

THIS IS

Retail Media...

Shaping the future together in a customer-led world



Retail media playbook: Helping unlock customer growth for your brand

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01 A message from Sam Osborne

“There is increasing discussion and focus on retail media amongst marketers. Many are eager to understand what it is, what is behind its growth, and what role it can play to help them drive their brands and business’s growth in these dynamic times.”



The concept of a “retail media network”, first coined in the U.S., has been around now for over a decade and although it is still in its infancy in New Zealand, forecasters are predicting steep growth in the coming years. A growth we see true potential in.

Despite the rise, retail media is still not clearly understood by all. A clear definition of what retail media is and its benefits to brands is crucial to unlocking its full potential.

It is also important to understand that retail media is not staying still, it is rapidly changing and evolving in response to client and customers needs. Retail media is no longer an experience merely on the path to purchase making journey.

It is now an integral part of the omnichannel customer experience and purchase decision making journey. Retail media starts well before a customer enters a store or visits a retailer’s website.

As leaders in retail media, Cartology is on a mission to help drive an understanding of what retail media is, where it is headed, and the opportunities it offers brands. With two years of learnings in New Zealand and nearly 4 years in Australia, we’ve got the insight and proof points from client success, to help your brand enter the world of retail media with confidence.

This is Retail Media (and we’re happy to share the journey with you).

Sam
Samantha Osborne
General Manager
Cartology NZ



SO, WHAT IS RETAIL MEDIA?

AND WHY IS IT SO IMPORTANT RIGHT NOW?



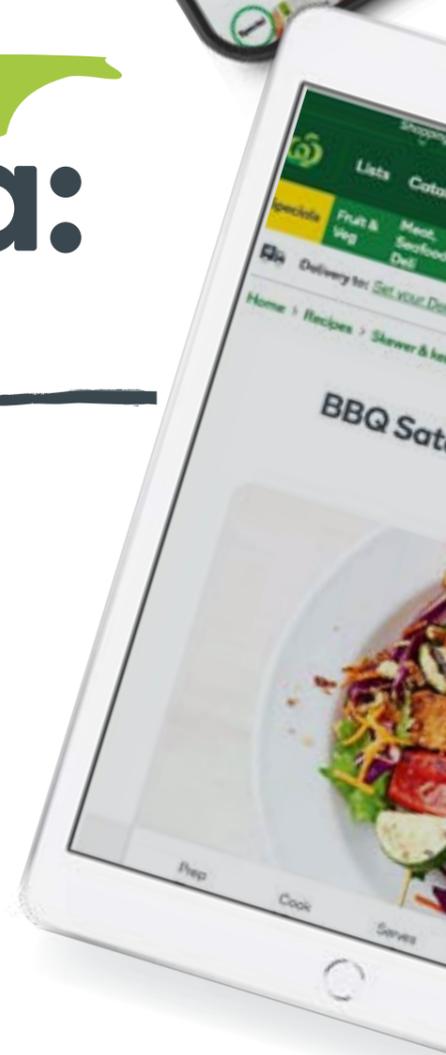
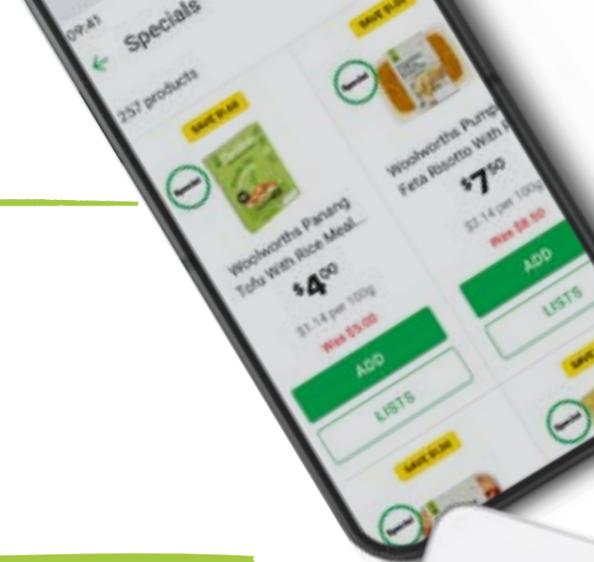
Retail media:

[ree-tayl meedia] noun

An evolving advertising platform that reaches customers with trusted, relevant messaging across the customer journey, underpinned by first party customer insight.



From its earliest days of supermarket product catalogues and in-store advertising, technology advancements and changed customer behaviour have seen the concept of retail media evolve and grow quickly, driven by the rapid adoption of digital channels.



What makes RETAIL MEDIA UNIQUE?

The path to influence customers' choices begins well before they enter a store. With almost a third of customers now omnichannel – shopping online and in-store – this journey includes traditional media, social/digital, out of home, in-store, and loyalty programs.

So what makes retail media unique and what are the benefits to brands and businesses of retail media and Cartology in particular?



Better targeting

Through first party customer insight and understanding of category buyer behaviour, retail media can find your light or lapsed users and cross-category buyers. We can also do it Byron Sharp's way, by driving mass mental availability.



Trusted, brand-safe environment

Retail media provides a curated environment where brands can leverage the established and trusted relationships retailers have with their valued customers. This allows brands to show up in brand-safe environments, where customers are actively seeking inspiration. And we know from a recent KPMG study, brands that have higher trust also tend to have higher consideration, preference, purchase, satisfaction and advocacy. So trust matters!



Connected customer journey

The purchase funnel is no longer a neat sequence of steps and as retail media operates across a number of digital and physical channels, brands can capture all-important customer attention, engaging customers from inspiration through to transaction with relevant messaging.



Enhanced measurement capability

Through first party customer insight and closed loop reporting, retail media aims to provide a deeper understanding of campaign and brand performance over time.



Retail media and the customer journey

We see the role for brands evolving across the connected customer journey.



BE SEEN



BE CONSIDERED



BE CHOSEN



BE PREFERRED

It is often asked, ‘what particular customer growth outcomes is retail media best placed to solve?’

Solving the customer growth puzzle

Working closely with many clients on their brand challenges and having analysed thousands of campaigns Cartology has delivered to date, the vast majority of briefs aim to achieve one of five key customer growth outcomes:

1

ACQUIRE NEW CUSTOMERS

⁸ In our recent eCom and in-store customer intelligence study, 80% of customers said they actively look for inspiration for what to cook or buy. Retail media’s trusted environment and sophisticated targeting provides the ideal opportunity to introduce your brand to prospective customers.

⁸ Through our understanding of customer behaviour, brands can target active category buyers and those customers with the highest propensity to purchase, maximising targeting efficiency and driving conversion.

2

GROW EXISTING CUSTOMERS

⁸ Retail media’s precision targeting enables brands to stay top of mind, reinforcing choice and ultimately driving repurchase and loyalty amongst customers who have previously purchased a brand. Through our omnichannel offering, we connect brands with recent buyers to trigger repurchase amongst existing customers.

4

WIN BACK LAPSED CUSTOMERS

⁸ Retail’s trusted environment provides the permission to reconnect with customers, where they actively welcome inspiration.

⁸ With a unique ability to identify customers who previously purchased a category or brand, retail media can target these lapsing and lapsed buyers to help win them back for brands.

3

DRIVE CUSTOMER TRIAL OF NEW PRODUCT

⁸ Driving awareness and first-time trial of new products is an incredibly powerful sensory experience and especially valuable to brands. The hallmark of a successful new product launch is achieving brand trial and experience at scale, enabled by retail media’s omnichannel offering. After all, what’s more powerful than getting your product into customers’ hands?

5

RETAIN EXISTING CUSTOMERS

⁸ Target messaging or personalised offers to connect your brand with customers when they are next in market to prompt repurchase or increase customers’ frequency of purchase at all stages of the decision-making journey.

‘Nothing special’ about McCain Pub Style Chips

Highlights:

- ⁸ Leveraged real customer insight based on behaviour to drive synergy with wider Masterbrand advertising to build a successful omnichannel campaign
- ⁸ Shoppers who were new to the category during the campaign made up 50% of all sales.
- ⁸ More than 200,000 new-to-brand customers, with +13% repurchasing post-campaign.

Strategy: The overall objective was to drive conversion of the McCain Pub Style range through both the acquisition of new customers and trade up of existing McCain potato shoppers.

A targeted media approach enabled good synergy with the broader Masterbrand advertising campaign to introduce McCain’s Pub Style chips to a new customer cohort and created a deeper connection with existing customers. The first four weeks of the campaign focused on encouraging trial, followed by a second phase of activity aimed at educating shoppers on the additional usage occasions for the Pub Style range.

Execution: Knowing that shoppers generally don’t enjoy going down the freezer aisle, it was important to not only use an in-aisle element, but also include traffic drivers which meant the use of eDM and online elements were critical.

Using targeted channels like eDM that also had a Boost offer, along with External digital were pivotal traffic driving channels. High exposure digital activity such as Homepage and Department banners met customers with impact as they entered Countdowns’ digital store, leading them to a branded shop and enabling customers to add-to-list, and purchase online or in-store. During the education phase, recipe inspiration for loaded fries was delivered using the digital mailer.

Building brand presence, relevance, and awareness in-store, Cartology’s floor and freezer door decals reinforced trial and encouraged conversion.



“Collaborating with Cartology allowed us to build a successful and meaningful campaign based on shopper insights, and enabled us to make informed choices when selecting in-store and online media”

-Sarah Brown - McCain

RESULTS

33%
new-to-product customers

13%
new-to-brand customers.

+1.86%pts
increase in penetration in a category that is relatively flat and up against the previous period where penetration was actually down. metrics.

86%
increase in average weekly sales.

Best Coke ever? Coke Zero launch gets Kiwi’s fizzing

Highlights:

- ⁸ Three-phased campaign to launch NPD
- ⁸ +69% increase in online sales
- ⁸ Strong penetration numbers, not only during the campaign, but also post the campaign period.

Strategy: 3 Phases

Phase 1 - Education, targeting all Zero and No Sugar drinkers to inform them on the upcoming product change.

Phase 2 - Launch with mass and targeted awareness across eDM, online and in-store.

Phase 3 - Win with Onecard promo to drive further awareness and re-engage consumers who had previously purchased to encourage repeat purchase.

Execution: The first four weeks of the plan was all about driving awareness amongst existing customers through 1:1 EDM and point of sale at shelf. The messaging focused on educating shoppers that Coke Zero and No Sugar would be disappearing and would be replaced by Zero Sugar.

Immediately after, Phase 2 then ran for a further 4 weeks, again using targeted and mass media channels like eDM, online banners, aisle fins and floor decals to announce the arrival of the new Zero Sugar variant, ensuring it increased awareness with new customers and resonated with those previously exposed to Coke’s communications.

The 3rd and final phase used a competition component through Onecard. The objective was to drive repeat purchase with consumers who had bought the product in phases 1 and 2, and also potentially capture a few more new consumers. Again, this phase ran for 4 weeks and used a good mix of online and in-store. Through digital ad placements on the Countdown website, Coke Zero Sugar was put front and centre with those planning their shop. In-store, at shelf assets like aisle fins drove conversion.

RESULTS

70%
new-to-brand customers

90%
new-to-product customers

+57%
sales increase

“I am very pleased to say that the campaign delivered over and above and was incredibly successful in engaging shoppers, creating awareness and ultimately driving trial of the brand.”

-Thomas Lysaght - CCE



GETTING STARTED

3 simple tips when it comes to planning your retail media campaign.

Analysis from Woolworths Group data and a recent study of over 2,300 Cartology media campaigns provides a few simple pointers for brands looking to get started with retail media:

1 THE POWER OF THREE - THE SWEET SPOT FOR CAMPAIGN SUCCESS: Cartology's most impactful campaigns of the last 12 months were multi-channel, featuring an average of three retail media touchpoints.

→ **So what?** Activating across three or more retail media touchpoints gives campaigns a stronger chance for success.

2 OMNICHANNEL WINS: One in three omnichannel customers plan their grocery shop two to three days in advance and 70% of Cartology's most impactful retail media campaigns of the last 12 months used a combination of in-store and online touchpoints.

→ **So what?** Brands have the opportunity to show up wherever and whenever customers choose to shop.

3 DIGITAL IS THE ACCESS POINT TO WOOLWORTHS, whether shopping online or instore. Average traffic to Woolworths group digital platforms is 19.4m weekly, with one million active weekly ecommerce customers³. Customers are exerting significant online behaviour, fuelling digital traffic, while in-store still plays a significant role throughout their journey. Wherever customers transact, be it online or

in-store, digital's influence extends well beyond the realms of eCommerce transactions.

→ **So what does that mean for brands?** Retail media digital activation has the dual benefit of shaping customer behaviour no matter where they shop. Digital really is the front door.

There is no shortage of success stories, from brands investing in the long and the short term, with new news to share or reinforcing established messages. From health advocates to pet lovers, retail media is here to connect your brands with engaged customers.

Helping you to get the most out of retail media

Together with our clients and partners, we are helping to build a greater understanding of retail media, while learning and evolving every day.

Cartology can work hand in hand with brands to achieve customer growth outcomes offering advanced targeting, measuring real customer impact and accountability of media spend, providing a trusted, brand safe environment, and an omnichannel ecosystem that reaches customers where and when they plan, compare and transact on the customer journey.

It is an exciting journey in retail media, and one that we are equally excited to share with you. For more information on what retail media is, the benefits it can provide brands, and how Cartology is helping to deliver, get in touch at info@cartology.co.nz



Get in touch

Talk to us about our unique,
customer-focused media solutions

Contact your Client Partnerships Manager
or email us info@cartology.co.nz
for more information

