

# Capturing Consumers' Attention

# Experts say convenience is one of the best retail environments for shopper marketing

By Renée M. Covino

o your convenience stores have the woo factor? Are techniques in play to turn convenience channel shoppers into convenience channel buyers?

So many convenience store purchases are driven by impulse, with successful shopper marketing techniques said to provide that last bit of influence at the point-of-purchase, where many final buying decisions occur. Shopper marketing is not the only strategy for this — and it does not replace traditional marketing techniques for wooing consumers — but it is developing an attention-seeking reputation.

"While online retailers like Amazon continue to grab market share within the retail industry, 71 percent of U.S. consumers say they still prefer to buy from physical stores even if the same products are available



online, giving retailers the opportunity and challenge of capturing those valuable consumers," Matt Talbot, CEO of inventory software company GoSpotCheck, told Convenience Store News.

"As a result, retailers and sup-

pliers are testing marketing methods that aim to capture a consumer's most valuable resource: their attention," he explained. "Top retail brands like Whole Foods, Lowes Foods and Apple are leading the way by testing

new tactics like virtual reality, social shopping, and robots to try and lure customers."

The way another expert sees it, shopper marketing should be viewed as a tactical approach to sway consumers who are open to being swayed.

"The best shopper marketing understands the consumer dilemma at the moment of purchase," said Rebecca Brooks, founder of Los Angeles-based Alter Agents, which has conducted nearly 100 shopper marketing studies across dozens of categories, including in the convenience channel for ampm. "For example, consumers might be weighing health against convenience and desire. A convenience store offers those choices starkly — you can get an apple or a health bar, but those Snickers look pretty darn good. A savvy marketer will be able to pull those levers and push the undecided to purchase."

Brooks further explained that shopper marketing has historically been about point-of-purchase, impulse purchasing. It has relied on



# C-STORE SHOPPER MARKETING IN ACTION

CSNews sister company Path to Purchase Institute shares some noteworthy examples By Cyndi Loza & Nidhi Madhavan, Path to Purchase Institute

he small store sizes of convenience store chains typically leave little room for large point-of-purchase materials. However, bigger is not necessarily better in shopper marketing. Here, we share some noteworthy examples of effective, or just plain cool, in-store activations in the convenience channel.

We believe each example below executed the 4Cs of effective in-store and digital activation well: command attention, connect with the shopper, convey information, and close the sale. For more on each program, visit the Path to Purchase Institute at p2pi.org.

This is a great example of how shopper marketing can be a unique part of a marketing arsenal. In spring 2016, 7-Eleven stores carried an exclusive can from Coca-Cola Co.'s flagship brand that delivered account-specific content via augmented reality mobile application Blippar. Using the app, shoppers were able to scan the silhouette of a bottle depicted on the can to superimpose sunglasses, headphones and a play button over the SKU, which allowed users to play music from various artists such as Elle King, The Killers, Ellie





Goulding and Beck. In stores, the cans were stocked on account-specific, motion-activated floorstands that spinned a record and played "Lean On Me" by Bill Withers or "All I Do Is Win" by DJ Khaled when shoppers walked near the display. The program worked because it encouraged shoppers to engage with Coke in a different, new way and it put the brand center stage on something that's just simply cool and keeps it in the conversation.



A/B testing and psychology to determine the best place for displays or the most eye-catching graphics.

"Today's smart shopper marketers are realizing that messaging is king. Traditional methods still



7-Eleven teamed with Ferrara Candy Co.'s Trolli earlier this year to launch the brand's first-ever Slurpee flavor. The Trolli Pineapple-Lime flavor of 7-Eleven's proprietary Slurpee beverage rolled out to stores in March, along with new Trolli Sour Brite Sloths gummies, which were available exclusively at 7-Eleven stores through April



30. Each pack of the SKU contained pineapple and lime, strawberry and grape, and blue raspberry and berry punch gummies shaped to resemble a sloth. In stores, the candy was stocked on floorstands depicting a sloth holding a Trolli Pineapple-Lime Slurpee. Positioned near Slurpee machines spotlighting the Slurpee flavor via translite signs, the colorful floorstands certainly commanded attention and nicely communicated the new candy and Slurpee flavor pairing.

Noting there was a cross-purchase behavior between chewy candy and Circle K's Polar Pop beverages, Ferrara Candy launched Trolli Sour Sippers edible candy straws at the retailer to complement the beverage. Available in a blue raspberry flavor, the SKU launched at Circle K stores on July 1 and rolled out to other retailers across channels at the end of August. In stores, account-specific floorstands depicting a Polar Pop beverage stocked the candy straws, alongside Trolli Sour Brite Bites and Crawlers. The program was similar to the aforementioned Trolli campaign at 7-Eleven, aiming to both simultaneously increase Trolli SKU and Polar Pop sales. The floorstand also worked



to communicate the combined price of a Polar Pop of any size and Trolli Sour Sippers, helping to close the sale.

work, but savvy consumers are now looking for more information and messaging throughout the shopper experience," she said.

Whole Foods' "story-oriented marketing" with chalkboard-like/artistic signage in cluster displays around different products throughout the store is one example.

"Shopper marketing isn't just appealing to our reptilian brains and base instincts. It is evolving into a conversation with the shopper," Brooks stated.

## SELLING STORIES

Mike Anthony, global CEO of Engage Limited, which strategizes with both retailers and manufacturers on shopper marketing, cautions that "lots of things are called shopper marketing, but most of



them are just in-store activities branded as shopper marketing."

He thinks shopper marketing is beginning to evolve into being "more insight-based," but there is still a long way to go. "Most of what is done in stores is generic, tactical, price-based," he explained. "Best-practice shopper marketing works on a higher level: identifying opportunities to drive consumption, and using these opportunities to target specific shopper segments — those that



can drive growth."

Others point out that shopper marketing has evolved from a weekly print ad and, in some cases, television to an integrated marketing communications strategy that requires social media, direct mail, email, mobile apps, as well as traditional media tools.

Shopper marketing today is said to be as varied as retail.

"It has to be. By its very nature,

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- Rebecca Brooks, founder, Alter Agents

shopper marketing needs to be where the shoppers are. And where are shoppers? They're

Energy-drink manufacturer Rockstar provided Speedway with an exclusive "Killer Grape" flavor of its Rockstar Revolt beverage line early this year. In stores, the exclusive beverage earned secondary merchandising space in dedicated, eye-catching coolers promising Speedy Rewards members 500 bonus points with the purchase of three SKUs for \$5. The display's design made it easily shoppable and its vibrant colors and graphics commanded significant stopping power. Online, the retailer used its "Speedy Scratcher" instant-win game — a recurring promotion frequently used to plug new products — to give away hundreds of free cans and coupons, which encouraged store trips.



Understanding its largely young, male consumer segment, Speedway teamed up with National Football League sponsor Anheuser-Busch InBev leading up to Super Bowl 2017 for a sweepstakes awarding one grand-prize trip to the big game. Signage on coolers and beer racks in stores depicted Bud Light and invited consumers to text a designated





number to enter. The promotion also included a corresponding online instant-win game awarding hundreds of free music downloads and Bud Light paraphernalia. Social media activity built additional hype for the chance to win. The in-store signage served to attract sports-minded consumers and shoppers stocking up on beer leading up to game day.

in-store, online, offline, on mobile, and on social," noted Ryan Dee, creative director at Interactions, a Daymon Worldwide experiential marketing company that specializes in product demonstrations and sampling. "And the vehicles required to make an impact in each of these spaces are even more nuanced with POS [point-of-sale] collateral, experiential marketing, influencer marketing, social media content, advertising (print and digital), and direct marketing, among others. And then there are the analytics of each of these vehicles and the Big Data that can be leveraged to create predictive models to inform the next campaign. And the cycle continues."

The benefits to retailers of such an approach is that shopper marketing activities deliver growth long term, rather than just in the short term. Effective shopper marketing activities will help a retailer better meet the needs of its shoppers, and potentially help that retailer differentiate from its competitors.

In some cases, manufacturers are also helping to provide a shopper marketing edge.

"Big retailers, including convenience retailers, are looking for custom programs — developed by manufacturers with significant resources to better target and engage their shoppers — that build trips," stated Carl Elliott, director of Nielsen's convenience channel segment. "Shopper





"Shoppers are inundated with so much these days, they're looking for anything to help make their lives simpler and easier. To do shopper marketing correctly, the delivery must be targeted to a specific audience and convey—with simplicity—what need or want the product or service satisfies."

— Ryan Dee, creative director, Interactions

insights are a significant part of manufacturer selling stories as CPG [consumer packaged goods] sales are showing little to no growth."

Shopper marketing is also viewed as a critical way for retailers to prove their relevance.

"Shoppers are inundated with so much these days, they're looking for anything to help make their lives simpler and easier," said Dee of Interactions. "To do shopper marketing correctly, the delivery must be targeted to a specific audience and convey — with simplicity — what need or want the product or service satisfies."

## THE CONVENIENCE ADVANTAGE

So, what about shopper marketing in the convenience channel, specifically? What does shopper marketing look like there, and how does it differ from other channels?

"Convenience is one of the best retail environments for influencing consumers through shopper marketing — the purchases are low-risk and prone to shopper promiscuity, with shoppers willing to try new items," Alter Agents' Brooks said.

She noted that the convenience channel is coming around to the idea of more informative, message-driven shopper marketing, despite that it is still "very embedded





in the whiz-bang approach to impulse purchasing."

Granted, convenience store shoppers aren't browsing and soaking in the atmosphere the way they do at higher-end retailers, "but that doesn't mean there isn't a place for additional messaging, particularly as shop-

pers are looking for healthier alternatives or fun alternatives to the traditional convenience fare," according to Brooks.

The mobile factor is another potential marketing advantage for c-stores.

"Convenience is, inherently, mobile. Whether it's on foot or on wheels, shoppers are not considering the convenience occasion from the couch or home," reasoned Elliott of Nielsen. "It's on the bus, on foot, or behind the wheel."

Therefore, the convenience channel has a prime opportunity to participate in platforms that reach consumers on the go, and manufacturers have research and resources to reach into new modes of communication.

Elliott emphasized that larger convenience store chains are the ones receiving custom programs based on manufacturer shopper marketing and shopper insights. "With the convenience channel being over 50 percent independent, the programs are usually only for larger chains with more scope, scale and reach," he acknowledged.



A challenge and opportunity for convenience stores lies in the different need states of shoppers, such as on-the-go consumption, stock-up needs, and take-home needs. Shopper marketing must reflect these different missions to create applicable behavior, according to Anthony of Engage Limited.

Also, convenience stores in a residential area should play to different need states than those in a commercial district, with shopper-marketing techniques reflecting the difference as well. Furthermore, as ecommerce grows, the way convenience stores are utilized will change. Being on top of that "will be critical" to the practice of shopper marketing going forward, Anthony maintained.

The "convenience" of the convenience channel, however, may present the greatest challenge and

opportunity. Shopper marketing at convenience stores has an even higher hurdle to overcome due to the channel's "quick fix" factor.

"Most convenience shoppers have very specific shopping occasions. They aren't typically browsers," pointed out Dee. "Any shopper marketing needs to be even more pre-

cise than that of other retail channels, as shoppers give convenience retail even less time in and out of the store than they give to other retail channels."

### BE A RISK-TAKER

In the shopper marketing equation, the key is to not get left behind or stuck in what Dee calls "analysis paralysis." There's something to be said for being bold and taking risks, like Amazon introducing frictionless in-store shopping, and Walmart filing a patent for a



warehouse blimp.

"Not every idea is going to pan out, but retailers and suppliers need to take risks and not fear failure," said Dee. "The benefits of the risks that pay off are self-evident, and the benefits from failures are just as valuable [because] they teach lessons that better prepare you for what's next. In today's climate, if you're not changing, you're dying."

Coupled with revolutionary risk, though, must be listening to your shoppers.

"The simple truth is retailers and suppliers need to listen to their shoppers. Don't give them what you think they want — it's a losing proposition to presume to know their needs and wants better than they do," said Dee. "Certainly, there is a place to offer solutions your shoppers may not have considered, but even those should serve to satisfy preexisting needs and wants."

Also in the simpler vein, Talbot of GoSpotCheck



believes that in today's competitive world of fastmoving consumer goods, monitoring out-of-stocks, promotions and marketing efforts is critical to increase sales volume.

"While shopper marketing is a critical piece of the larger sales puzzle for both retailers and suppliers, those strategies are only good if the products are also available to the consumer at the point-of-sale," he said. **CSN**