

# RETAIL MEDIA COMES OF AGE

SHOPPING ENVIRONMENT MEDIA IS BOOMING AND PROVING A POWERFUL OPTION FOR MARKETERS. BY SAM MCCONNELL.



Targeting consumers while they shop seems like it would be an obvious tactic for marketers – it certainly makes sense to market to your audience while they have money in their pockets and are ready to spend.

While Out-of-Home (OOH) has been a key spend for marketers for decades, it's only in recent years that shopping environment media has come to the fore. Shopping environments can be defined as any location related to shopping or retail – shopping centres, retail strips, car parks, service stations... Don't be fooled by the 'OOH' part either – shopping environments include indoor executions as well, in the form of signage above

escalators, in food courts, within shops at point of sale... anywhere tied to the shopping or retail experience.

Whether indoor or outdoor, shopping environment media is certainly experiencing a boom.

"Consumers are increasingly on the go/more active and thus harder to reach at home. What we are seeing now is a battle for share of 'on the go' mind space," says Norrelle Goldring, principal at Moxie Market Strategy.

"The game is increasingly about relevance. Shoppers are weary of general advertising clutter and overexposure to messages, and increasingly filtering out anything that's not relevant to what they

Electrolux leveraged the insight that when people buy whitegoods the tactile experience is vital. To work this harder, and bring to life the positioning of “the cooking authority” Electrolux set up celebrity chefs to cook at “kitchens of the future” in Westfield. It was successful as it was interactive in a tactile way like no other element in the communications mix, but importantly the content that was generated in the shopping centres was filmed, turned into footage for TV, and exposed to an even greater audience!

Phil Hayden, bellamyhayden



are doing there and then. They are less likely to filter out retail media as it is more relevant at the time they are actually shopping and in the shopping mindset.”

Goldring believes suppliers are increasingly recognising the role of point of purchase and shifting their marketing spend into in-store and shopper-facing media accordingly.

“The role of shopping environment media will only increase, particularly in-store media right at the point of purchase – assuming the content has the right categories and is offered in the right places.”

When people think of advertising in shopping environments, their thoughts will often turn to FMCG, and this category is obviously tailor-made for these kinds of ad placements. According to Helen Bakewell, managing director of Directional Insights, however, there is no limit to the range of products and services worth promoting through shopping environment media.

“Shopping centres and retail generally are a reflection of our community, our society, our customs and how we live day-to-day. As they are a reflection of our society, it is appropriate that all types of products and services within our life be promoted at one of the commercial venues we visit most frequently – being the shopping centre (the majority of Australians visit a shopping centre weekly or more often).

“Within the shopping centre environment, however, there is further opportunity to target specific centres strategically based on your customer target market. For example, younger

people tend to frequent regional shopping centres compared to older customers visiting smaller neighbourhood shopping centres. Products that are age appropriate can also be targeted at shopping centres where differences in age profiles are more prominent. This can, of course, be applied to other factors like AB profiles or ethnicity.”

There is also a misconception that shopping environment media is good simply for promotions rather than bigger picture branding projects. Adam Ferrier, managing partner and consumer psychologist at Naked Communications, disputes this.

“People think of the shopping environment as only ‘promotional’. There has been an increase in dollars spent within environments that are close to purchase as marketers have increasingly realised that the goal of communications is to get people to act on, not just receive a message. Shopping environment advertising, like all forms of communication, however, has dual purposes to a) drive sales, and b) build the brand. If your communication is not doing both then it’s not working. Therefore any retail message should be building the brand – not just driving sales.”

One large organisation that has extensively used shopping environment media is Sanitarium, famous for products such as Weet-Bix, Up & Go and Light ‘n’ Tasty. Through Star Advertising, Sanitarium booked floor media in Woolworths to support the launch of Weet-Bix Kids. It used The Wiggles (who endorse the brand) in the creative,

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Adam Ferrier,  
Naked Communications

which attracted mums and their little pre-school kids to the fixture. According to Chris Pinnegar, business director at Star Advertising, to make this kind of in-store execution work, you need to “have a genuine reason to be there or a hot property to leverage, otherwise it’s just more wallpaper”.

But why did Sanitarium choose an in-store promotion?

“Most of the time we’re targeting main grocery buyers (often mums with kids) and it’s getting harder and harder to reach them effectively. Traditionally, TV has been our lead medium, but the importance of ‘branding the last mile’ is rising. Getting our messages as close to the point of sale is often a key factor in clinching sales, especially when our brands are part of a repertoire and the need to ‘switch’ consumers is vital.”

With media fragmentation a real problem for the media industry and an increasingly savvy consumer becoming harder and harder to reach, the future looks competitive for the industry. Shopping environment media has now,

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however, established a strong base from which to continue to grow.

"On the positive side, brands will continue to move in the direction of delivering experiences in their marketing," says Phil Hayden, director of communications planning agency bellamyhayden.

"Shopping centres, with the traffic they offer and the theatre floor that is their real estate, will be one of the primary beneficiaries of this.

"On the downside, if the migration of communication dollars continues then clutter will be an issue. There appears to be little understanding from the operators on 'how much is too much' and it would be a shame if the local shopping centre became the 'commercial break of the 21st century'."

### THREE KEY THINGS TO REMEMBER WHEN DEVELOPING A CAMPAIGN TO MAXIMISE THE SHOPPING ENVIRONMENT

#### 01 Peter Hardy

*Advanced analytics director, Synovate Aztec*

1. You need to develop a short but clear 'call to action' for the shopper. In other words, you need to give the shopper a reason to buy your product whether that is via talking to them about its features or benefits.
2. You need clear branding – too many times, we see great creative, but no one can remember the brand! Must include a product shot.
3. Bright or clean graphics – shoppers spend only a few seconds choosing

a brand at the supermarket, so having too much happening in your creative will tend to make it blend into the surrounding noise.

#### 02 Adam Ferrier

*Consumer psychologist and planning partner, Naked Communications*

1. All communications should build the brand not just drive sales.
2. Ensure you understand the other elements of the communications mix – don't just leave it all up to the poster the person sees as they are walking into the store.
3. If there is a star burst on your piece of communications you probably haven't thought it through hard enough.

### SHOPPER BEHAVIOUR: A SNAPSHOT

How shoppers shop – their mindset, habits and what they look for – depends on their type of shopping occasion and 'mission'. Shoppers may be buying for 'me' or for 'us' or for 'you', with the product or category to be used either now or later. Who they are buying for and how/when the product is to be used also impact their mindset and habits.

#### Major shopping missions and occasions

- **stock-up shop** – everything we need for the next few weeks
- **top-up shop** – stuff I need for the next few days
- **destination/emergency shop** – specific items that I need now
- **on the way** – tends to be services like ATMs

- **browsing** – more shopping centre and department store oriented
- **treat/reward** – for me or for others
- **gifting** – for others.

#### Mindset and habits

Let's look at how these change according to the different types of shopping missions:

- **stock-up shop** – make sure I've got everything. I'll buy things not on the list if I think we might need them and there's a reminder or incentive
- **top-up shop** – in and out for just the stuff on the list. I might buy a couple of things not on the list
- **destination/emergency shop** – in a hurry and on a mission. Less open to impulse, and even then only when the primary shopping mission has been completed (e.g. while standing in the queue)
- **on the way** – in a hurry, distracted
- **browsing** – having a good look

around. I may have a category in mind, but open to item/brand switch

- **treat/reward** – something little just for me. I've earned it, and
- **gifting** – I'm not sure exactly what he/she will like. I will take the time to find the right thing and get advice if I need to.

#### What shoppers look for

- solutions, not products! Solve my problem or occasion, e.g. hurt/screaming child, dinner tonight, something to wear to the party
- make it easy for me to find, see and select my product from amid the clutter
- give me interesting distractions! Grocery shopping can be a chore, and
- keep it simple! Too much choice confuses me.

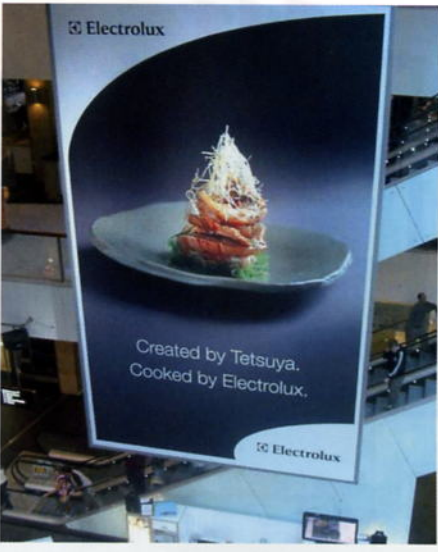
*Prepared by Norrelle Goldring, Principal, Moxie Market Strategy*

### 03 Helen Bakewell

*Managing director,  
Directional Insights*

1. Know the customer at the centre type you are targeting.
2. Be relevant to the customer profile at the centre you are targeting, ie know your own profile.
3. Make sure you stand out in the crowd particularly when fitting in with or complementing the different retail times of the year – either try to capitalise on or run contrary to them, e.g Christmas, school holiday periods and other key retail events such as Mother's Day, Father's Day and Easter.

3. Placement. Again think about your own shopping behaviour. You probably shop at your local centre regularly, but in a clear and defined pattern. This is not chance. The operators do not arrange stores or retail outlets in a random manner – like how stores are clustered to create mini-villages within a shopping centre. Think about where your brand fits and where your audience will hang out most... you might even miss them.



### 04 Norrelle Goldring

*Principal,  
Moxie Market Strategy*

#### The 3 Rs! Plus one

1. Right placement – the closer to the purchase decision point for the category, the better.
2. Right category and product – focus on incremental sales from high value categories, not brand switch among staples.
3. Right message – a call to action based on occasion and usage, and your objectives (eg awareness versus trial versus switch versus incremental sale). Basic branding is a waste – this is about conversion not consideration!
4. And the big R that sits across the lot is Relevance! It's no good showing me an ad for toilet paper when I'm standing in front of the pet food!

### MEDIA STRATEGY IN RETAIL ENVIRONMENTS: A SNAPSHOT

As communication opportunities go, one of the most interesting revolutions in recent times has been the humble shopping centre/retail precinct. From struggling with the loose notion of securing a poster site in the main walkway fewer than 10 years ago, you can now contemplate multiple formats – floor space for any form of brand theatre, digital TV screens, table tops, themed 'mothers and baby rooms', all backed up with scan data or names and addresses of interested prospects if you so wish.

The growth is easy to understand. Has anyone ever seen a 'path to purchase' or 'where I decided to buy this product' research study that didn't say 'when I was in the shop looking at it'; however, clients eager for accountability and agencies keen to expand their communication remit have quite rightly seized the opportunity and seriously attacked the area with messages and dollars.

As a consequence, the opportunity has come of age in commercial terms. Concentration of ownership (thank you Westfield, the biggest and most professional operator in the world) and the presence of credible media owners have made the opportunity easy and disciplined to get involved with. I believe, however, that to see

the shopping centre/retail precinct communication opportunity as glorified point of purchase seriously undersells its potential.

An Americanisation of our urban planning means that the modern day shopping centre is much more than where people simply go to buy. The shopping centre is the new heart of the community. People go to connect. They go to be seen and see others. Values, influences and peer approval are gained. This is a seriously exciting context in which to place your brands. Youth brands have been the first to realise this, using vacant shopping space as branded hangouts and lounges providing a raft of experiences, at the same time as achieving eye watering time spent with their target audience.

And the numbers stack up: 17 million weekly through Westfield makes it a 'broadcast channel'. Get a \$1 million or \$2 million dollar budget to support a whole number of shopping centre formats and ideas and you could expect a broadcast type result for the brand!

Well and truly open for business...!!!

*Phil Hayden is director  
of bellamyhayden*

### 05 Phil Hayden

*Director, bellamyhayden*

1. Be active. Most formats in shopping centres are very passive, and rely on the proximity argument. Delivery will need a creative idea, and probably a degree of theatre to pull it off. People are not waiting for your advertising... most mothers with young children are on a mission!
2. Integration. Shopping centres are sometimes the frontier where the below the line agency (and probably the client sales team) meet all that nice brand work that has been done by the marketing department and the advertising agency. And it frequently shows!