

Shopper Marketing:

Unleashing the **Next Wave** of Value





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The Grocery Manufacturers Association (GMA) represents the world's leading food, beverage and consumer products companies. The Association promotes sound public policy, champions initiatives that increase productivity and growth and helps ensure the safety and security of consumer packaged goods through scientific excellence. The GMA board of directors is comprised of chief executive officers from the Association's member companies. The \$2.1 trillion food, beverage and consumer packaged goods industry employs 14 million workers, and contributes over \$1 trillion in added value to the nation's economy. For more information, visit the GMA Web site at www.gmaonline.org.

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SheSpeaks, the leading insights and word of mouth marketing network, is an online community of consumers that desire an opportunity to voice their opinions and influence the brands, products and services they use. At Shespeaks.com, members gain access to products and services, and a forum to offer their honest feedback directly to the companies that create them. For participating brands, including Garnier, Heinz, Food Network, Philips, AOL and more, SheSpeaks offers a tremendous opportunity to spark consumer's interest, obtain candid feedback, grow word-of-mouth awareness and build long-term brand advocates. Clients also work with SheSpeaks to facilitate branded experiences, such as SheSpeaks home parties. For more information, visit www.shespeaks.com/clients.

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Executive Summary**Overview**

Shopper marketing has reached a major crossroads. It continues to be one of the fastest growing and most promising areas of marketing spending for consumer packaged goods (CPG) manufacturers and retailers. But to maintain its growth and fulfill its promise, shopper marketing must evolve beyond a siloed, tactical practice and become a strategic capability that is better integrated with other major investments across the marketing and media ecosystem.

Shopper marketing's potential is rooted in its focus on gathering insights about consumers when they are in shopping mode and applying these insights to influence their purchase decisions. From at-home research conducted by shoppers to the mobile devices that provide the nexus between the home and the store to the shelf itself, shopper marketing offers a means of building both brand equity and sales lift.

For all its promise, however, shopper marketing's future remains uncertain because of three major obstacles:

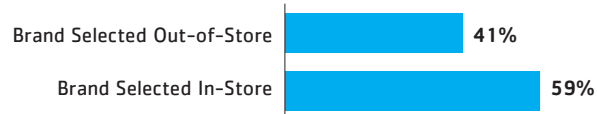
- CPG manufacturers have not yet aligned shopper marketing initiatives with other demand-generation capabilities, such as advertising and promotions, along the path to purchase—that is, at home, on the go, in the store. Lack of alignment leads to disconnected marketing messages, wasted spending, and missed opportunities to drive purchase of individual brands and grow categories.
- Although CPG companies have the means to measure the effectiveness of shopper marketing programs and continue to evolve their measurement capabilities, shopper marketing remains something of a black box. Although many shopper marketing programs deliver a demonstrable return on investment (ROI) that is higher than other marketing alternatives, the incremental profit impact of most programs goes unmeasured, and efforts to create accountability for shopper marketing investments remain ad hoc even in companies that are committed to measuring results. This measurement gap makes it very difficult to decide where to focus investment across the range of potential shopper marketing initiatives both out-of-store and in-store, as well as to establish priorities for the marketing mix overall.
- Retailers are seeking to further tap into manufacturers' overall marketing budgets, pushing them to shift spending to retailer websites, in-store video networks, and database marketing programs. Moreover, retailers' less cluttered "clean store" approaches are limiting manufacturers' ability to capitalize on their investments in shopper insights. Taken together, these pressures are raising the stakes for shopper marketing executives to demonstrate results.

With these dynamics in mind, the Grocery Manufacturers Association (GMA) Shopper Marketing 3.0 study focused on better understanding what works in-store, how in-store compares to out-of-store, and how to bridge the measurement gap.

Insights and Findings

There are many moments of truth along the path to purchase: Shoppers select 41 percent of the brands they buy across categories before entering the store and they select 59 percent in the store (*see Exhibit 1*). Thus, shopper marketers have many opportunities to influence the brands that shoppers have in mind when they enter the store (i.e., brand consideration sets), as well as to increase trial and build repeat purchase sales using more effective in-store programs.

Exhibit 1: Where Brand Selection Occurs

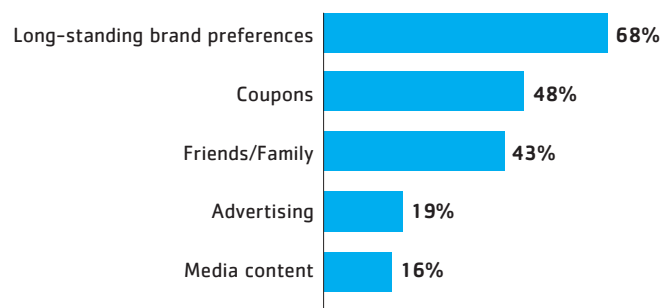


Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

- The majority of shoppers (77 percent) enter stores without detailed shopping lists. Rather, most shoppers have only rough or mental lists that are malleable and indicative of brand consideration sets—they evolve as shoppers experience additional stimuli at home, on the go, and in the store.
- Long-standing brand preferences are the most important influencing factor in determining the shopping list (*see Exhibit 2*). Brand preferences are built up over time through a broad set of touch points, including media content, advertising, recommendations from friends and family, the retail experience, and the product experience itself.

Exhibit 2: Out-of-Store Influences

(% of total respondents, top 2 rankings*)



* % of shoppers selecting 4 or 5 on a scale of 1 to 5, with 5 being “very influential”

Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

- More than three-quarters of shoppers conduct research before they shop, typically for an hour or more (*see Exhibit 3*). While the majority of research is still focused on price through reading circulars and clipping coupons, significant numbers of shoppers are migrating online to search for deals and to find product information and reviews.

Exhibit 3: Planning Before Shopping



Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

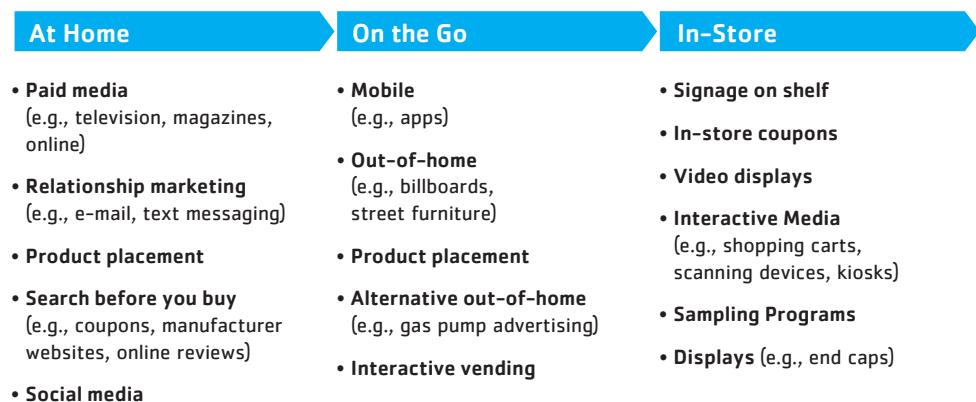
- Most shoppers prefer a better brand to a better price, with many shoppers (58 percent and 59 percent in household products and health & beauty, respectively, and 48 percent in food & beverage) using coupons or price promotions to justify buying the brands they want rather than as the key factor driving their decision making.
- For the 59 percent of items where brands are selected in-store, 85 percent of shoppers perceive in-store factors as more influential than out-of-store marketing. After price, communicating product benefits on packaging was cited as most influential, whether for reinforcing existing brand preferences, driving competitive switching, capturing purchase when there is no strong brand preference, or creating impulse sales.
- Other in-store elements vary in effectiveness depending on how they are used. For example, shelf talkers and other product displays are more effective at driving consideration for items for which there is more limited brand preference; in-store coupons are more effective at driving competitive switching among brands.
- There are some significant differences among product categories that make specific shopper marketing tactics more effective. For example, given the much higher incidence of impulse purchases in the food & beverage category (73 percent of shoppers making at least one impulse purchase per trip) as compared to the household products and health & beauty categories (41 percent and 39 percent, respectively), shelf signage and end-cap displays are nearly twice as effective in the food & beverage category.
- There is no silver bullet for addressing the measurement gap, but there are “good, better, and best” models given the current tools and technologies. More sophisticated companies are moving beyond compliance and basic sales lift measures to achieve a more rigorous assessment of incremental profit impact attributable to shopper marketing programs. They are also building dashboard metrics that gauge shopper marketing’s sustained impact on brand equity.
- GMA and its membership have an opportunity to help establish industry-recognized metrics and model practices for shopper marketing across the full path to purchase.

Section 1

Shopper Marketing 3.0: Unleashing the Next Wave of Value

Shopper marketing continues to be one of the fastest growing and most promising areas for marketing investment, accounting for approximately 5 to 10 percent of total advertising and promotions spending, based on Booz & Company client experience. To sustain this rapid growth and fulfill the promise of shopping marketing, however, CPG manufacturers and retailers must evolve beyond a siloed, tactical approach to shopper marketing and manage it as a strategic capability that is better integrated with other demand-generation activities. Shopper marketing's potential is rooted in its focus on gathering insights about consumers when they are in shopping mode and applying these insights to influence their purchase decisions. From the at-home research conducted by shoppers to the mobile devices that provide the nexus between the home and the store to the shelf, shopper marketing offers a means of influencing shoppers along every point on the path to purchase—and in the process, building brand equity and driving sales lift. (See *Exhibit 4*.)

Exhibit 4: Many Influences along the Path to Purchase



Source: Booz & Company

The Drivers of Shopper Marketing

There are three major drivers of shopper marketing:

- *The opportunity to reach shoppers all along the path to purchase:* The fact that manufacturers and retailers are extending their shopper marketing investments beyond the store to a broader set of touch points is a reflection of the growing recognition that in addition to deciding where to buy, shoppers very often decide what to buy at home and on the go. Companies are investing in programs both to gather shopper insights and to translate these insights into action. Many of these programs are increasingly interactive as more and more digital touch points spring up along the path to purchase. From online relationship marketing, to mobile applications designed to simplify shopping, to in-store video and high-tech shopping carts, shopper marketers are seeking to deliver targeted messages to consumers in shopping mode and to drive a measurable response.

- *The opportunity to create more collaborative trade relations:* The rapid growth in shopper marketing has been fueled by the growing realization that it can be an effective platform for collaboration between CPG manufacturers and retailers. Shopper marketing offers a means for deciding how much to invest in co-branded initiatives, creating more collaborative planning, and enhancing the returns on merchandising and promotional activities throughout the store.
- *The opportunity to better manage recession-driven price pressures:* The recession, particularly its effect on consumer behavior, has created a greater sense of urgency to unleash shopper marketing's full potential. The economy is driving an even greater consumer focus on price than in the past. It has also created a rise in competitive pressures among manufacturers within and across categories and from retailers, who are intent on driving traffic, volume, and margin through promotions, as well as exerting greater control over the store environment. Shopper marketing offers a valuable opportunity for both manufacturers and retailers to get beyond price by activating brand equity along the path to purchase.

For manufacturers squeezed by intense competition and retailers' demands, the insight and influence promised by shopper marketing offer a much-needed solution. They can defend their share and help grow the category. They can also build more effective collaborative relationships with retailers by better investing funds for mutual benefit.

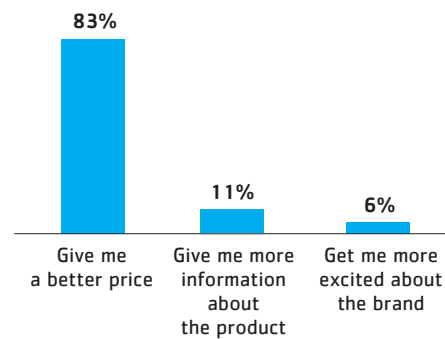
More importantly, manufacturers can utilize shopper marketing to manage the price pressures that are sure to continue, and perhaps intensify, in the prolonged recovery that most economists predict. Even though price is the most influential factor in-store, the majority of shoppers (55 percent across the three categories surveyed) prefer a better brand to a better price. (See Exhibit 5.) They want to buy the brands they love, and they often use coupons and promotions to rationalize their purchase decisions.

Clearly price is important for both store and product selection. But in an environment where price competition is prevalent and shoppers have strong brand preferences, price becomes less of a differentiator and is easily matched. The true promise of shopper marketing is getting beyond price to activate brand equity along the full path to purchase.

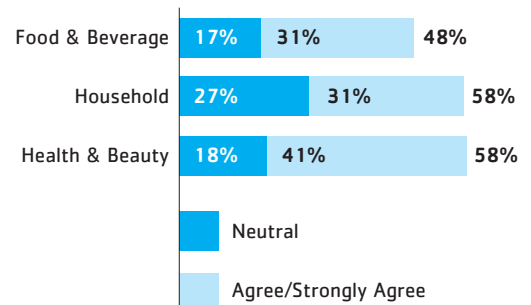
Exhibit 5: The Influence of Price and Brand

Which Is Most Influential to Purchase Decisions

(% of Total Respondents)



% Preferring Brand Over Price



Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

“Most companies don’t approach shopper marketing strategically. Manufacturers should combine it with other demand-generating activities to create an integrated marketing approach and move away from siloed functions.”

—CPG Sales Executive

“Shopper Marketing could be either a gold rush or a bust given the current complexity of many shopper marketing programs and companies’ inability to effectively measure their ROI.”

—Shopper Marketing Agency CEO

Shopper Marketing at the Crossroads

For all its promise, however, shopper marketing has reached a major crossroads. Its future trajectory remains uncertain because of three major obstacles.

First, most CPG manufacturers have not yet aligned shopper marketing initiatives to other demand-generating capabilities, such as advertising and promotions, along the path to purchase. This lack of alignment leads to disconnected marketing messages, wasted spending, and missed opportunities to drive purchase of individual brands and grow the category.

To unleash shopper marketing’s full potential and amplify the effectiveness of the rest of the company’s marketing, it must be integrated and coordinated with the following:

- Brand advertising campaigns, to ensure that messages that work at the shelf are integrated throughout the campaign
- Relationship marketing, to engage shoppers directly with more personalized marketing communications
- Consumer and trade promotions, to drive trial and gain share
- In-store merchandising and advertising, to activate brand equity messages closer to the point of sale

Second, manufacturers have not yet figured out how to consistently convert shopper marketing insights into actions with measurable ROI. This measurement gap makes it impossible to decide whether and where to focus investment across the range of potential shopper marketing initiatives both out-of-store and in-store, as well as to establish priorities for the marketing mix overall.

The pressure to measure and act based on ROI has been growing throughout the marketing ecosystem for years, and although shopper marketers have been granted a large degree of creative leeway thus far, they cannot expect to be graded on a curve permanently. While CPG companies have the means to measure the effectiveness of shopper marketing programs, and they continue to evolve their measurement capabilities, shopper marketing remains something of a black box. Although many shopper marketing programs deliver a demonstrable ROI that is higher than other alternatives, the incremental profit impact of most programs goes unmeasured, and efforts to create accountability for shopper marketing investments remain ad hoc even for companies with greater commitment to measurable results.

There are several facets to the measurement problem:

- The lack of clarity about how to measure and compare the value of various in-store shopper marketing elements, such as end caps versus in-store sampling
- The complexity and expense of building statistically valid models for measuring the incremental impact of shopper marketing programs
- The misalignment between the objectives of manufacturers and retailers, which gives rise to confusion about what to measure. Retailers are focused on store loyalty, shopping baskets, and category growth, whereas manufacturers are focused on brand loyalty, category share, and profitable sales lift.

“There is a disconnect between retailers and manufacturers, given their different objectives for the store—store loyalty and category growth versus brand loyalty and growth.”

—Retailer Executive

Further, there is a “measurement gap” that must be addressed to sustain commitment to shopper marketing and unleash its full potential. This is a gap between insights and results, which translates into lower levels of transparency and accountability in shopper marketing versus other demand-generation capabilities. Ultimately, this measurement gap must be addressed; otherwise funding for shopper marketing will be shifted to other demand-generation capabilities that deliver brand equity and measurable results.

Not only must CPG manufacturers and retailers learn to measure the effectiveness of in-store shopper marketing, they must be able to compare it to their out-of-store marketing efforts. They must strive to measure both equity and profitable sales lift. Metrics of reach and frequency, like gross rating points (GRPs) in television advertising, which measure the inputs needed to buy media space, or even engagement metrics such as ad recall, have not been enough to satisfy chief marketing officers’ search for more accountability from their investments in brand advertising and they will not be enough in shopper marketing. As marketers invest in stronger capabilities to measure ROI, shopper marketers will also come under increasing pressure to measure results. This will require building better test and learn capabilities to assess both the brand equity and ROI impact of shopper marketing relative to other elements in the marketing mix.

Third, the future trajectory of shopper marketing is affected by pressures in the retail environment, which are raising the stakes for shopper marketing executives to demonstrate results. Retailers are seeking to further tap into manufacturer’s overall marketing budgets, beyond their trade promotion dollars, pushing manufacturers to shift spending into retailer websites, in-store video networks, and database marketing programs. These retailer-driven shopper marketing initiatives can deliver attractive returns, but they are still early in their development cycle and pose similar challenges to trade promotions, which historically have delivered greater benefit to retailers than to manufacturers. Roughly three-quarters of trade programs are profitable for retailers yet yield a negative ROI for manufacturers, based on Booz & Company client experience. CPG manufacturers can be successful in raising this ratio and substantially raising their returns, but it requires a sustained commitment to building a strong trade promotion management capability. Shopper marketers will have to build their capabilities in the same way.

Retailers’ “clean store” initiatives and growing emphasis on their own shopper marketing programs are also limiting the ability of manufacturers to capitalize on their sizable investments in shopper insights. Many retailers are doing their own analysis and developing their own programs, proactively shaping the shopper marketing debate rather than relegating shopper marketing to a service that is provided by CPG manufacturers. As a result, manufacturers are making investments in developing shopper marketing capabilities for mutual benefit, similar to their past investments in category management and trade promotion, but with greater limitations on manufacturers’ freedom to execute in the store.

Absent a means for developing, sharing, and applying practical shopper insights, and especially for measuring results, shopper marketers in both manufacturing and retailing will begin to run into brick walls. They won't be able to convince their own companies or their trade partners to invest in collaborative initiatives. Further, they will be increasingly exposed to the risk that their companies will choose to deploy funds and management bandwidth to other opportunities that offer less complexity and more transparency into results.

Many of the solutions to the three obstacles that shopper marketers face will be found in digital tools, technologies, and media. Manufacturers can utilize digital media out-of-store to counter increasing restrictions in-store. Indeed, online connections to shoppers are direct and their results are often easier to measure than the results of marketing delivered via traditional media. Manufacturers can also use in-store digital media such as video and kiosks to test the impact of different brand messages closer to the point of purchase, varying them dynamically as in e-commerce tests where test and control offers are continuously varied to optimize the offers and marketing messages communicated to shoppers. Although the digitization of the path to purchase provides exciting opportunities to create greater accountability for shopper marketing's results, manufacturers and retailers should not focus solely on digital to unleash the full potential from shopper marketing. Digital is just part of the puzzle; as we'll discuss in Section 4, there are other tools for gauging the incremental profit impact and brand equity benefits of shopper marketing.

Shopper Marketing as a Strategic Capability

The current crossroads in the development of shopper marketing is defined by the need to impose order and consistency on its practice, to link it to and prioritize it within the marketing value chain, and to build more effective collaboration between CPG manufacturers and retailers. This suggests that shopper marketing should be developed and managed as a strategic marketing capability in a way that fosters better alignment with other demand-generating capabilities such as advertising, relationship marketing, consumer promotions, trade promotions, and in-store merchandising and advertising.

Building shopper marketing as a strategic capability requires focusing on four key pillars (See *Exhibit 6.*)¹:

- *Analytics*, which enable manufacturers and retailers to collect data regarding the various marketing stimuli along the full path to purchase and measure the incremental profit impact and brand benefit of shopper marketing programs. "Causals" such as being featured in the retailer circular, displays, or shelf talkers, or temporary price reductions, are examples of such marketing stimuli.

Exhibit 6: Shopper Marketing as a Strategic Capability



Source: Booz & Company

- *Process* to create more effective integration and utilization of analytics and decision support in the planning, execution, and measurement of individual events and overall campaigns.
- *Technology*, which empowers shopper marketers by converting their analytical findings into routinized knowledge that is distributed throughout their organizations and applied to improve the results of in-progress and future events and campaigns.
- *Organizational alignment*, which delivers the support, such as centers of excellence, and creates the motivation, such as incentives, that shopper marketers need to staff and carry out their underlying processes.

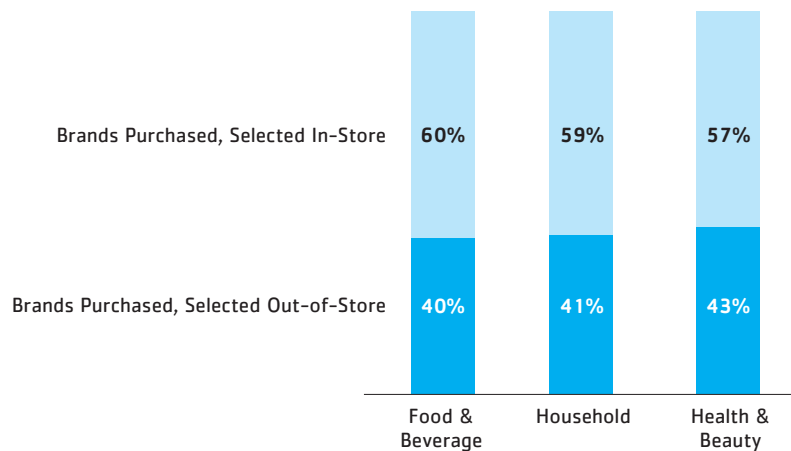
Effective shopper marketing starts with insights, but insights alone are not sufficient to unleash its full value. Similarly, addressing the measurement gap, while critical, is not the end of the journey, nor is developing a more aligned organization or well-designed processes. Building a world-class shopper marketing capability requires developing all of the pillars in a comprehensive way and then integrating the new capability with other demand-generating capabilities along the full path to purchase.

Section 2

Out of Store: Many Moments of Truth on the Path to Purchase

Out-of-store shopper marketing is a growing opportunity. Shoppers are spending more time preparing for their shopping trips, making more than 40 percent of their brand buying decisions before they get to the store. (See *Exhibit 7*.) Moreover, even as media fragmentation grows apace, the growth in new digital touch points is providing a broader set of opportunities for shopper marketers and fueling their interest in extending shopper marketing research and programs along the full path to purchase.

Exhibit 7: Quantifying the Opportunity of Influencing Brand Selection Out-of-Store vs. In-Store



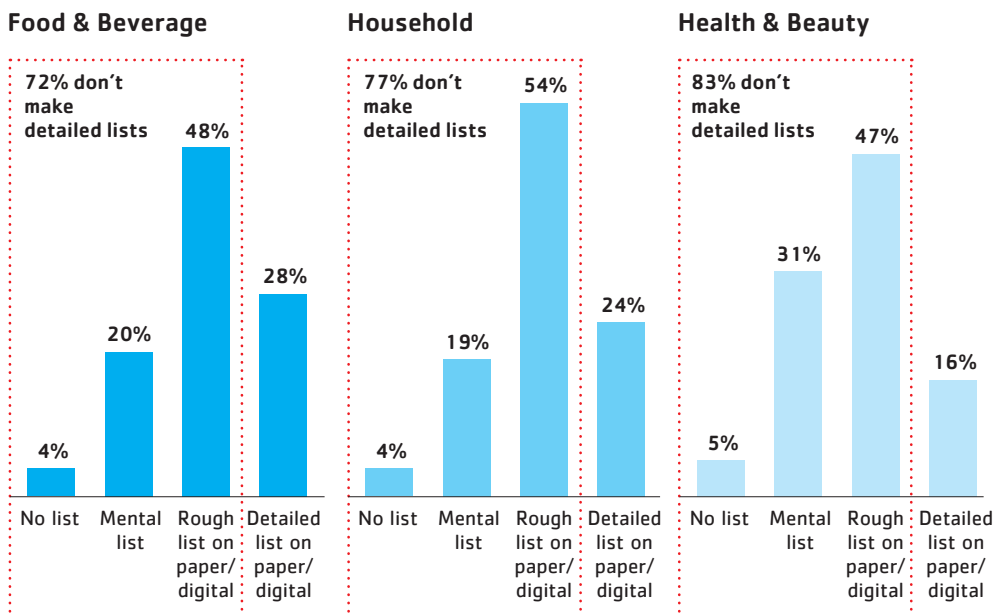
Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

Further, the shopper study confirmed that even when shoppers do not select a specific brand before they enter the store, they typically have pre-established brand consideration sets in mind that become a key element in their choices at the shelf. These brand consideration sets are influenced by many factors in addition to traditional brand advertising, including manufacturer and retailer websites, coupon aggregation sites, e-mail marketing, social media, and mobile applications. Leading shopper marketers are taking advantage of every opportunity to influence consumers when they are in shopping mode outside the store.

Shopper Behavior Out-of-Store

Almost all shoppers are planning their purchases before they enter the store. This does not mean, however, that they are all compiling detailed shopping lists. Our survey revealed that the vast majority of shoppers enter stores without detailed lists. Instead, most shoppers have only rough written or mental lists. (See *Exhibit 8*.) In addition, for many items within the categories they plan to shop, shoppers often have not decided on the specific brands they intend to buy before they reach the store. Instead, they have a broader consideration set in mind and they finalize brand selection in the store. Thus, shoppers' lists are malleable, presenting a valuable opportunity to build preference and purchase intent before shoppers enter the store, and to then further reinforce those preferences and "close the deal" in the store.

Exhibit 8: Percentage of Shoppers Developing Lists before Entering the Store

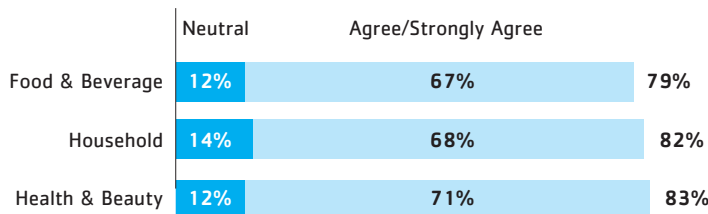


Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

Shoppers are also doing a good deal of research in preparation for their shopping trips. Roughly three-quarters of the shoppers surveyed are conducting research out-of-store. (See Exhibit 9.)

Exhibit 9: Shoppers Conducting Research Out-of-Store

% agreement with the statement:
“I research which products to buy (e.g., clip coupons, ask friends) before going to the store.”



Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

Although the proportion of CPG shoppers who are researching purchases before entering the store approaches the numbers of consumers researching purchases in categories such as travel, auto, and consumer electronics, the research itself is less comprehensive and time-intensive. Shopper research in the grocery category is also more focused on finding the best price as opposed to learning more about product categories and specific brand benefits/claims.

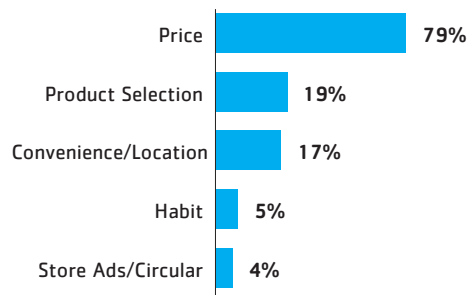
In our shopper discussion forum, the greatest number of comments described research as a hunt for deals, which is focused primarily on circulars and coupons in print media, though it is increasingly migrating online. A large number of shoppers in the discussion forum said they spend 1 to 2 hours each week searching for coupons and other price-related deals both online and offline. A smaller set of shoppers spend 3 or more hours each week in this pursuit. Female shoppers conduct substantially more pre-shopping research than male shoppers. Across the categories we studied, 86 percent of female shoppers conduct research versus 47 percent of male shoppers.

For marketers, this opportunity to influence shoppers out-of-store and during their research provides a much larger window for engagement than the time-constricted, message-cluttered in-store environment. To capture these out-of-store opportunities, manufacturers and retailers will need to understand and address the most influential factors on shoppers' product selections. Price, of course, remains highly influential out-of-store. Indeed, the thriftiness engendered by the recession has led to a significant uptick in coupon use among shoppers. In the first half of 2009, approximately 1.6 billion coupons were redeemed in the United States, a 23 percent rise according to coupon processor Inmar. This is the first prolonged period of rising redemption rates since the recession in the early 1990s.²

Price is an important factor not only in determining what goes on the shopping list, but also in deciding where to shop. (See *Exhibit 10*.) Shoppers are using their pre-shop research to decide which stores they visit that week, in addition to what they will buy within categories. However, although price is the most critical factor in store selection, brand assortment also plays a key role for many shoppers.

Exhibit 10: Importance of Price vs. Other Factors in Store Selection

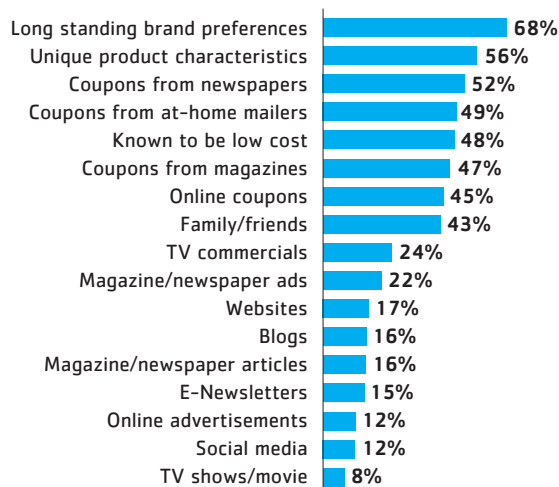
Most Important Factor for Choosing Retail Location (% of Total Respondents)



Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

Exhibit 11: Factors Influencing Shoppers' Out-of-Store Selections

Out-of-store influences when selecting brands for a shopping list (Weighted average across product categories*)



* % of shoppers selecting 4 or 5 on a scale of 1 to 5, with 5 being "very influential"

Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 3,600 respondents

In terms of product selection, shoppers tell us that established brand preferences and unique product characteristics are the two most influential out-of-store factors in their brand selections. (See Exhibit 11.) But, again, the influence of price remains clear, with coupons and reputation as a value brand playing a major role in brand selection.

Shopper Engagement in the Digital Era

The out-of-store factors that influence shoppers' list-making selections also clearly indicate their growing use of digital media. Online coupons, websites, blogs, e-newsletters, online ads, and social media were all cited as influential factors in the survey. This indicates that marketing that leverages registered digital relationships and creates personalized messages targeted to shoppers based on both segmentation analysis and individual behavioral profiles offers an especially valuable opportunity for driving a measurable response from shoppers.

Accordingly, CPG manufacturers and retailers are following shoppers online, even though their efforts have thus far been primarily focused on delivering digital coupons. In fact, there are so many couponing sources on the Internet that retailers and search companies are seeking to add value and attract shoppers by creating aggregation sites. For example, Safeway has CouponLink, a dedicated area on its website that integrates the coupons from sites such as Shortcuts.com and Procter & Gamble's P&G eSaver. It enables shoppers to organize the coupons they choose by category or brand name, link them to the Safeway Club Card, and automatically redeem them at checkout. Search company Ask.com recently launched Ask Deals, an aggregation service that seeks to attract shoppers by collecting coupons and other deals from websites, message boards, and blogs in one place, and integrating them into search results.

Exhibit 12: The Benefits of Digital Shopper Marketing

Marketers	Retailers
<ul style="list-style-type: none"> • Build direct relationships with shoppers to emphasize own equity and branded experiences • Drive trial and consideration via sampling and couponing programs • Target communications based on opt-in permission and preferences • Harness community to turn insights into advocacy 	<ul style="list-style-type: none"> • Drive store traffic and shopping basket • Push manufacturers to invest greater share of mix in retailer programs and media assets • Increase shopper engagement in loyalty programs • Intercept shoppers during search and discovery online to deliver greater clicks-to-bricks integration

Source: Booz & Company

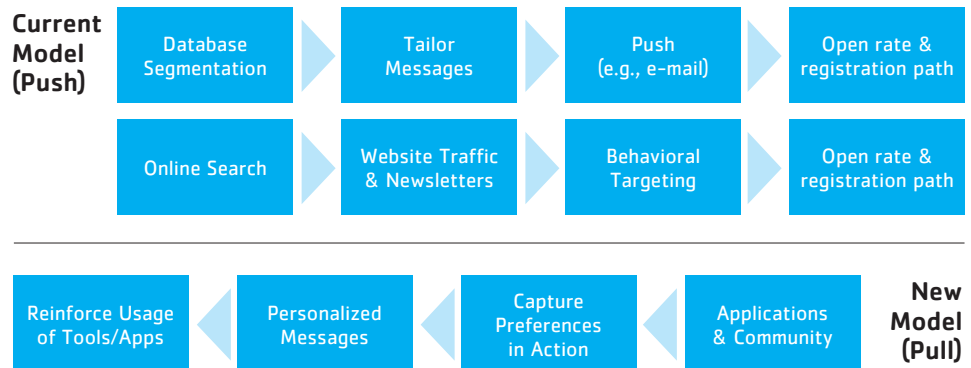
Digital shopper marketing offers many potential benefits to both marketers and retailers. (See *Exhibit 12*.) The greatest returns will go to shopper marketers who take a holistic approach to building shopper experiences and applications. Such an approach utilizes both dedicated and co-branded digital channels. Indeed, leaders are embracing digital shopper marketing not only in their own digital environments but also in the social media “cloud” and mobile marketing environments.

CPG marketers are already spending close to two-thirds of their online budgets on dedicated digital channels, what Booz & Company calls “private label media.”³ As the research firm Outsell Inc. reported in July 2008, about 62 percent of marketers’ online advertising and marketing budgets are spent on their own digital media, up from 58 percent in 2007. Some of these efforts have been highly successful. For instance, General Mills’ www.BettyCrocker.com enjoys more than 8 million unique visitors per month as measured by comScore, exceeding the numbers at www.foodnetwork.com—the website for the popular television network.

Finally, digital shopper marketing offers the opportunity to build engagement and provide a vital link in the path to purchase between at-home and in-store by shifting the focus from less personalized “push” approaches to engaging shoppers through content and applications that make their lives more convenient and provide solutions to their online shopping tasks. For example, Kraft Foods’ iFood Assistant, which ranks among the most frequently downloaded lifestyle applications on Apple’s iPhone store, is a mobile “shopping assistant” that enables shoppers to choose among more than 7,000 recipes, listing each recipe’s ingredients and creating shopping lists that are organized down to the store aisle.

This suggests a new, more effective model for shopper engagement out-of-store. This model should be focused on relationship building rather than coupon distribution. Manufacturers and retailers who do this well will be able to win space on shoppers’ brand consideration lists and better drive purchase once shoppers enter the store. (See Exhibit 13.)

Exhibit 13: From Push Marketing to Shopper Engagement



Source: Booz & Company

Section 3**In Store: Getting Beyond Price**

Whereas the out-of-store environment is a relatively open frontier in which shopper marketers must often act as pioneers, the in-store environment represents a wholly different kind of challenge. The in-store environment is over-settled with every inch of shelf space claimed and contested. To succeed in-store and break through the clutter, shopper marketers must transform insights into sharply focused, concise messages delivered via the optimal vehicles for their brands. At the same time, they must carefully manage the targeting and volume of their messages to avoid over-stimulation.

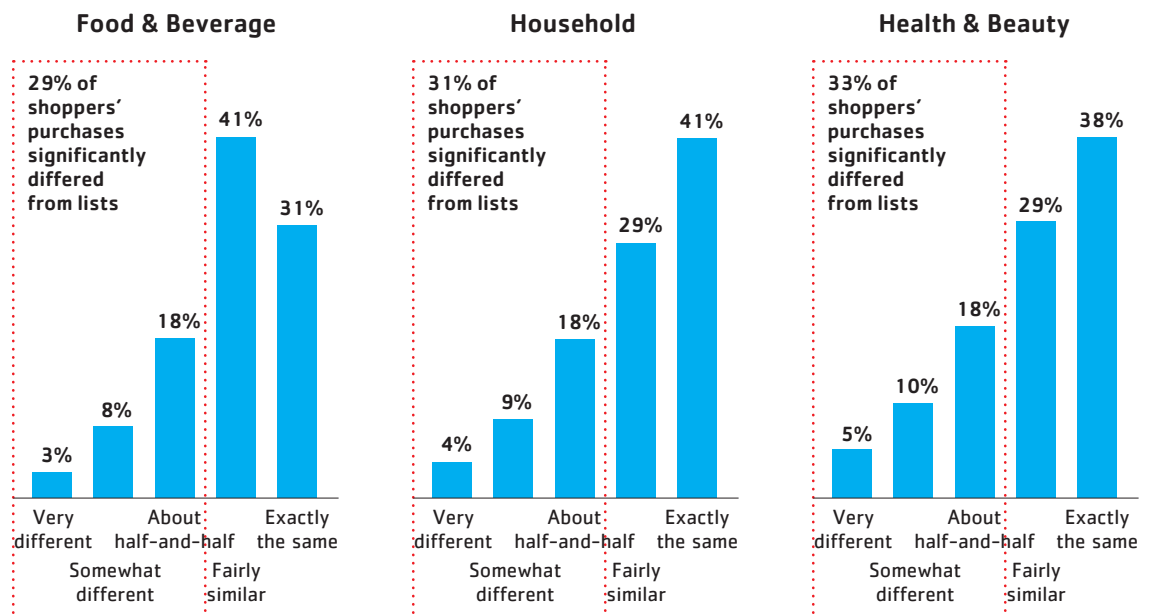
Retailers' "clean store" policies are a natural reaction to the current noisy environment. In many cases, as revealed in recent studies by MIT's Media Lab, which measures the psychosomatic response to in-store stimuli, excessive clutter causes shoppers to shut down, sometimes ignoring stimuli altogether by literally tuning out. Moreover, shoppers' attention spans are measured in seconds at the shelf. For most in-store stimuli, shopper marketers have less than 10 seconds to break through the clutter and deliver the right equity measures close to the point of sale.

The competitive and demanding in-store environment requires shopper marketers to perform with the design sense and engineering precision of an architect. They must combine shopper insights, brand objectives, and retailer needs in coherent, concise, and compelling messages at the shelf. Their ultimate goal: activating brand equity and driving purchase to win an oversized share of the shoppers' selections that are decided in the store.

Shopper Behavior In-Store

The findings of our shopper study confirm the opportunity in store, even if this may seem a dauntingly steep hill to climb. Although the overwhelming majority of shoppers are entering stores with a list in hand or in mind, their lists are surprisingly malleable and open to influence. When we asked shoppers to compare their actual purchases to their shopping lists, they reported that their purchases and lists varied significantly. Approximately one-third of the respondents said that they actually purchased less than one half of the items on their lists. (*See Exhibit 14.*)

Exhibit 14: Shopping Lists vs. Actual Purchases by Category



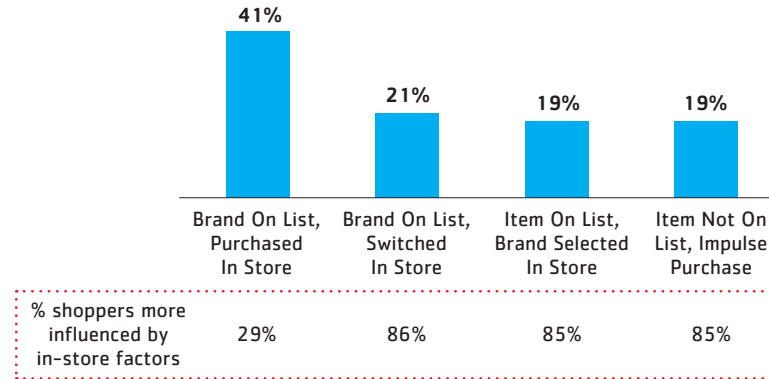
Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 2,200 respondents

Further, when we asked shoppers to compare the brands they purchased to the brands specified on their shopping lists, we discovered that brands selected in-store accounted for nearly two-thirds of the items in their shopping baskets. In fact, shoppers' purchases can be organized into four types of shopper marketing opportunities to influence brand selection. (See Exhibit 15.)

A deeper dive into each of the four opportunities to influence brand selection reveals two significant findings:

- In-store marketing elements are more influential than out-of-store elements. In three of the four selection categories (all except for “brand on list purchased in store”), more than 85 percent of shoppers cited in-store marketing elements as more influential to the ultimate brand selection than out-of-store elements. Even in the “brand on list purchased in store” category, there is still plenty of opportunity to reinforce purchase in-store: 29 percent of shoppers cited in-store as more influential than out-of-store in this selection category.
- Although price is the most influential factor in each selection category, it is not the only influential factor. (See Exhibit 16.) Product packaging, signage, and displays that call attention to brands and activate equity closer to the point of sale all play significant roles in shoppers' purchasing decisions. Thus, when shoppers are selecting items in the store, effective shopper marketing can influence them to think beyond price. Done properly—that is, honed from insights and tested prior to execution—shopper marketing can gain shopper attention and convert equity into purchase behavior as shoppers make brand selections within their consideration sets.

Exhibit 15: Four Opportunities to Influence Brand Purchase



Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 2,200 respondents

The relative importance of in-store marketing stimuli in getting beyond price and closing the deal for brands for which shoppers have not yet made up their minds varies by product category. (See Exhibit 17.) For example, product packaging is even more valuable than in-store real estate for health & beauty and household products. In contrast, shelf signage, in-store coupons, circulars, and displays are relatively more influential in-store marketing stimuli for food & beverage products. These differences are reflected in the higher incidence of impulse purchases for food & beverage products, as well as the greater levels of competitive switching between brands.

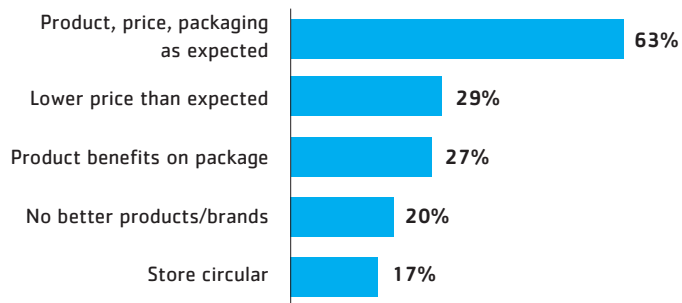
The discussion forum reinforced the survey results. For instance, participants told us that even though their shopping lists often include only the category, say peanut butter, they already have a brand in mind when they enter the store. If that brand can meet their expectations in store, they will buy it. But the opposite is also true: The sale can be lost if the brand does not meet shoppers' expectations in store or if another brand can capture their attention for even just a few seconds. Further, there is a good deal of impulse buying, especially in the food & beverage category. In other words, the ability to activate brand equity at the shelf is essential to winning these sales.

Beyond traditional methods such as displays and signage, in-store sampling programs are also emerging as an attractive way to build trial and drive impulse purchases. Moreover, sampling programs allow for delivering targeted equity messages while the shopper is highly engaged and enjoying a branded experience.

Exhibit 16: Factors Influencing Purchase Across Product Categories

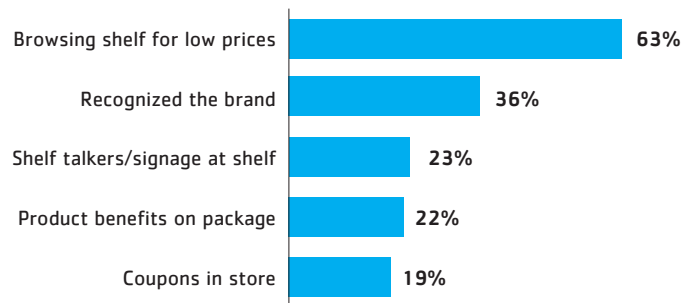
“Brand On List, Purchased In Store”

(Weighted average across product categories*)



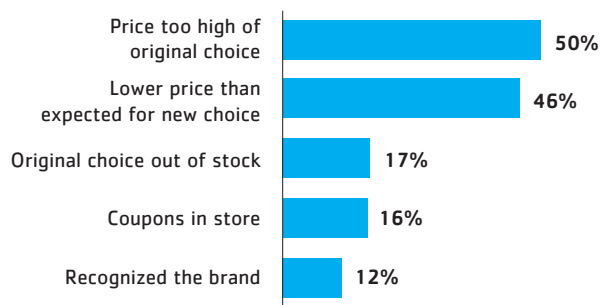
“Item On List, Brand Selected In Store”

(Weighted average across product categories*)



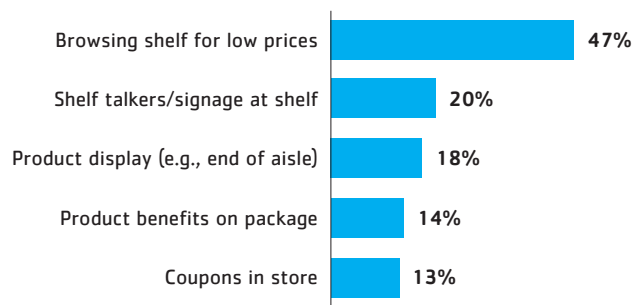
“Brand On List, Replaced In Store”

(Weighted average across product categories*)



“Item Not On List, Impulse Purchase”

(Weighted average across product categories*)



* % of shoppers selecting from among list of options provided

Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 2,200 respondents

Winning Ways In-Store

Effective in-store shopper marketing entails improving the shopping experience, choosing the equity messages that get beyond price, and targeting messages to shoppers for maximum impact. Once manufacturers have gathered shopper insights, manufacturers should craft activation strategies by brand. They can choose to reinforce strong brand preferences at the shelf and protect sales; drive competitive switching if their brands aren't leaders; or create an environment in-store that encourages and captures the impulse buying of shoppers.

The malleability of shopping lists once shoppers enter the store supports the idea that in-store must remain a major focus for marketers. Further, like the out-of store environment, the store remains an open frontier to some degree because manufacturers and retailers have just scratched the surface in terms of the insights that can be derived from shopper marketing. Although manufacturers and retailers have been working together for decades to use price, promotions, merchandizing, and store improvements to boost results, there is still plenty of room to convert insights into action in the store.

Exhibit 17: Beyond Price: Other Influential In-Store Drivers of Purchase**% of shoppers influenced by select in-store factors**

Weighted Average Across Categories		Food & Beverage	Household	Health & Beauty
Product benefits on package	34%	26%	35%	41%
Shelf talkers/signage at shelf	29%	40%	23%	25%
Recognized the brand	27%	28%	25%	30%
Store circular	23%	32%	22%	17%
Coupons in Store	23%	26%	22%	21%
Product Display (e.g., End of Aisle)	20%	28%	15%	17%
Loyalty Card Discounts	18%	26%	15%	41%

Source: GMA, Booz & Company, and SheSpeaks Shopper Marketing 3.0 Survey; n = 2,200 respondents

Undue focus on “clean store” initiatives creates the risk of throwing the baby out with the bath water. A significant untapped opportunity exists for manufacturers and retailers to better engage shoppers with more effective visual merchandising in various parts of the store. Leading shopper marketers paint from a broad palette that includes displays, shelf talkers, video, signage at sampling stations, and other in-store stimuli. All of these in-store touch points provide an opportunity to activate equity closer to the point of sale. POPAI (Point of Purchase Advertising International), in collaboration with manufacturers and retailers including 7-Eleven, Inc., Ahold, Frito-lay North America, Pepsi-Cola North America, and Walgreens, recently announced a new research initiative aimed at measuring the qualitative effectiveness of in-store touch points. As part of the research, shoppers will be supplied with “ClipCam” glasses that will record their movements in store and, ultimately, help determine the impact, effectiveness, engagement, and conversion of a variety of in-store marketing elements and layouts.

Beyond optimizing in-store stimuli, there is also a need to work from the shelf backward to better align marketing messages along the full path to purchase. This will require a much more strategic approach to building and integrating the full suite of demand-generation capabilities. ConAgra Foods, Inc. has already begun taking such an approach. Recently, the company pulled four separate marketing organizations—shopper insights, category leadership, shopper marketing, and in-store marketing—together into a single organization named Integrated Customer Marketing. “Sales and Marketing are using the same metrics,” CMO Joan Chow told the *New York Times*, “whatever the goals are for [a specific] retailer, those are the shopper organization’s goals.”⁴

Section 4

The Measurement Solution: Getting from Good Enough to Best

The effectiveness of shopper marketing is being measured with varying degrees of sophistication, and there is room for improvement even among those CPG manufacturers and retailers who are leading the way. This is not entirely unexpected and is not an indictment as much as a reflection of reality: The ability to measure CPG marketing results is continually evolving, and most manufacturers and retailers are still early on in their shopper marketing development initiatives. However, sustained efforts at measurement improvement will be needed if shopper marketing is to attract the levels of investment and commitment necessary to unleash the next wave of value.

Currently, shopper marketing measurement tends to occur in pockets, with many one-off studies producing evidence that specific elements of shopper marketing work very well. But shopper marketers need to improve their ability to measure results in a consistent way that is comparable across different types of shopper marketing programs, let alone the full marketing mix.

Further, measurement along the path to purchase tends to be poorly aligned and difficult to compare. In-store marketing is typically focused on sales measures; out-of-store marketing is typically focused on brand equity measures. (See Exhibit 18.) Eventually, and ideally, both ROI and brand equity will be consistently measured and compared from the beginning to the end of the path to purchase.

Exhibit 18: Missing Metrics on the Path to Purchase

Measurement	Out-of-Store Metrics	In-Store Metrics
Reach & Frequency	<ul style="list-style-type: none"> • GRP • Unique Visitors • Page Views 	<ul style="list-style-type: none"> • Traffic
Engagement	<ul style="list-style-type: none"> • Brand Recall 	<ul style="list-style-type: none"> • Dwell Time
Brand Attribute	<ul style="list-style-type: none"> • Specific to marketers' objectives 	<ul style="list-style-type: none"> • Specific to marketers' objectives
ROI	<ul style="list-style-type: none"> • Sales Lift ROI 	<ul style="list-style-type: none"> • Sales Lift ROI

Source: Booz & Company

The Data and Tools Exist

There is no silver-bullet solution to the shopper marketing measurement challenge, but the data and analytics necessary to begin measuring the effectiveness of shopper marketing are available, and more sophisticated tools are continually evolving. These are the same tools that more sophisticated companies are already using to measure the ROI from trade promotions and brand advertising. Most fall into one of two broad categories, each with its own advantages and disadvantages:

- *Market research*, including such tools and techniques as control tests, panels, store intercepts, ethnography, virtual shopping, and online testing, helps determine the

“The industry’s movement into digital will help with compliance, and elements such as digital displays, mobile coupons, and social media will make measurement easier.”

—Shopper Marketing Agency Executive

effectiveness of shopper marketing programs. These research tools can help shopper marketers determine the effect of their activities on both sales and brand equity.

Market research is best used on an ongoing basis to build new insights and “fill in the puzzle” of what works best and how to drive toward key brand objectives over time. Although market research is widely used out-of-store, it can be especially useful to measure in-store elements, where traditionally brand equity has not been measured. Many leading companies use research to determine whether brand messaging is actually resonating with shoppers at the shelf and increasing equity over time, as opposed to simply activating brand equity in conjunction with a promotional event or at the shelf when a shopper sees and picks up the product.

The downside of market research is its expense, especially when multiple iterations are required, for example across retail formats. And although research tools like control tests are useful in gaining insights into the sales lift of a particular shopper marketing program, they are not substitutes for measuring ROI and being able to predict event outcomes.

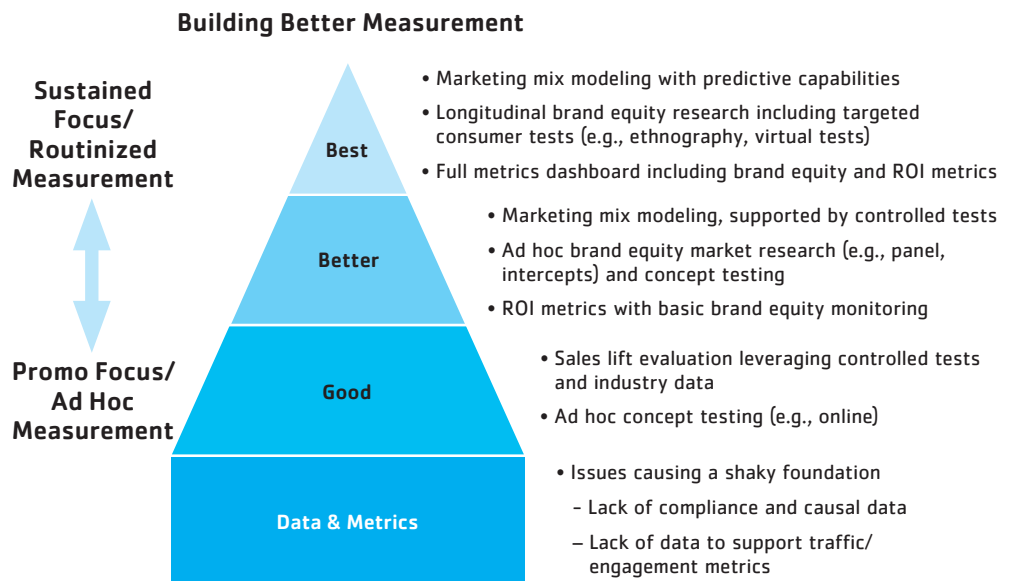
- *Analytic tools and techniques*, such as marketing mix modeling, are primarily focused on the quantitative evaluation of shopper marketing programs. The benefits of these techniques include the ability to determine the incremental sales lift and ROI of shopper marketing, as well as to provide comparable ROI across various marketing channels in order to optimize spending. Much of today’s spending in shopper marketing goes into elements such as shelf talkers, floor signs, and displays that are often part of trade promotions or drive incremental volume in ways similar to trade promotions. Companies that have invested in a trade promotion effectiveness capability and are already using econometric models to predict promotion event returns may have a head start over others. They can measure the effectiveness of shopper marketing programs using their existing trade promotion approach with the proper data on the shopper marketing event elements or “causals” to isolate their impact on volume, both during the event and on an ongoing basis after the event is over.

There are also drawbacks to the various analytical tools and techniques, particularly for companies that have not built an analytic evaluation capability. Building such a capability can be expensive and time consuming; therefore, investment decisions must be carefully weighed against the level of spending being measured and potential returns that can be gained by optimizing investments. Best-in-class mix models and trade promotion systems can take many months to fully implement; they require scale to generate valid results, external assistance to build, and, often, organizational change to ensure that their findings are acted upon.

New means to measure the effectiveness of shopper marketing continue to emerge, thanks to ongoing advances in digital technology, which promise to help marketers overcome some of the current limitations in identifying the brand equity and incremental value generated by shopper marketing. DS-IQ, Inc. is an example of a company that is providing one such solution. It powers a backend technology attached to Walmart’s in-store video network (Smart Network) that enables the retailer to run dozens and even hundreds of controlled tests on CPG manufacturers’ programming, across the chain’s stores included in the Smart Network and tied to point-of-sale data.

Technology like this enables manufacturers to test the effectiveness of different messages that are tailored by store location, time of day, or geography—similar to the way in which direct marketing tests can be dynamically structured online. There are still limits to this approach to measuring lift and ROI, however, as most other shopper marketing tactics beyond in-store video are not yet digital (e.g., shelf-talkers, displays, floor mats), and the incremental impact of these other elements requires using other techniques similar to traditional trade promotion models that control for various causals.

Exhibit 19: Getting to Best



Source: Booz & Company

Good, Better, and Best Models of Measurement

With no silver bullet for measuring shopper marketing effectiveness, bridging the measurement gap requires a sustained effort by manufacturers, retailers, and the industry as a whole. Moreover, it typically takes many months to implement marketing measurement systems and build up the data sets needed to optimize spending decisions and improve effectiveness. Nevertheless, companies should start measuring their results quickly if they hope to beat their competitors in the race to deploy shopper marketing capabilities.

This being said, companies need not begin their measurement initiatives with a marathon. They can start by walking or jogging, building their capabilities as they go. Along the way, they can decide the proper levels and pace of investment for their organizations. (See *Exhibit 19*.)

The foundation of such an approach to measurement is based on identifying the sources and availability of reliable shopper data and metrics. Without a sound foundation, there will be a far greater degree of noise in analytical models used to guide shopper marketing investments. In addition, it becomes harder for manufacturers and retailers to collaboratively plan and manage programs.

- *Good:* The first and most basic level of shopper marketing measurement is aimed at getting beyond inputs such as reach and frequency to outputs or actual results. The goal at this level is to calculate sales lift. Basic sales lift measures enable shopper marketers to begin determining how well their programs are working and make meaningful comparisons across those programs. Controlled tests are a commonly used research approach to measure sales lift in part because they can control for other causals and isolate the incremental impact of specific executions. Industry benchmarks and studies can also be used in the absence of specific tests run by manufacturers or retailers, though these are directional at best, given differences across brands and retail formats.
- *Better:* At the second level of measurement sophistication, shopper marketers can begin to move beyond basic measures of sales lift to calculate ROI, isolating the true profit impact of shopper marketing versus other activities in the store. This requires adding a more accurate view of the costs to the revenue side of the ROI equation. A true reflection of the incremental impact includes the direct costs of the additional complexity incurred in the supply chain and the store from shopper marketing programs, as well as cannibalization effects, such as those due to pantry loading. To develop a more robust picture of the relative value of shopper marketing, marketing mix models can be used to measure ROI across different shopper marketing programs in a more directly comparable way to other elements in the broader marketing mix (e.g., in-store display programs versus e-mail marketing versus couponing versus sampling versus brand advertising).

To round out the picture, these more analytically accurate measures need to be complemented by brand equity research. Many companies use ad hoc research such as panels and intercept studies to “fill in the puzzle” over time. They also use concept tests prior to launching campaigns to fine-tune their approach. Although valuable, these ad hoc approaches do not provide a systematic view of a company's performance with respect to meeting its objectives for shopper marketing.

- *Best:* The measurement ideal for shopper marketing is a metrics dashboard system that allows ongoing visibility into whether a brand is making progress against a core set of objectives across the full path to purchase. Given that the proper focus of shopper marketing is translating insights into action to get beyond price, stopping at sales lift and ROI is not enough. CPG companies must also assess whether brand equity is being sustained and enhanced, and determine whether those gains are not attributable solely to short-term promotional effects. A “best” model also utilizes longitudinal market research to measure changes in brand equity over time.

Moreover, a “best” approach incorporates marketing mix models with predictive capabilities, as opposed to post-event analysis only. This allows more effective planning for resource allocation across shopper marketing elements, as well as between shopper marketing and the rest of the marketing mix. Building such models requires sustained commitment to build up the data set, but more importantly to build the capability to manage decision making and embed it across key demand-generation capabilities throughout the organization.

Two Measurement Issues for the Industry

Industry groups and coalitions can aid manufacturers and retailers as they develop their measurement capabilities by addressing two issues: better data sources and standardized metrics. Further, GMA, in particular, can play a valuable role as a catalyst for manufacturers and retailers to come together to develop industry recognized shopper marketing metrics and share model practices.

No one company has the data needed to identify all of the causal factors linked to sales lift. But by working together, and possibly expanding the existing data collection efforts conducted by service providers, such as Nielsen and Information Resources, Inc. (IRI), the causals required to measure shopper marketing can be obtained. New collaboration efforts between groups of manufacturers and retailers are required to build the required data.

Organizations such as the Marketing at Retail Initiative (MARI), led by POPAI and the Out of Home Advertising Bureau, are seeking to develop in-store metrics for video networks. Similar initiatives will be required for the full set of shopper marketing elements in the playbook, because these elements will need to work together. For instance, in-store video is often best when paired with a display that causes shoppers to stop and pay attention, while activating brand equity close to the point of sale.

Setting standards will not be enough. Groups of manufacturers and retailers will need to work together to co-discover what works and build valuable new insights to guide their respective investments. Retailers will need to share data and allow tests to be run in their stores. Manufacturers will need to run these tests and develop more effective collaboration capabilities to work with retailers. Only by working together in coalitions can manufacturers and retailers accelerate learning and fully unleash the value of insights they generate.

Section 5

“The fear is that the shopper marketing environment will become too difficult, causing a flight to digital—but ultimately we all need to figure out a way to connect back to the store.”

—Shopper Marketing Agency Executive

Conclusion: The Challenge and Opportunity Ahead

The future of shopper marketing is heavily dependent on the actions of CPG manufacturers and retailers today. Shopper marketing clearly has tremendous potential and considerable momentum, which has not been significantly slowed by a recession that accentuated the urgency of driving demand at the shelf. Looking forward, however, it is also clear that the stakes have risen: Shopper marketing must deliver more transparent ROI and be better integrated with other demand-generation activities or risk losing funding and management attention.

Three transformative opportunities are within the grasp of shopper marketing executives who rise to this challenge:

- *From Activity to Actionable Insight:* First, shopper marketers must enhance sales and brand equity. Like all marketing, shopper marketing must be linked to specific brand objectives. Shopper marketers need to properly align their efforts to individual brands, taking into account both the brand’s position in the marketplace and its life cycle stage, to identify and achieve the right objectives on a brand-by-brand basis. Shopper marketing can thus play a critical role as part of a brand’s overall growth strategy.

Shopper marketers also need to optimize execution across product categories and the retail environment. However, they can’t approach this work in a monolithic way; one size does not fit all in shopper marketing. Rather, effectiveness of programs can vary by retail format, product category, and even the location of products within the store. To enhance shopper marketing’s results, manufacturers and retailers need to systematically build insights and apply a test-and-learn model across a broad set of activities to achieve continuous improvement.

- *From Siloed Effort to Integrated Capability:* Second, in order to unleash the full potential of shopper marketing, it must be integrated with other demand-generation activities all along the path to purchase. This requires that shopper marketing be developed as a strategic marketing capability.

To transform shopper marketing into a more strategic capability, manufacturers and retailers need to undertake sustained, rigorous efforts aimed at developing four supporting pillars: analytics to collect and analyze the data needed to create insight and measure results; processes to ensure consistent action across the shopper marketing organization; technologies to enable sound decision making and support shopper marketers as they move through the process; and organization support to develop, support, and maintain the shopper marketing capability. All four pillars are necessary to create a strategic capability.

Further, shopper marketing cannot exist in isolation. It intersects with every other activity along the path to purchase—from advertising to relationship marketing to promotions to merchandising. To fully unleash its value, shopper marketing must be coordinated with all of these other brand-building and sales-generating activities. Thus, all demand-generation activities can be optimized and all messaging can be aligned to influence shoppers.

- *From Ad Hoc Measures to Standardized Metrics:* Finally, shopper marketers must demonstrate measureable results in order to earn the financial commitment from their companies and/or trading partners. This requires the data and analytics necessary to gauge incremental benefit and weigh it against other demand-generation activities.

Shopper marketers must develop and adopt models capable of quantifying the value of their activities. Otherwise, they will be unable to make the right choices, compare results across demand-generation activities, and sustain the flow of funding and leadership commitment on which they depend. Further, the essential collaboration between manufacturers and retailers will be hampered.

As shopper marketers successfully capitalize on these opportunities, they will deliver ever-greater returns to their organizations in terms of brand equity and sales. In the process, they will raise their craft to the level of a strategic capability. GMA and its members can play an essential role in establishing industry-recognized metrics and model practices that are needed to ensure this opportunity is realized.

Study Methodology and Overview

This year's shopper marketing study—the third annual study conducted under the auspices of GMA's Shopper Marketing Committee—addressed three core questions aimed at capturing the greatest value from the substantial and ongoing shopper marketing investments of CPG manufacturers and retailers.

- How are shoppers' purchasing behaviors affected by different shopper marketing elements?
- How are shoppers' purchasing behaviors affected by in-store marketing versus out-of-store marketing?
- What are the best measurement models gauging the effectiveness of in-store marketing versus out-of-store marketing?

A key objective of this year's study was to develop practical insights into the relative effectiveness of in-store versus out-of-store marketing, and to determine the best ways to create the transparency and accountability necessary to assess the results of shopper marketing and compare it to other elements within the marketing mix. Given that consumers enter shopping mode well before walking into the store, this year's study also examined shopper behavior all along the full path to purchase—from the home to the shelf.

To answer the three core questions, Booz & Company partnered with SheSpeaks, a leading online community platform, to launch a comprehensive survey of 3,600 shoppers across the food & beverage, household products, and health & beauty categories, which together represent approximately 80 percent of GMA members' sales. The shopper survey spanned multiple retail formats, including grocery, superstores, healthy food stores, drug stores, clubs, convenience retail, and dollar stores. The sample included 80 percent women and 20 percent men, reflecting the primary role that women play in shopping in these, as well as other, product categories.

The survey was conducted in three parts:

- First (n = 3,600), the participants completed an online pre-shopping survey designed to better understand key drivers of shopper behavior out-of-store.
- Second (n = 2,200), the shoppers completed an online post-shopping survey designed to determine their actual purchases, the influence of out-of-store activities, and key drivers of their behavior in store.
- Finally, the survey participants were invited to describe and discuss their shopping experiences on the path to purchase in hosted online discussion forums, providing qualitative feedback regarding the “why” behind their behaviors and survey responses, and additional insight into the marketing stimuli that most influence them both out-of-store and in-store.

In addition, Booz & Company conducted in-depth perspective interviews across the shopper marketing ecosystem with 25 senior executives from leading shopper marketing agencies, CPG manufacturers across categories, retailers across formats, measurement and analytics firms, and in-store media service providers. These interviews, along with the deep experience of Booz & Company's Consumer, Media, and Digital practice and valuable input from the GMA's shopper marketing steering team, provided a 360-degree perspective of shopper marketing and offered insight into the opportunities to unleash further value from this evolving capability.

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Peter Wyman, *Vice President, Sales, Ocean Spray Cranberries, Inc.*

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For more information about the study, please contact Matthew Egol (matthew.egol@booz.com) or Edward Landry (edward.landry@booz.com), partners in Booz & Company's Consumer, Media & Digital practice, who co-led the GMA study. To learn more about the research methodology and tools used for the shopper study, please contact SheSpeaks' CEO Aliza Freud (aliza@shespeaks.com). Please contact Brian Lynch (blynch@gmaonline.org) from GMA for any additional questions about the Shopper Marketing 3.0 study.

Endnotes

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