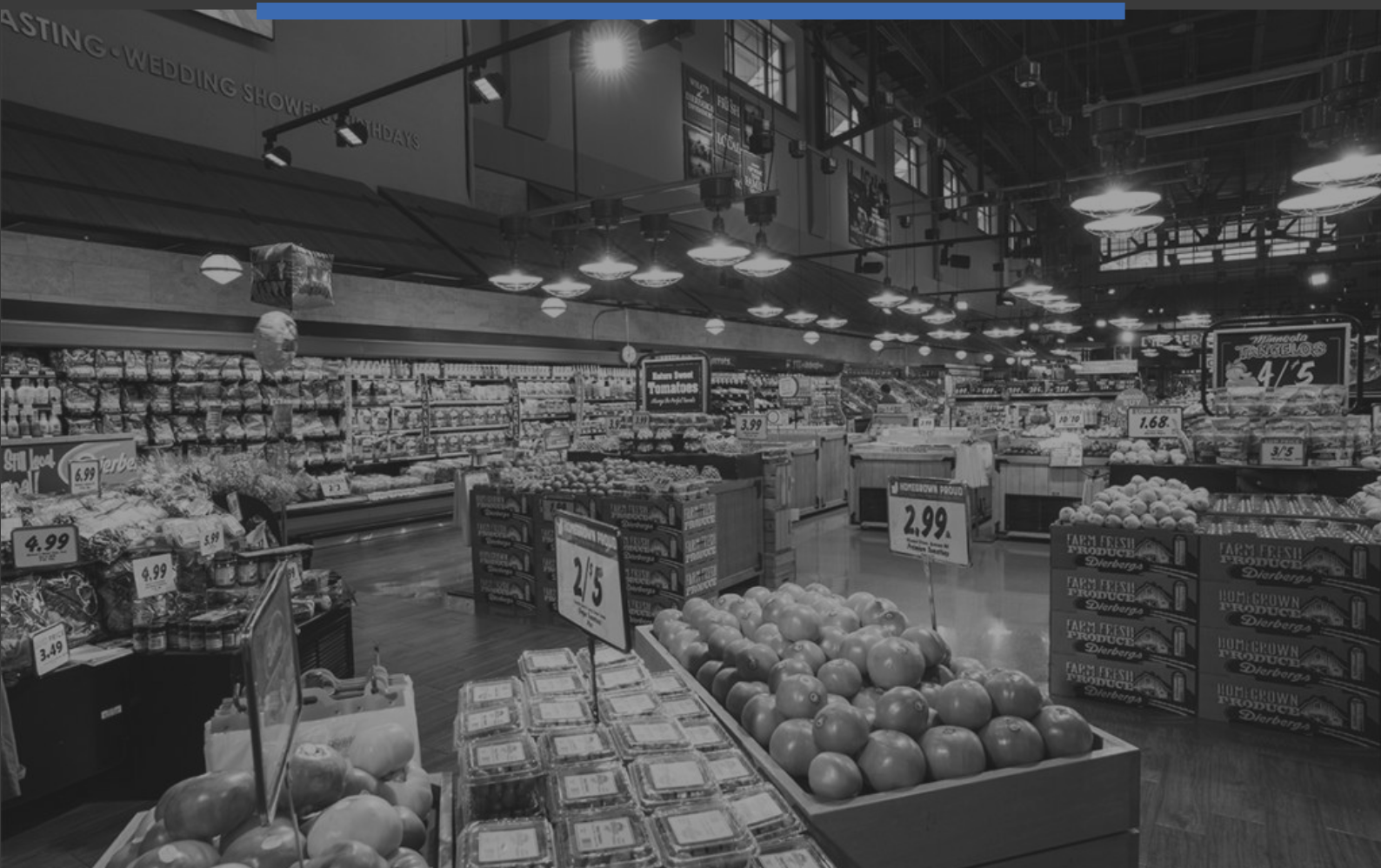


Ready to elevate your brand at retail?

Shopper Marketing Strategy

A GUIDE FOR CPG BRANDS



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Guide Overview:

This guide will help CPG brands harness a strategic discipline to **engage consumers along their buyer's journey and trigger purchase at key points.**

The following actionable tips and strategies have been generated by Cliffedge Marketing, a veteran shopper marketing agency, based on three decades of work for CPG brands, including the research, planning, implementation and reporting of successful shopper marketing programs.

With the US retail industry accounting for \$2.6 trillion in sales (Select USA) and employing 42 million people (Adweek), the reports of retail's death have been greatly exaggerated.

So, with consumerism in full swing and 77% of all consumers using multiple channels to shop (Harvard Business Review) - how is your shopper marketing strategy engaging them?



Shopper Marketing Strategy:
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WHAT IS SHOPPER MARKETING?

What is

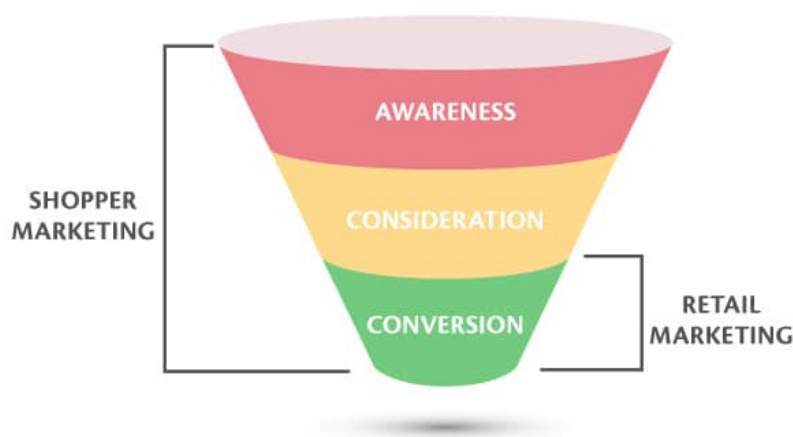
Shopper Marketing?

The best way to define shopper marketing is to understand it in comparison to **retail marketing**.

The two terms are often used interchangeably, and for good reason. Both methodologies seek to motivate consumer purchase at store-level (i.e. generate sales). But by comparing them in the context of something familiar – a sales funnel – we will identify the fundamental difference between the two.

The Definition of Retail Marketing: The process of engaging consumers while they are in-store. Basically, it focuses on the final stage of the buyer's journey.

The Definition of Shopper Marketing: The process of engaging consumers along their entire path-to-purchase. It focuses on the buyer's journey, from awareness to consideration to conversion.



About this Shopper Marketing **Strategy Guide**

Within this guide, we explore shopper marketing through the lens of a B2C sales funnel, providing content primarily relevant for Consumer Packaged Goods (CPG) brands partnering with retailers and operating in the grocery industry.

Our goal is to equip CPG brands and trade marketers with the knowledge to create an effective shopper marketing strategy designed to grow their business at retail.

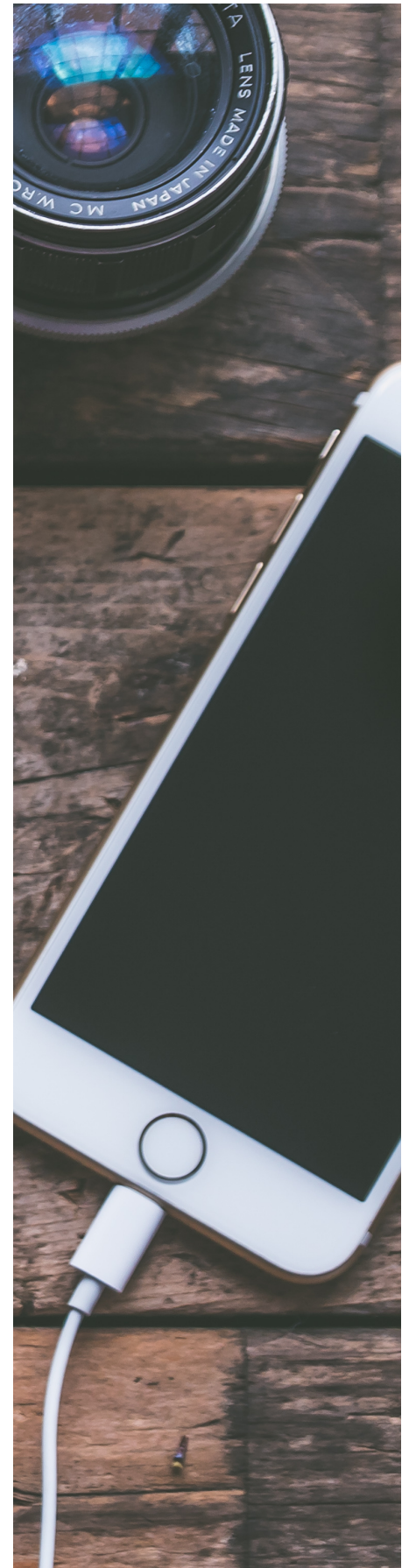


About this Shopper Marketing **Strategy Guide**

As you read, keep in mind that today's dominant path-to-purchase is an online process. **This reality was made clear by COVID-19**, which has fundamentally shifted the way we shop for the foreseeable future. Inmar, a data analytics organization, reported that 78.7% of consumers shopped online for groceries after the COVID-19 outbreak, up 39% from before the pandemic. Pew Research confirms that 8 in 10 Americans are online shoppers with half of those shoppers using a mobile device to purchase.

But there's good news for your in-store marketing plan: it's still needed.

Synchrony research has assured retailers that **in-store shopping is still the preferred retail channel for 82% of Millennials**, (including those who shop online) and by harnessing digital to drive in-store purchases, brands have begun to shift how they approach their online marketing strategy.





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RELEVANCE AT RETAIL

Relevance at Retail

How does shopper marketing enable growth? **The short answer is competitive advantage.**

For you visual learners, consider this recent photo featuring the barbecue aisle at a local St. Louis grocery store.



A couple things to point out:

- This is about 2/3 of the entire barbecue sauce aisle
- There are 20+ sauce brands and around 60-70 SKUs
- The eye-level shelf space (highlighted) is a store brand

From a retail marketing standpoint, most of these brands lack a clear competitive advantage. **In the eyes of the consumer, those bottles are basically all the same.**

Let's compare value using

The 4 Ps of traditional marketing:

Product:

Each of the sauces have similar bottles, labels, ingredients, and brand messaging.

Price:

The private label brand has the best price point across the board.

Promotion:

Of the 45 SKUs shown, 36 of them are running a price promotion (yellow tags).

Place:

Sweet Baby Ray's and the private label brand dominate the space.

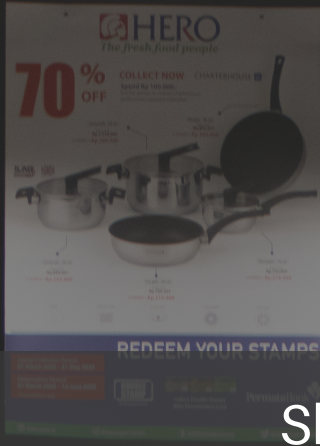


In other words, only two of the 20+ brands clearly stand apart at shelf-level. The remaining 18 look the same, are priced the same, run the same promotions, and occupy the same space



Here's the point:

CPG brands must look beyond the four walls of retail to gain a competitive edge. This is especially true for smaller brands that cannot compete against private label pricing or national brand notoriety. And now more than ever, smaller brands must reassess their strategy as consumers increasingly shift to private label brands in the wake of COVID-19.



Shopper Marketing Strategy:
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DEVELOPING THE STRATEGY



4 Questions

A Shopper Marketing Strategy Must Answer:

Gaining a competitive edge means understanding and engaging consumers at key points along their path-to-purchase.

While the approach may vary for different categories in retail, the focus should remain the same: **create value that will resonate with your target customer.**

1

What does your brand represent?

2

What is important to your target audience?

3

What are your goals?

4

What is your budget?

1 What does your brand represent?

In other words, what is the “heart and soul” of your brand? Does that messaging resonate with consumers beyond price or product features?

The purpose behind your story matters. Storytelling goes beyond just detailing the features of your product. Sure, it’s 100% all-natural or made without artificial sweeteners, but so are countless other brands’ products. Without a story, traditional retail thinking will do little to set you apart.

Make these features become part of a bigger story. Once that’s no longer the crux of your message and it’s replaced by a bigger purpose that consumers can connect with, it will enhance your brand identity overall.



2 What is important to your target audience?

It is all too common for brands to create self-serving content or make boastful claims about their products. But do consumers care? The hard-to-swallow pill remains – consumers do not care unless they understand what is in it for them. We call it, the **Who Cares Test**.

Aim your attention at creating value within your specific category. Recipes, tips and techniques - anything that positions you as a lifestyle resource within that space.

Then, lean into your analytics tools (i.e. Google Analytics, Google Search Console, Facebook Insights, etc.) to reveal who interacts with your brand, where, and how often. That way, you can focus on engaging consumers with valuable content and providing helpful resources where it matters most.

3

What are your goals?

Nevertheless, when you strip away all the pomp and circumstance, storytelling and what's-in-it-for-the-consumer, a brand's primary objective for any shopper marketing program is to drive more sales, whether in-store or online.

So, in order to support a sustainable shopper marketing strategy, think **beyond the transaction**. Determine your goals for **each** phase of the sales funnel, not just conversion, and make it a priority to measure results along the way.



3

What are your goals?

When starting a marketing campaign, make each goal a SMART goal:

SPECIFIC

What exactly do you want to achieve?

MEASURABLE

How will you measure progress?

ATTAINABLE

Do you have the proper tools/skills/staff to complete the objective?

REALISTIC


Are you sure you can achieve this goal?

TIME-BASED

What is the time-frame?

As you evaluate your efforts early on, consider valuable metrics of success like increasing website traffic, improving lead quality, optimizing conversion rates and creating more repeat customers.

4 What is your budget?



Successful shopper marketing is, among other things, a product of consistency. Allocate dollars to provide ongoing support in the form of audience acquisition, digital ad creation, content production, and in some cases, agency services.

With all of this considered, how much should you spend? We subscribe to the traditional benchmark that **10% of your total revenue should be spent on marketing and advertising.** Make a strong enough impact without adversely affecting your bottom line.

Keep in mind that shopper marketing is a long-term brand building strategy. Make sure to plan for a 6-12 month campaign before reassessing your efforts.

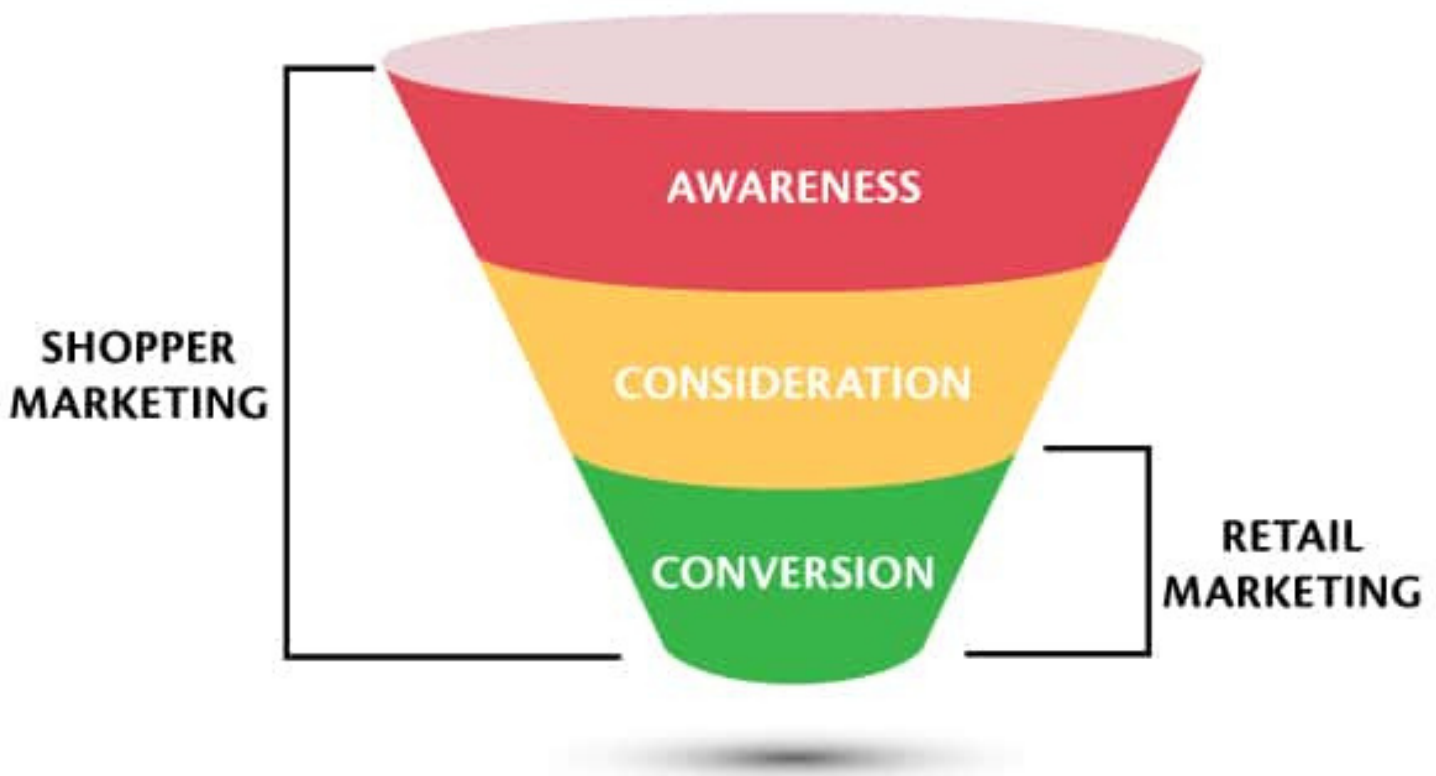
A woman with long dark hair, wearing a brown knit beanie with a pom-pom and a black jacket, is looking at a bottle of wine in a store aisle. The background shows shelves stocked with more wine bottles. The text is overlaid on the image.

Shopper Marketing Strategy:
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3 KEY POINTS OF
CONSUMER
ENGAGEMENT

3 Key Points of **Consumer Engagement**

Since most shopper marketing takes place online, the process can feel cumbersome and overwhelming. Getting wrapped up in the fine-tuning of your online presence can easily distract you from your goals. We suggest distilling the process into **3 easy-to-understand touchpoints across the buyer's journey.**



Awareness

Ensure your target audience knows who you are and where your products are sold. **Visibility today means strategic ad placement paired with compelling creative.** And social media, your brand's window to the world, acts as a useful tool for generating awareness, growing your audience, and funneling traffic to your website.

However, you do not own your fans and followers on these platforms, making it imperative to **utilize social media as a means for building your own proprietary audience base.**

But keep in mind that **organic growth on social media has become a thing of the past.** You must pay to play; otherwise, you're virtually invisible.

Build your audience in target markets and around target retailers. Create ads that support your physical footprint, actively grow your social media audience, keep sharing content that drives website traffic and conversions, and migrate those qualified leads into your CRM database.

Consideration

While conversion is the goal, the consideration phase is where you identify your value proposition. **This part of the process is arguably the most important** as it gives your consumers a reason to keep coming back.

Authenticity matters. Across your entire footprint, focus on the consumer as a human being, not just a transaction. Salesforce reports that 64% of shoppers say they feel retailers don't truly know them. The brand who can step in and connect authentically reaps the lion's share of the market.



Consideration

Visuals matter. As the old adage goes, shoppers eat with their eyes. Would you buy a product off the shelf that was dented or had a torn label? The same principle applies with your content online. More so if it has their name on it. Salesforce's study shows that 88% of retail and consumer goods marketers found personalization improved their overall marketing program.



The benefit matters. Remember, you're selling to real people who want real solutions. Useful content resonates with consumer interests when it provides answers to their questions. For CPGs, that can mean learning how to use the product in recipes or aligning with a charity.

Conversion

Give them one more reason to buy. Imagine conducting your online efforts the same way you would if you owned a brick-and-mortar store. **Conversion primarily means 3 things:**

1

Simplicity: Make it easy for consumers to purchase everywhere you engage them. On your website for instance, that means clear, user-friendly navigation. It should only take 1 click to purchase.



Conversion

2 Incentives: Reward consumers for participating with your brand. In exchange for their personal information such as an email, provide them with unique value in return (i.e. promo codes, contests, etc.). Salesforce found that 62% of customers expect personalized discounts or offers based on previous purchases.

3 Customer service: Offer an exceptional experience through the sale and beyond. This may come as no surprise, but the service offered (or lack thereof) can make or break your brand. Make your experience extraordinary.



Summed Up

Consider the 4 Ps of traditional marketing:

1. Product
2. Price
3. Promotion
4. Place

Solve for these 4 shopper marketing strategy questions:

- What does your brand represent?
- What is important to your target audience?
- What are your goals?
- What is your budget?

Engage across every stage of the shopper journey:

- **Awareness** – Stay top of mind in target markets to help get noticed on the shelf.
- **Consideration** – Offer real value to real people that keeps them coming back for more.
- **Conversion** – Offer consistency across simplicity, incentives and customer service.

Want to elevate how consumers experience your brand?

Start with a 1-Page, Custom Proposal