

FINALLY!

THE PROOF SHOPPER MARKETING IS A LONG-TERM GROWTH DRIVER



In partnership with



As the discipline of shopper marketing has become a larger part of the marketing mix, it has come under increased scrutiny with attributable measurement presenting a challenge within the industry.

Shopper Marketers want to silence the skeptics and provide a clear, data-rich answer to the impact shopper marketing activation can deliver to their business and brands.

The proof needs to extend beyond the simple promotional metrics of lift and percent display to more advanced measurement that can furnish true understanding of the contribution shopper activation efforts deliver as part of a brand's total marketing mix. The ability to quantify the positive and long-term effect shopper marketing can deliver regarding brand equity, incremental volume and long-term shopper engagement (loyalty) remains an opportunity. Providing meaningful measurement imparts accountability on spend, can help justify shopper marketers receiving a bigger piece of the marketing budget, and validate requests for increased resources.

Challenge accepted.

Over the course of the last 12 months, a partnership between EDGE Marketing and Catalina developed a measurement methodology to validate the impact of shopper marketing as an effective and efficient periodic promotional tactic as well as a long-term brand-building strategy.

Our research, focused in the grocery channel, included activation programs spanning 6 customers, 10 unique categories and 15 individual brands.

This omnichannel research looked at total performance over multiple time horizons to provide a view of the relative impact of retail activation in both the immediate (promoted weeks) and long term (post promotion).

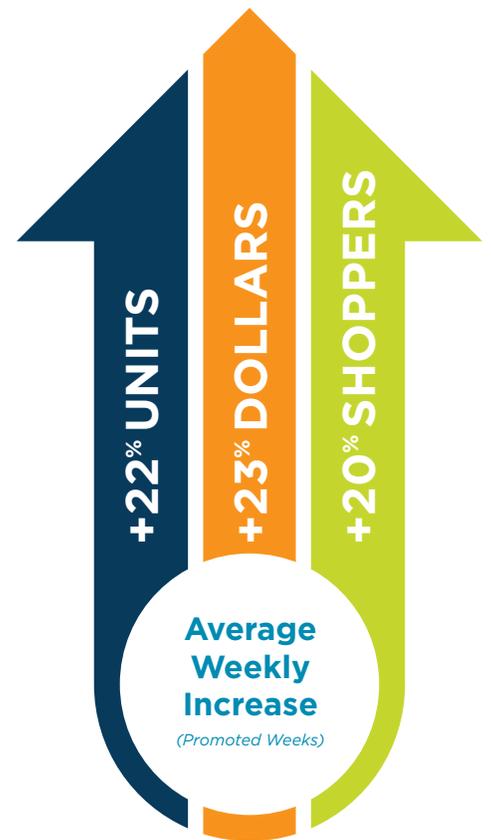


THE FINDINGS

Shopper Marketing is a powerful promotional strategy

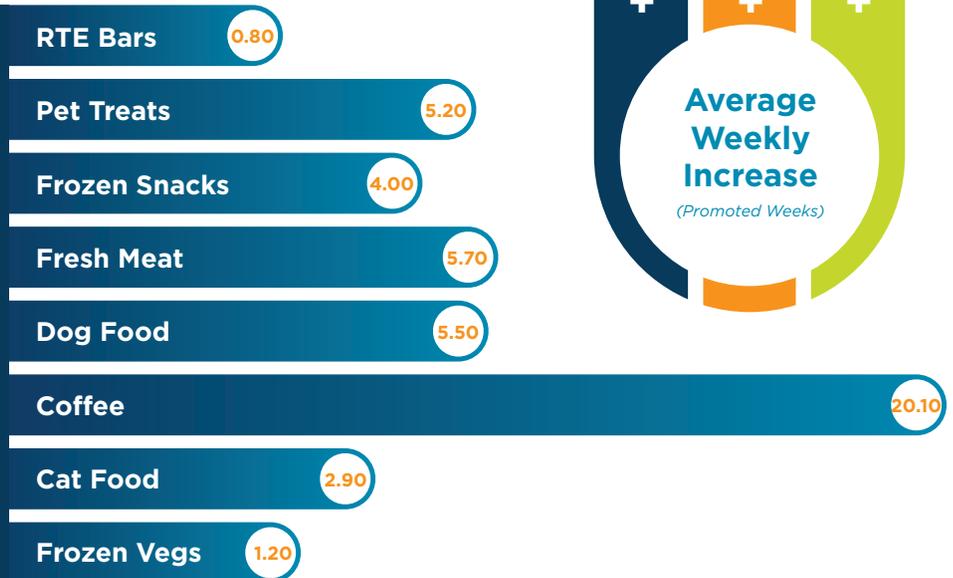
Our performance analysis validates shopper marketing as an effective and efficient promotional tool. Referencing the most commonly accepted measures to evaluate promotional impact, we confirmed

across all measured events, during the promoted weeks average weekly units, average dollar spend and average number of shoppers to the category yielded double digit increases.



Shopper Marketing delivers immediate short term ROI

More importantly, in more than 90% of programs, across all categories, each brand realized positive return on investment (ROI) during the promoted weeks activation.



Shopper Marketing proves to be particularly impactful with new item launches

New item launch activity was particularly successful in driving brand results. Over 300,000 new item buyers were analyzed across multiple account-specific launches. All of the

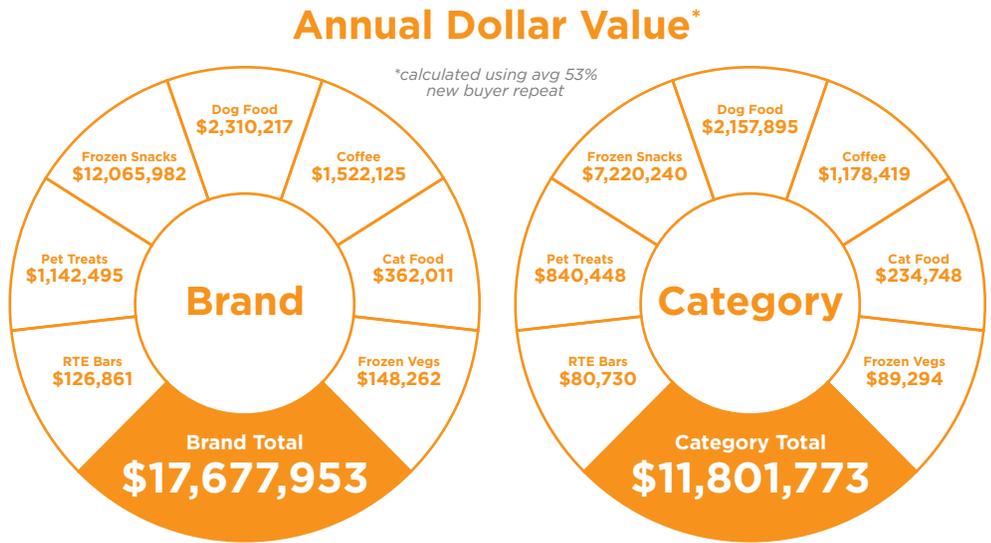
new item launch programs resulted in substantial increases in units, dollars and shopper counts during the weeks of the event and also showed significant growth versus pre-event

levels. These new item programs drove not only new buyers to the brand, but also new buyers to the category.

Shopper Marketing delivers value through NEW buyer acquisition

Perhaps one of the most telling aspects of long-term impact driven by shopper marketing activation is the confirmation that shopper programming delivers **incremental new shoppers** to both the category and the brand. Across events, during the promoted weeks, we saw an average **25% increase in new buyers to the category** and a **21% increase in new buyers to the brand**.

The acquisition of new buyers during an event delivers immediate impact to a brand's sales and delivers the promotional gains often sought via shopper

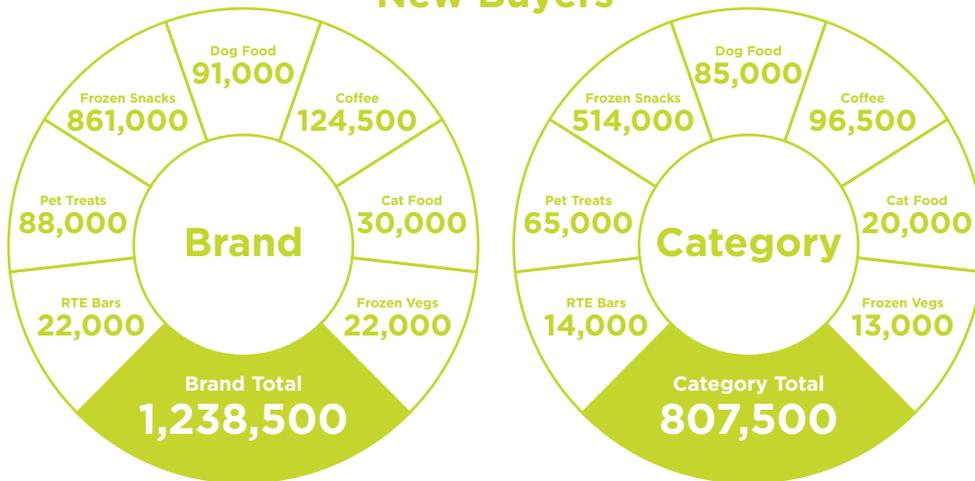


marketers. However, it is in the ability to retain those new buyers that determines the true value and influence of shopper marketing activation.

To that end, across all events we witnessed an average of **53% of new brand and category shoppers repeat purchase within 60 days**, indicating loyalty to the brand was sustained as result of the initial shopper marketing engagement.

Based on post event weeks behavior and the speed of repeat purchase, these measured events delivered potential annual growth of **\$17 million to the brands** and **\$11 million to the participating categories**.

New Buyers



		WEEKS OF EVENTS	PRE VS POST EVENT GROWTH
ALL NEW ITEM EVENTS	Units, Dollars, Buyers	+200%	+90%
	New Buyers to Brand	+200%	+60%
	New Buyers to Category	+245%	+70%
BEVERAGE NEW ITEM LAUNCH	Units, Dollars, Buyers	+500%	+220%
	New Buyers to Brand	+480%	+160%
	New Buyers to Category	+600%	+210%

One specific new item launch shopper campaign in the beverage category was particularly successful, with growth rates across all measures significantly higher than average, and driving significant growth in new category buyers.

SHOPPER MARKETING GENERATES BRAND EQUITY AND SALES GROWTH.

The results of this study are hard to ignore; it is clear the effective implementation of shopper marketing activation for both customers (categories) and brands can no longer be questioned. The ability of a brand to gain short-term promotional lift (across all expected metrics) is bolstered by the long-term annual revenue lift these programs can deliver.

Moreover, shopper marketing also proves critical in helping manufacturers effectively meet their customers' needs to boost top-line growth and win shopper loyalty.

Using shopper marketing as a promotional lever is a sound strategy, and, as validated and proven here, it can also be used in the development of long-term brand equity and loyalty building. Those that embrace shopper marketing for both its short-term gains and its long-term value will be rewarded with both top and bottom line growth.

There is no more proof needed.



EDGE marketing creates sales-moving experiences and activations for challenger brands in the new world of borderless retail. We do this by simplifying choice at the moment of buy for shoppers in all channels.

EDGE is a proud part of Advantage Solutions, one of the foremost global providers of technology-enabled sales and marketing business solutions and the 6th largest agency in the U.S. as ranked by Advertising Age.

To inquire about our services or to schedule a meeting to learn about our complete omnichannel activation capabilities, please contact:

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At Catalina, we understand there is a science behind every buy and a unique buyer behind the data. We combine our deep analytics and insights with the greatest buyer history database in the world to power our buyR³science™ solutions. Our solutions pinpoint the why behind every buy and mobilize meaningful, real-time engagement and results with the relevant 2% of buyers who drive 80% of brand volume (on average). Relevant. Real Time. Results. Based in St. Petersburg, FL, Catalina has operations in the United States, Europe, Japan and Latin America. To learn more, please visit www.catalina.com or follow us on Twitter @Catalina

