Target's Data Analysis Leads to More Relevant Marketing

By Samantha Nelson

MIAMI — **Target** used to think of its shopper as a suburban soccer mom and tailored all of its programs to her. Analyzing data has changed that model. "We've learned a lot over time," Target Media Network vice president David Peterson said at a February presentation at **WPP** Checkout in Miami. "It's not just mom making purchase decisions."

Target maintains 100 million active "guest profiles" to track the 25 million unique digital visitors to its website each week and 30 million transactions made in its stores during that same period. The retailer's focus on people-based marketing helps identify shoppers' interests and where to target them. Target can measure whether shoppers who saw an ad were influenced by it, tracking if they made a purchase online or in-store during a certain period of time.

Knowing more about its shoppers lets Target market to them in more relevant ways, and CPGs want in on the action. "We're seeing a lot of brands pushing us to leverage our data for their purposes," Peterson said.

Unilever was one of the first manufacturers to partner with the Target Media Network to create custom programs. Unilever shopper marketing manager Natalie Gillquist joined Peterson at WPP to explain how the partners worked together in November 2017 to improve on a classic bulk-purchase incentive through targeted ads. Unilever typically promotes these incentives through print ads, but for this effort

Target Media Network vice president David Peterson presents during the WPP Checkout event in Miami.

only ran two print pages instead of four and redirected the money saved to digital ads. Those ads were personalized so that shoppers saw different qualifying products based on Target's purchasing models. Sponsored Facebook updates supported the promotion.

"We were looking to leverage brand love to drive guests to Target and build a basket that was more robust than they'd normally buy," she said. "These are programs that we run regularly, but we need to continue to see growth. We believe the partnership with Target has really helped to deliver that."

Target doesn't sell its data but is collaborating with hundreds of brands on programs based on its insights. The retailer is also working on improving its shopper profiles by eliminating duplicates created by one person having multiple credit cards or digital accounts. The goal is to be able to have digital ads that target not just households but individual shoppers.

"More people are leaning into a customer-first approach than not," Peterson said. "Having the insights of our guests has led our merchandising strategies." SM