

High-tech, in-store target practice

ADVANCEMENTS IN TECHNOLOGY ARE CHANGING THE WAY CONSUMERS SHOP AND PROVIDING ADVERTISERS WITH MORE CHOICE ON HOW TO MARKET TO GROCERY BUYERS IN-STORE. DAVID BLIGHT REPORTS.



Supermarkets are trialling new technologies, such as the Colgate-Palmolive "Squeeze and Sniff" (pictured), which allows grocery buyers to engage more with the brand.

The days when in-store advertising meant cardboard cut-outs and promotional posters are long gone. So too are the days of using shopper focus groups to gather data. The technological age has given way to the contemporary shopping centre, which hosts a raft of modern technologies to target grocery buyers in-store - from computerised shopping trolleys, to heat mapping technology, to digital signage. These new gadgets have created a raft of in-store media spaces to help brands target grocery buyers as they shop.

"The most powerful aspect of in-store media is that it provides a channel of communication between brand and shopper at the "moment of truth" when the consumer is shopping, when they are most receptive to advertising," VIP Retail managing director Brian Paterson says.

Digital signage, for instance, has been utilised in grocery chains such as Woolworths, and while the screens are still in their infancy, retail experts believe they have a great deal of potential.

At present, digital screens mainly provide brands with an in-store media space to target consumers, with no interactivity. However, global retail giant Wal-mart has trialled retail-specific digital screens that help consumers shop smarter, and has found that some departments have seen sales increase by as much as 28%.

"Interactivity is a major factor," Torch Media general manager marketing Kirsty Dollisson says. "When consumers interact, they are more engaged and, hence, more likely to buy a product. In Woolworths we have trialled interactive formats like

'Squeeze and Sniff' for Colgate-Palmolive, where a consumer can engage with the brand before buying."

Another unique in-store media space is the VIP Trolley, owned by VIP Retail (formerly Media Cart), which is being trialled by marketing research firm TNS in three IGA stores around Australia. The computerised trolley is equipped with a digital screen and barcode scanner. As a shopper walks around a grocery store, the trolley triggers strategically placed infrared sensors which in turn trigger highly targeted ads on the digital screen.

"You could be walking through the milk aisle, and an in-store sensor will trigger a milk ad on your trolley," says Paterson. "Or you might buy mince, and the digital screen advertises tacos. After a while, if customers use loyalty cards, the trolley can even recognise the shopping habits of individual shoppers, and it will tailor the ads to their shopping needs."

But Jon Bird, chief executive of retail specialist Ideaworks, argues that if in-store media space becomes over-saturated, the messages will be lost on the consumer, and may even be considered annoying. "If new technology doesn't work, then that's bad for business."

"In-store innovations can't just be about technology for technology's sake. There has to be a benefit to the customer or the store, and on top of that the technology has to be bullet-proof and easy to use.

Modern in-store technologies target customers by creating innovative media spaces which provide advertising

AUDIO ZONES AND SOUND SHOWERS

Audio marketing can be achieved via audio zones, developed by Aura Interactive, which are currently being tested by the South Australian Government initiative "Be Active" in a Westfield shopping centre in Adelaide. When consumers walk past a strategically placed infrared sensor, an audio file is triggered which plays ads or branded content.

TorchMedia general manager marketing Kirsty Dollisson says sound showers, which deliver targeted audio messages within a limited space, "are the next evolution in digital audio, beyond the use of audio/radio within the supermarket environment."

opportunities, and also through the collection and utilisation of data."

Technologies such as "heat mapping technology", which Torch Media has developed maps out typical store layouts and overlays the maps with product purchase information using Nielsen Panorama data. Heat mapping shows the "hot spots" in a store and indicates which areas are most frequented by a particular target audience.

"Heat mapping helps us to determine the most effective locations within the store

to impact an advertiser's key shopper target," Dollisson says.

The VIP Trolley, as well as providing unique advertising opportunities, can also be used to collect shopper data and generate profiles.

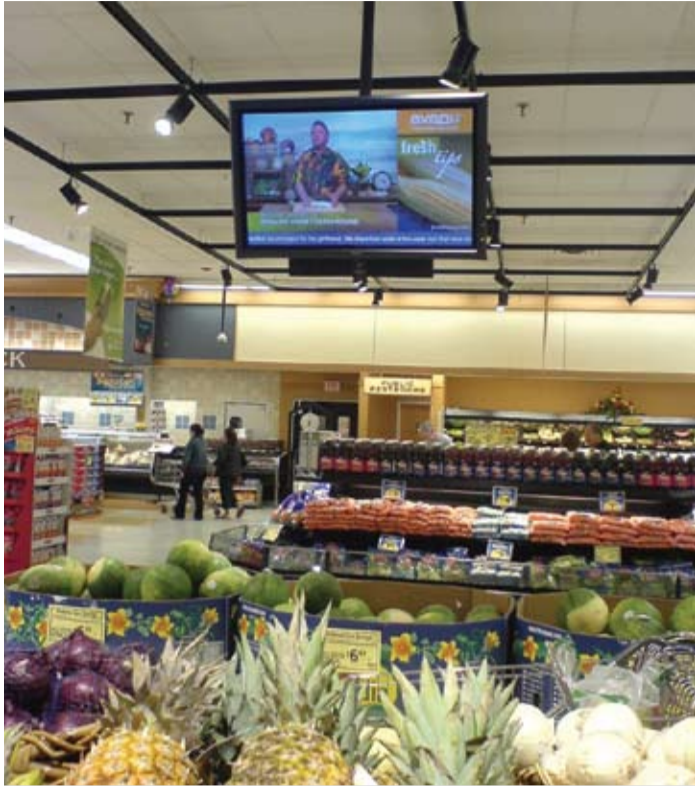
"Because of the barcode scanner, the trolley can provide interesting data - we can see what an individual buys and hence tailor the trolley's advertising to that individual," Paterson says. "We can see what sections of the store they visit and how long they stay there. We can also determine if the digital advertising actually works, because we can see if a product was scanned after an ad was played."

For instance, in US trials conducted by TNS, an analysis of the data provided by the trolleys found that digital advertising on the trolley led to a 30-40% increase in sales of advertised products.

But, Bird argues that this sort of data collection raises issues around invasion of consumer privacy. "But most consumers don't care as long as they see a benefit."

New in-store technologies might also "aide customer facilitation, by making their shopping experience quicker and easier, as well as providing operational benefits to the store," Bird says.

Although modern innovations in the realm of in-store grocery advertising may seem groundbreaking, Dollisson laments that Australia is "light years behind" the rest of the world, when it comes to in-store technology. She says we should look to countries such as Japan, the USA, and the UK to see examples of "inspiring innovation". <



DIGITAL SIGNAGE

Initially utilised as technology akin to television screens, digital signs are transforming into targeted category displays with relevant messaging. Woolworths Australia uses screens with no customer exchange or interactivity, but global giants Tesco and Wal-mart have tested interactive formats in the UK and USA.

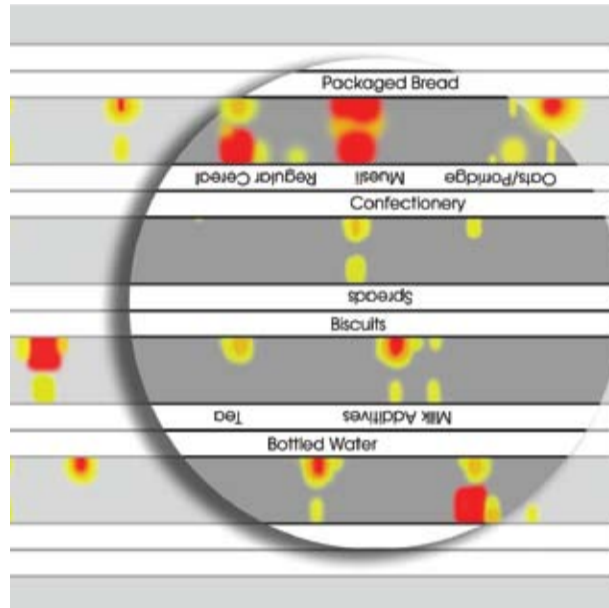
In Australia, Aura Interactive is currently trialling interactive formats in shopping centres such as Castle Towers and Westpoint in Sydney. A system called "Blue Zone Plus" allows consumers to send retail information from a digital screen to their mobile phone.

"Whether or not this technology is used in grocery stores will depend on how successful it is in shopping centres," Aura Interactive chief executive Adam Dunne says.

IN-STORE MOBILE TECHNOLOGY

"Any in-store marketing tool that can utilise mobile phones has incredible potential, because our phones are such an integral part of our everyday lives," Ideaworks chief executive Jon Bird says.

Aura Interactive is trialling "blue zones" in shopping centres and retail stores around Australia. Customers walk past an infrared sensor and product placement or branded content is sent to the shopper's phone via blue tooth or wi-fi. "Blue Zone Plus" combines "blue zones" with digital signage, where consumers can choose to have information sent to their phone from an in-store digital screen.



HEAT MAPPING

TorchMedia has developed a heat mapping technology for supermarkets and grocery chains. Heat mapping involves mapping out a typical supermarket store layout and overlaying this map with product purchase information, using Nielsen Panorama data.

This technology shows where the "hot categories" are for a particular target audience within the grocery store, and allows brands to determine the most effective locations within the store to impact their target market.



VIP TROLLEYS

The VIP Trolley is wholly owned by VIP Retail, formerly Media Cart, and is currently being trialled in three IGA stores around Australia.

The trolley allows shoppers to: scan items as they shop; find any item in the store; check the price of products as they shop; upload a shopping list via their loyalty card; view in-store specials; access a range of recipes and meal suggestions, as well as nutritional information; and have their route through the store completely mapped out.

Grocery brands can: deliver a message at the point of purchase; and target shoppers based on location in store, shopper profiles, and past purchasing information.

CREATE CONTENT FOR ALL YOUR CHANNELS.

"It's amazing, we spent half a million dollars on the TVC relaunch and honestly, these online videos you've done are funnier, more creative and better than the TVC. I honestly believe that. It's great to see what can be done with just a camera, a tripod and some good minds."
- Happy Client

Happy clients include O'Brien Glass, JMT, AdNews TV
Clemenger 2000, Australian Liquor Marketers, Mediaedgeia

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