



# Thank you for joining

The webinar will start shortly

# Transform Retail Online Experiences: The Art of Personalization for the 2024 Shopper



**NIQ**

# Today's Speakers



**Phil Gabillia**  
Global Expansion Director

**NIQ** Brandbank



**Sarah Duchazeaubeneix**  
Western EU, Retail Collaborative  
Projects leader

**NIQ** *Activate*

# Agenda

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**Bringing demographics, online & the need for personalization together**

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How to meet the needs of today's digital shopper

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Best practices for personalizing the shopper experience

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Questions & answers

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Take a moment to  
think about what  
you associate with  
« **online** »

# Global Consumption

is forecasted to reach

**\$57.6T**

in 2024

Looking at 2030,

**An Incremental**

**of**

**\$9.6T**

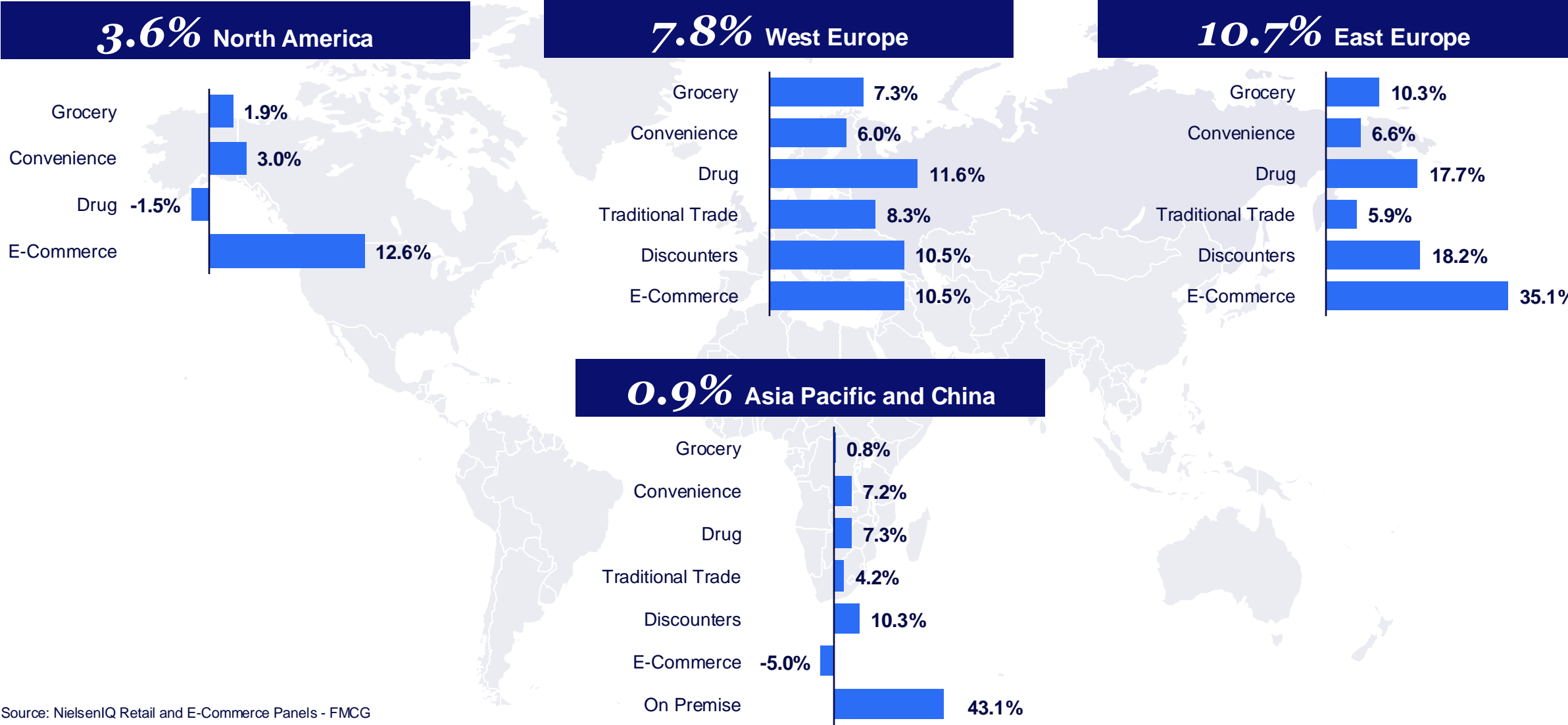
will come on top

**Sizing Consumption at**

**\$67.2T**

**NIQ**

# Online will definitely be a key driver of that growth, outpacing many traditional channels.



Source: NielsenIQ Retail and E-Commerce Panels - FMCG

# Online is the place for fragmentation, where most innovations have been created, tested and adopted by the customers. And that's becoming the new normal

## More complexity due to fragmentation & blurring



B&M Home Delivery



B&M Click & Collect



Pure Players (generalists)



Category Specialists



Direct to Consumer



Market Places



Food Delivery



Re-sale, Refurbished & Second-hand

## The new normal and acceleration of digital



By 2040 it is estimated that **95%** of all purchases will be made online.\*

**84%** research online before visiting a store to search the best deal\*\*



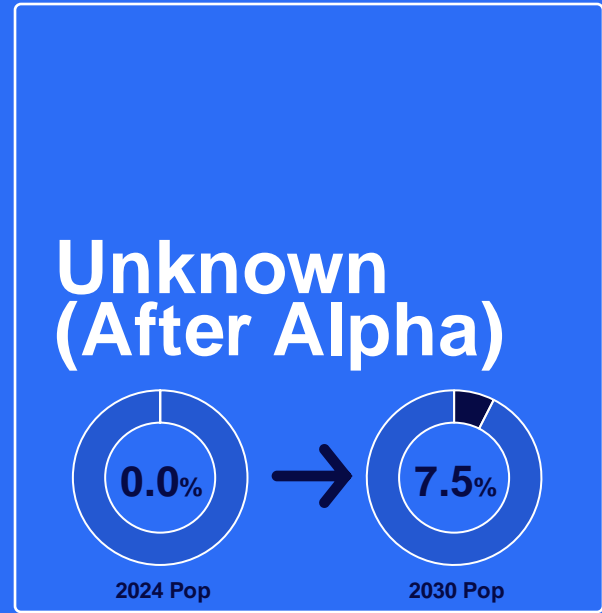
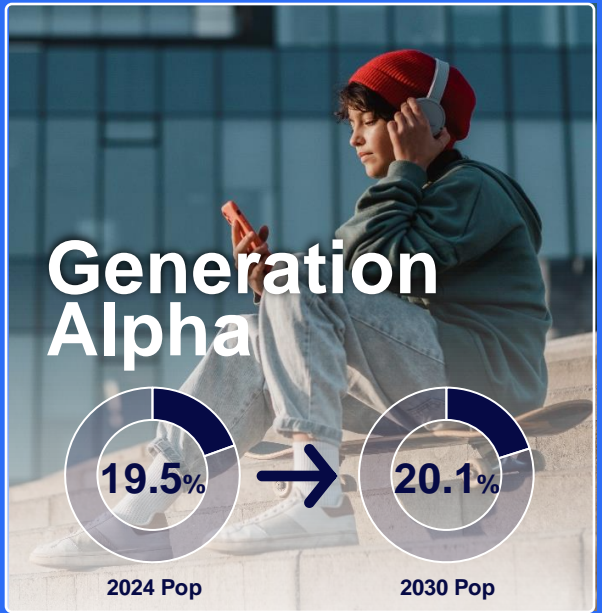
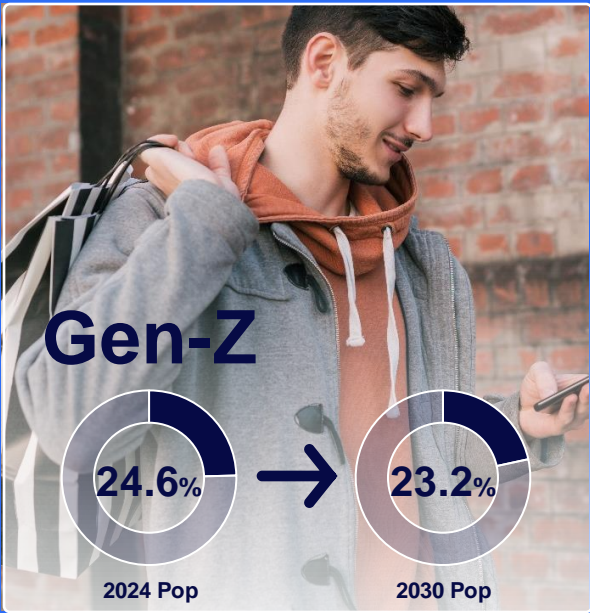
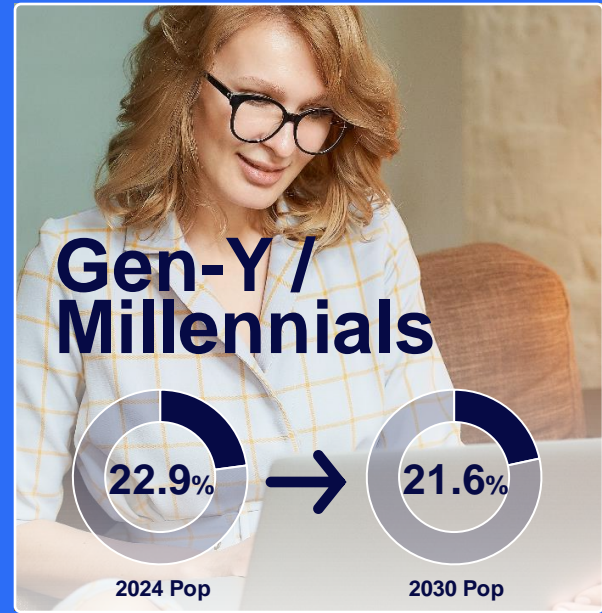
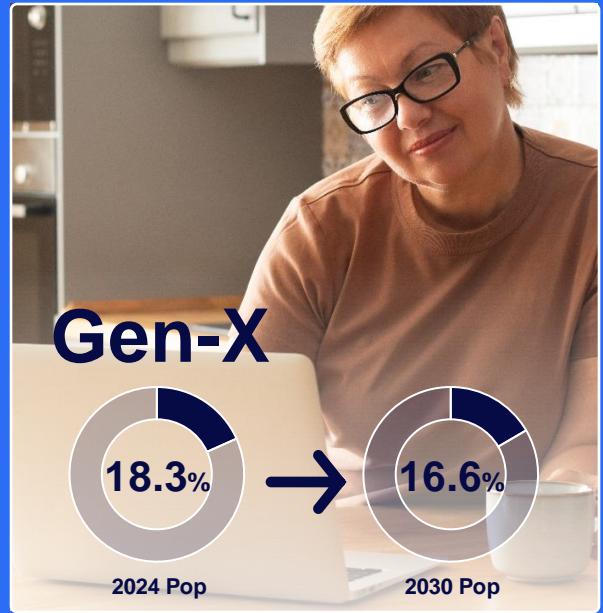
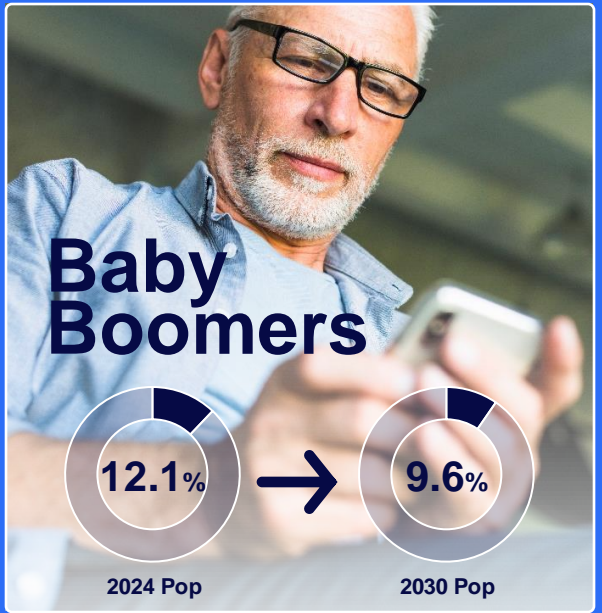
**77%** of US shoppers expect product labels to be more transparent\*\*\*



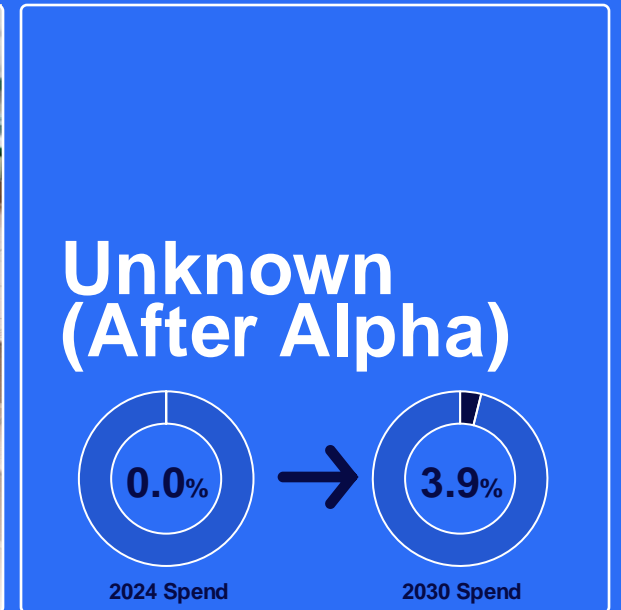
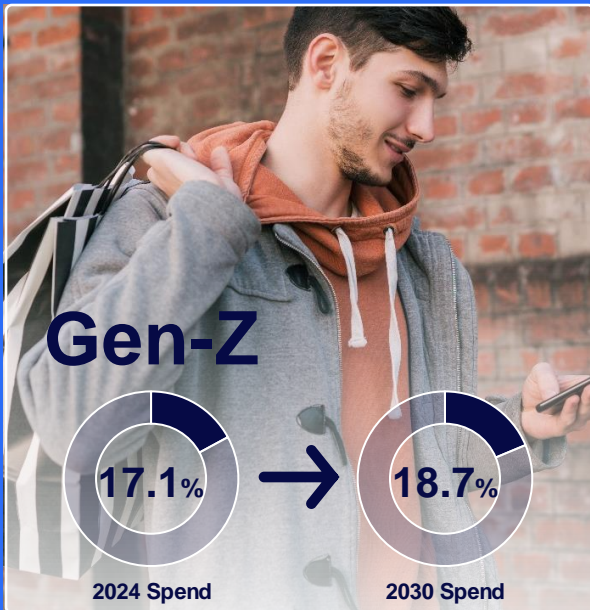
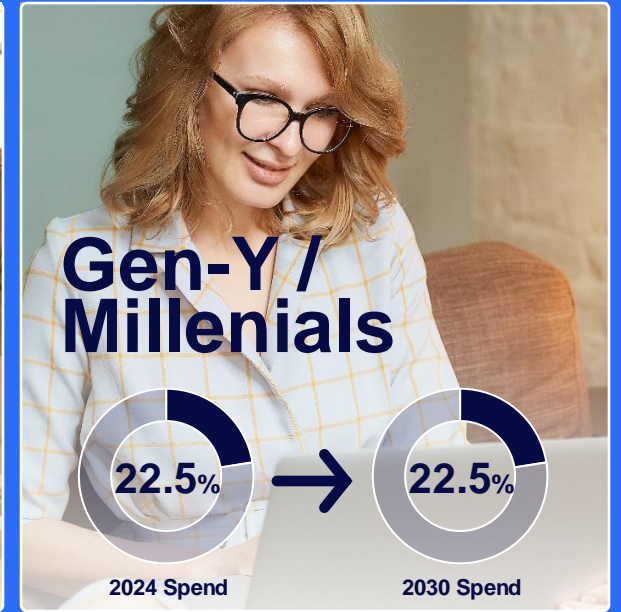
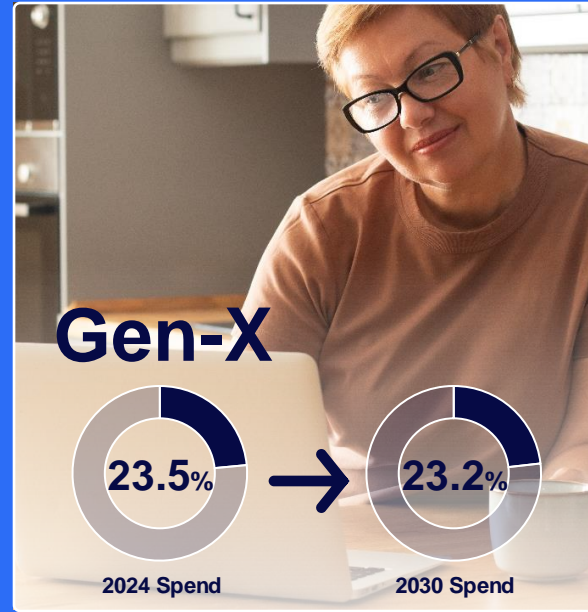
**52%** like the idea of technology that "knows" me and can make recommendations and take actions based on my wants and needs\*\*



# Population repartition by Generation



# Spend repartition by Generation



# The Gen Z generation is scrutinized

Their spending power will explode from 9.8 Trillion USD today to 12.6 Trillion USD in 2030



Gen Z has never known a life without immediate, open access to information through technology, which makes it the first truly “digitally native” consumer cohort

## Withing Gen Z, many profiles co-exist:

"the ultra-connected trend-setters, the Hyper-sensitive that want to consume less and are more isolated & melancholic, the activists (vegan, LGBTQIA+...) who are quite vindicative”

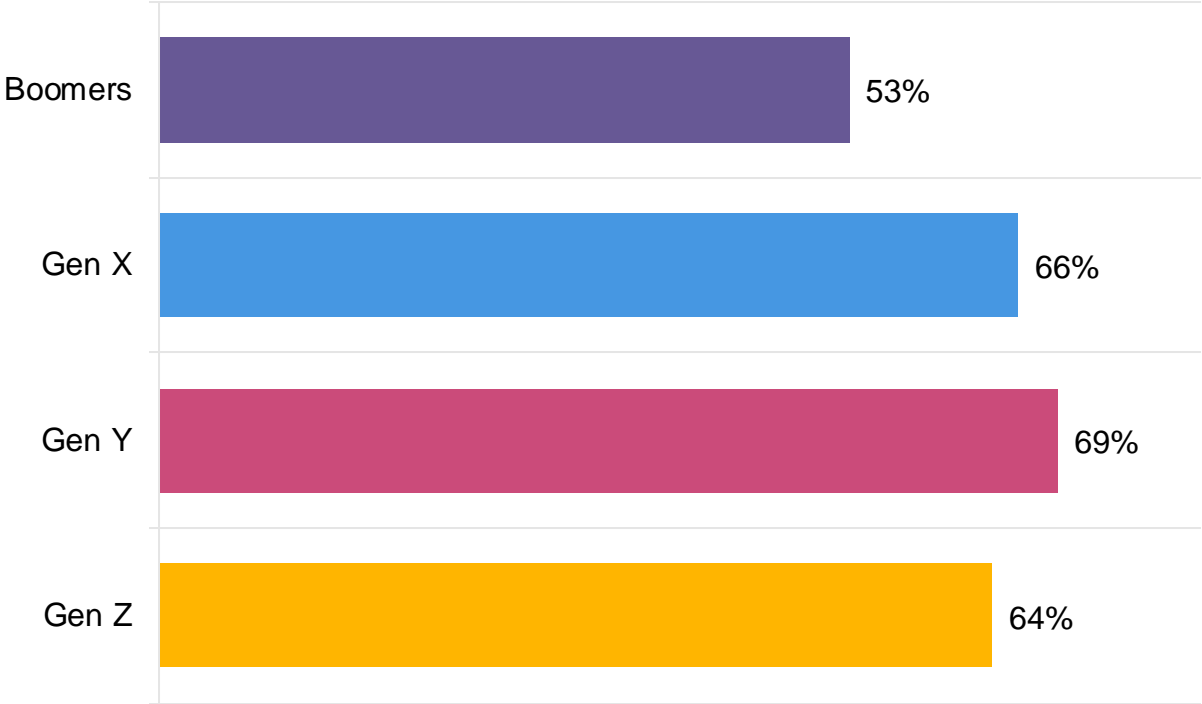
- Fiona Chalom, social strategist at Helmut (specialized in luxury & young generations)

Sources: GenSpend Z report by NIQ GfK & Data Labs / Magazine Marketing.fr, #244 "New Consumers: How to understand them and target them"?

# Not matter what generation we belong to, the way we seek and engage with information is changing

**How likely or unlikely are you to do the following?**

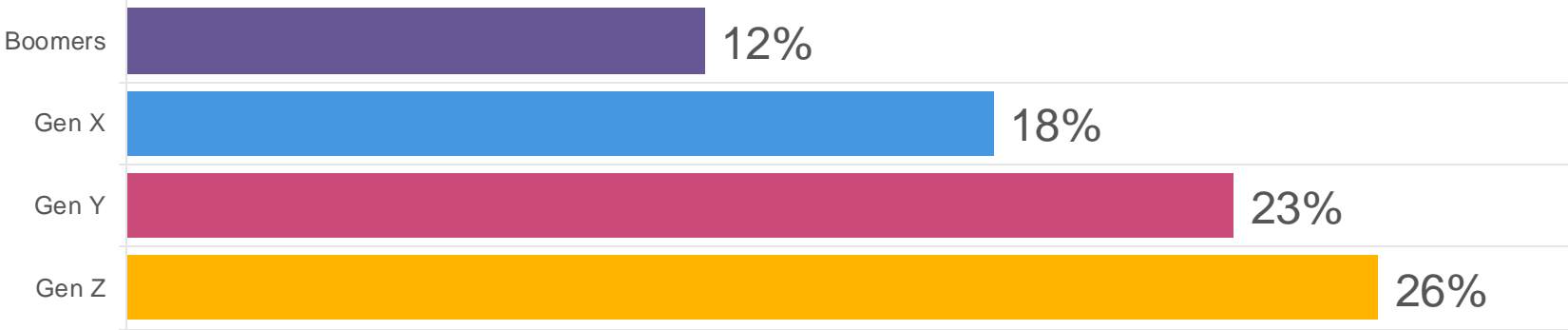
Research products, prices and promotions online and shop on different e-commerce platforms online



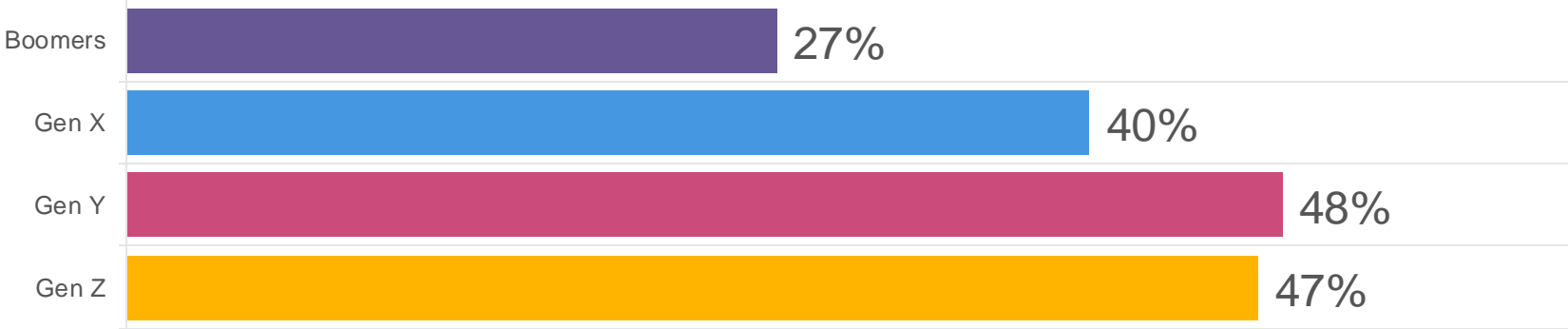
Source: NIQ Consumer Outlook 2024, Global

# How likely are you to :

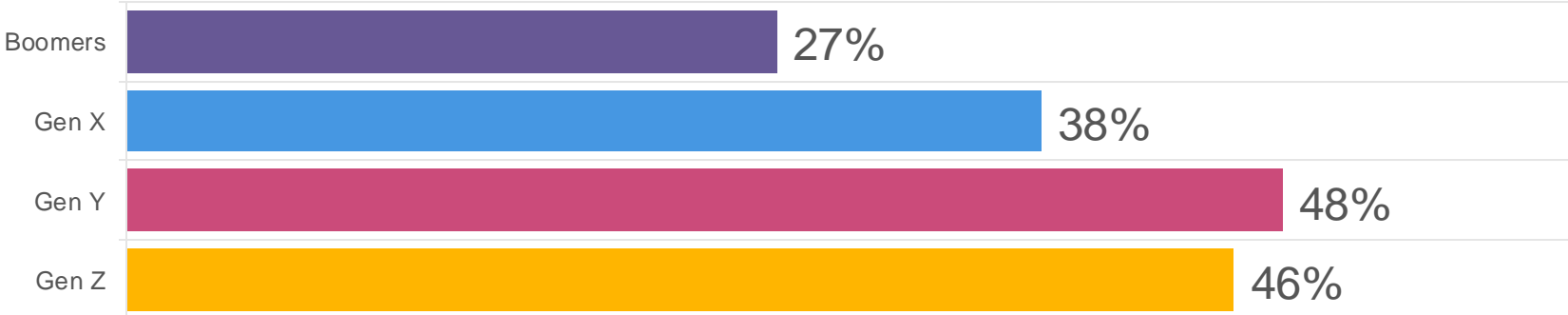
Use phone in store to help make purchase decisions



Examine / explore a product or service through augmented reality or virtual reality



Accept a product recommendation from your own AI assistant. \*



Source: NIQ Consumer Outlook 2024, Global

\*(On your phone/pc/ home device)

Keeping up with Shoppers' expectations to get better online experience & more product information is a struggle. Key challenges are:

- 1** Keeping **product information consistent** across various sales and marketing channels.
- 2** Hard to grow an e-Commerce platform because of missing and incomplete product content.
- 3** **Meeting growing consumer demands for more product content** especially when relying on **unregulated sources** to provide this content.
- 4** Difficult to receive quality product content from brands. Time is wasted fixing the basics and chasing **incomplete/missing product content**.
- 5** Limitations in **existing IT stack** to offer enhanced user experience and personalization.

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**How to meet the needs of today's digital shopper**

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Best practices for personalizing the shopper experience

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Questions & answers

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# Today's digital shopper

What are shoppers asking?



What do other people think?



Can I find additional information on this product?



What else could I buy with this?



Is this suitable for my diet?



What recipes could I create with this product?

Disconnect between shoppers, brands and retailers is increasing with **greater demands for product information.**

**92%** Of products are missing from retailer search results

**84%** of brands fail to claim at least one of the top three most searched attributes

**75%** of shoppers are likely to switch to a brand that provides more product information than what appears on the physical label

Source: eMarketer



Did you know...

Shoppers are  
**25% more likely**  
to purchase when  
enhanced content  
is present



Source: Study by HingeGlobal, July 2022 "The impact of enhanced product content on e-commerce customers"

## Transform shopper confidence with quality assured digital product content






- Ensure that you are standing out on the digital shelf
- Provide accurate, consistent and informative product content for omnichannel use,
- Enable shoppers to discover, engage and purchase their products at the touch of a button.



# Shoppers seek products that fit specific need and lifestyle preferences

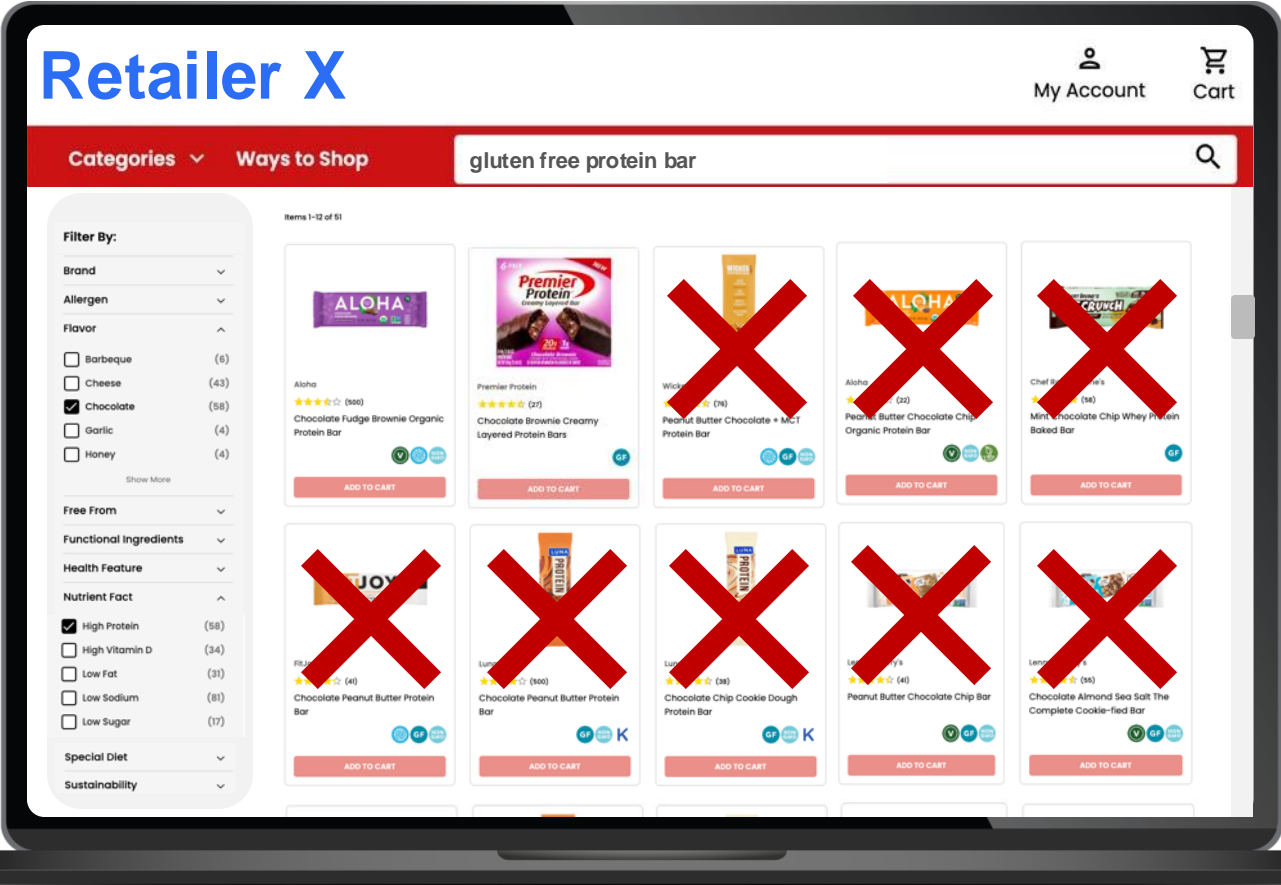
## Despite 66%

of shoppers seeking out products to support their overall health goals

-  Heart Healthy Dinners
-  High Protein Granola Bars
-  Allergen Free Snacks
-  Vegan Yogurt
-  Organic Infant Formula

## Over 72%

of qualifying products for these searches are failing to be returned by retailers today



# Highlight the Attributes that Matter Most with Category-Based Attribute Rankings

Suite of 25,000 + Attributes

99% Shopper Search Coverage



Organic



Sustainable



Natural



Vegan



No Added Sugar



Cruelty Free



Ketogenic



Digestive Health



Fair Trade



Immune Support



Made in the USA



High Protein



Peanut Free



Fat Free



Grass Fed

# Enhance Product Discoverability

Derived Attributes Unlock Hidden Products

GLUTEN FREE



717

TITLE

ON PACKAGE

57,089

172,313

DERIVED

**301%**

More Products w/  
Derived Attributes

ARTIFICIAL FREE



12

TITLE

ON PACKAGE

6,847

149,710

DERIVED

**2,186%**

More Products w/  
Derived Attributes

# Fix the Discovery Experience

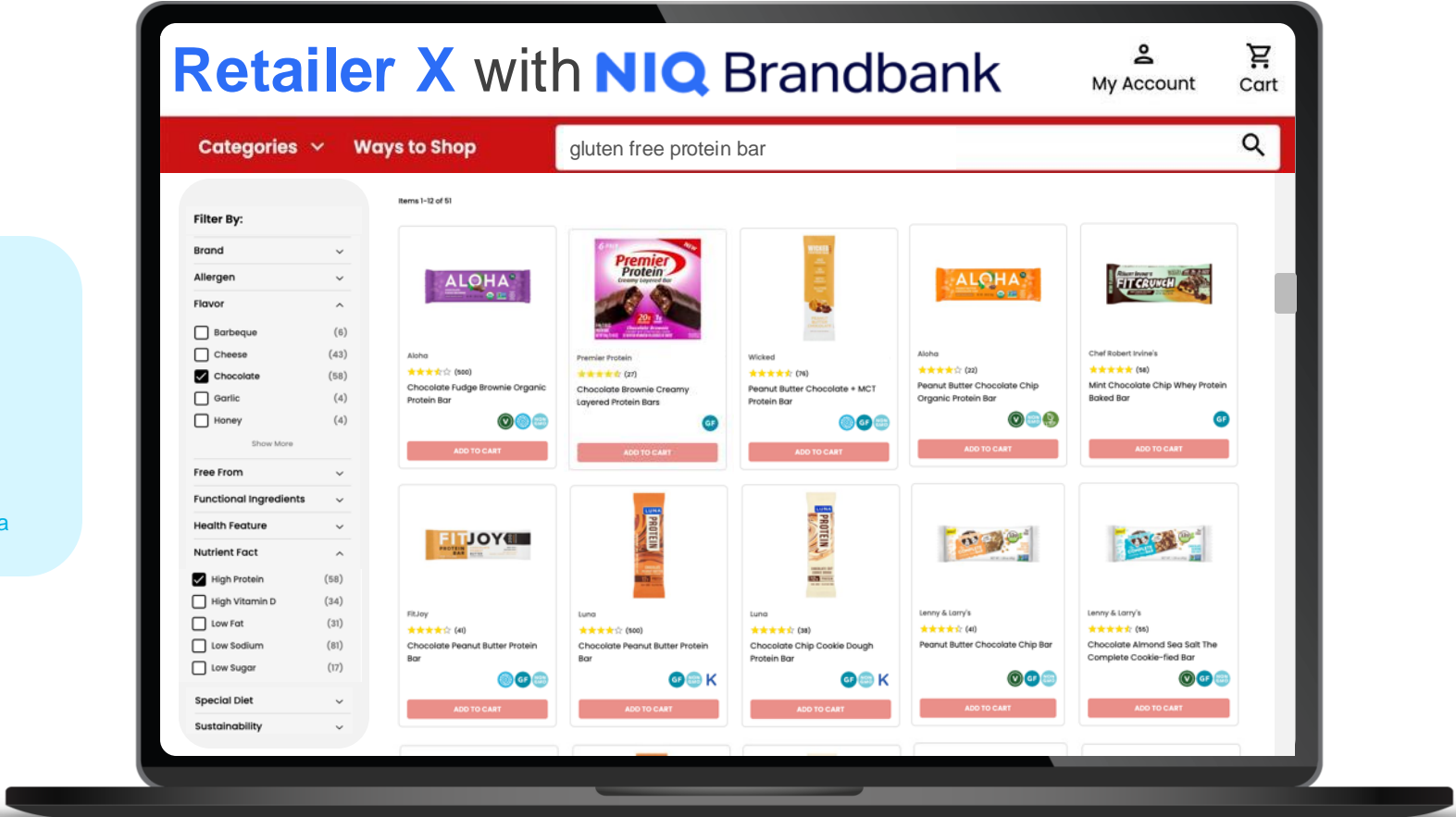
**▲ 438%**

in discoverability when retailers implement attribute solutions

- Heart Healthy Dinners
- High Protein Granola Bars
- Allergen Free Snacks
- Vegan Yogurt
- Organic Infant Formula

**Return 100%**

of products with NIQ Brandbank and make your assortment completely discoverable<sup>1</sup>

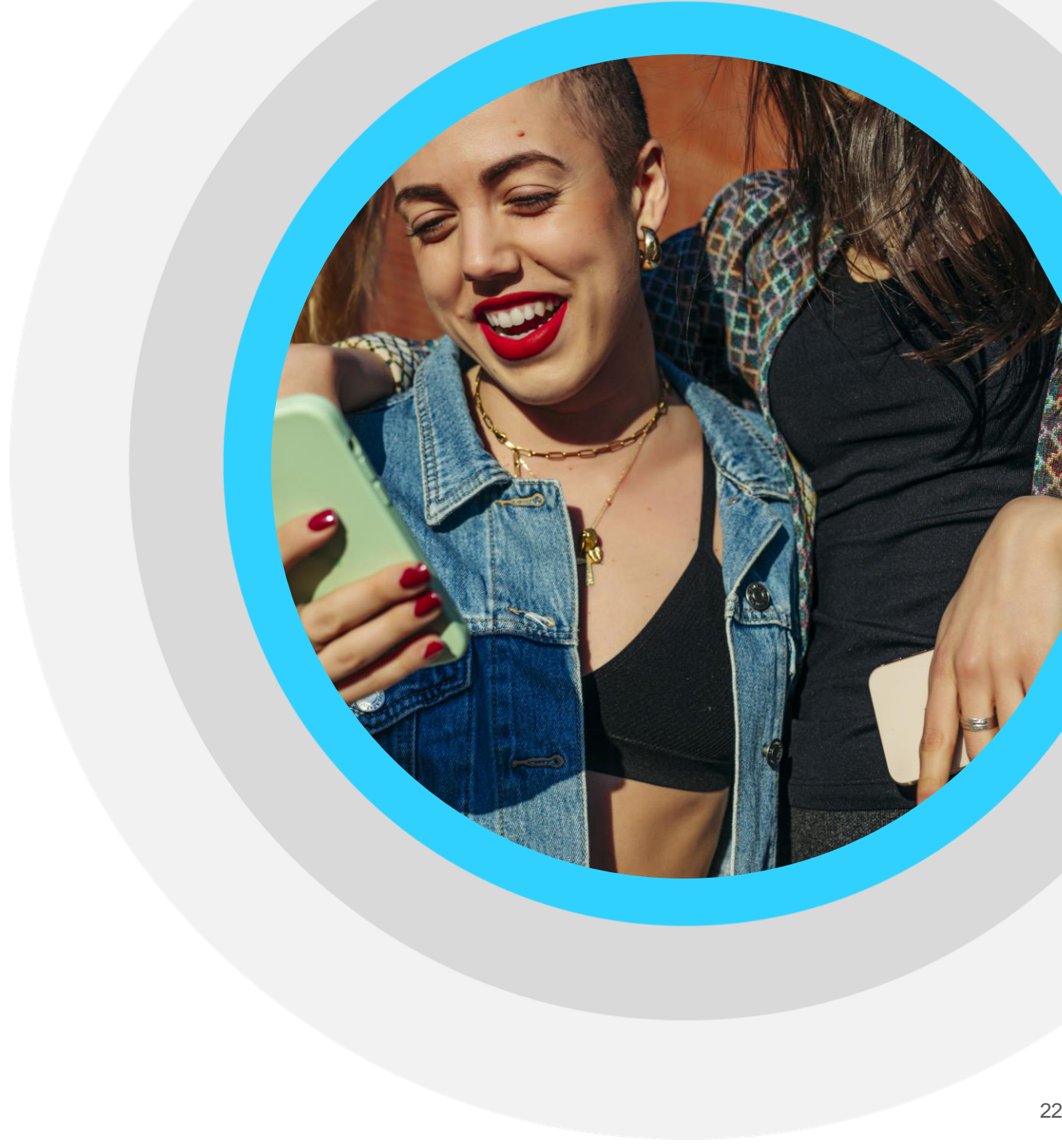


<sup>1</sup> A/B tests performed with national retailer by NIQ Brandbank

Did you know...

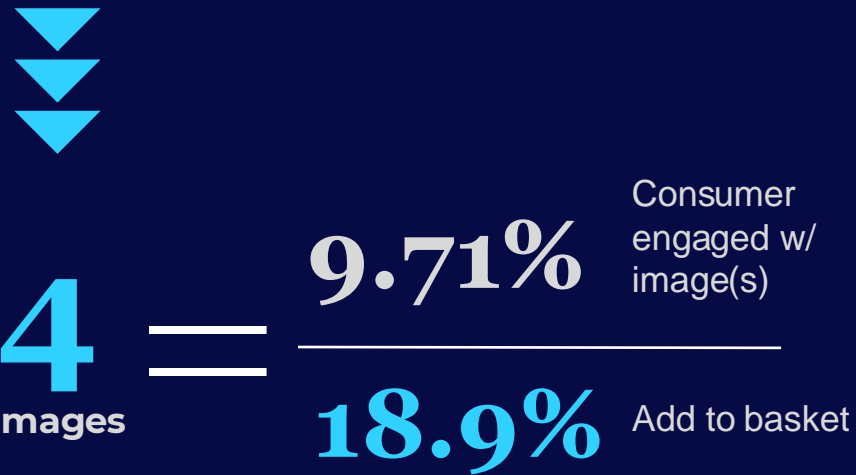
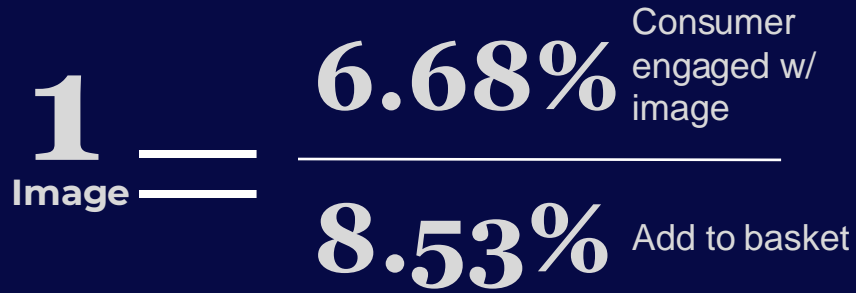
**92%** of shoppers say  
**visuals are the most  
influential factor**  
affecting purchase decisions.

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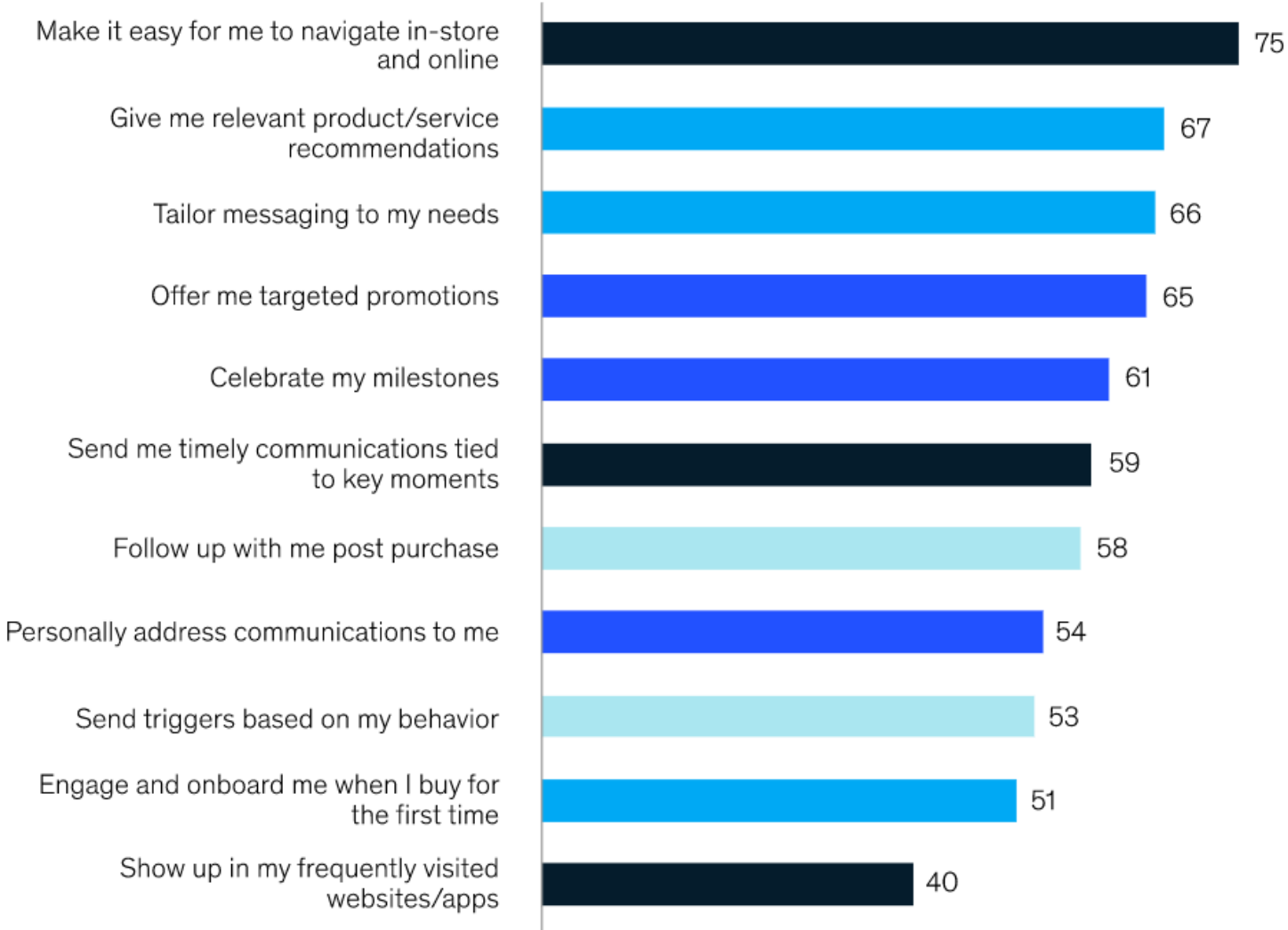


# More product images improve engagement & conversion

According to eMarketer, digital shoppers expect to see anywhere between 5 and 8 images on each product description site.



# 72% consumers expect retailers to know them at a personal level





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A person is shown from the chest up, sitting in the driver's seat of a car. They are wearing a dark blue blindfold over their eyes. Their mouth is open in a wide, excited or shouting expression. The car's interior, including the steering wheel and dashboard, is visible. The background outside the car is blurred. The entire image has a dark blue tint.

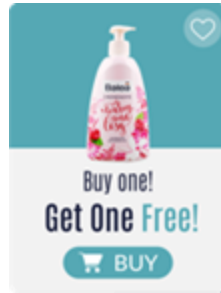
**Don't drive a fast car  
with closed eyes**

**NIQ**

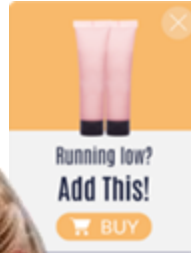
# 6 ways to personalize the online journey

Make it easier for your shopper to stay and convert on your site

## 2. Personalized Circulars & Offers



## 3. Out of Stock Alternatives



## 4. Contextual Recommendations



## 5. Audience Based Advertising

## 1. Personalized Grocery Shelf

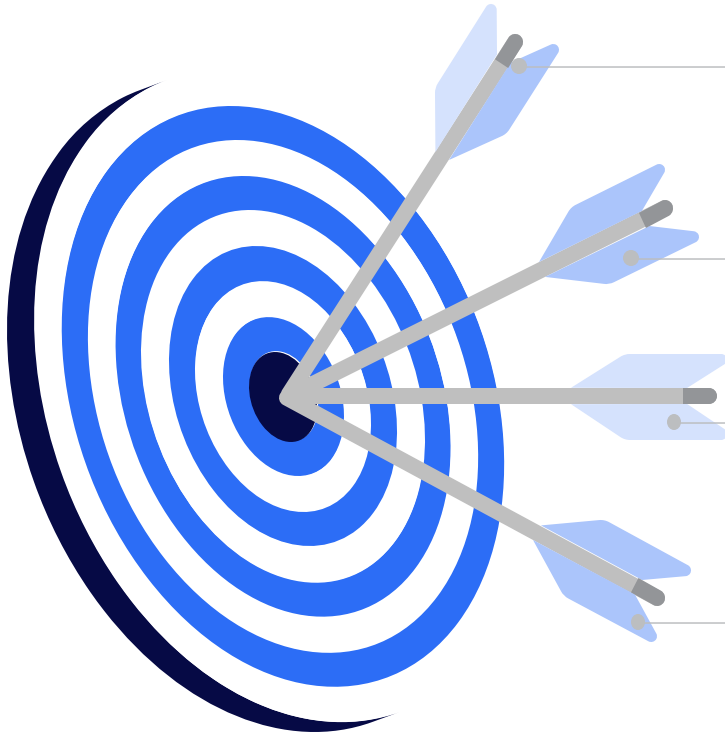
## 6. Smart Shopping Lists



# Understanding the opportunities –Start with the basics of influencing your shopper behavior

At basic level, there are only 4 direct marketing objectives that an offer can reasonably achieve.

Any personalized offer presented to a customer can succeed only if it taps into one or more of these opportunities.



## Objective #1

Reward a customer. Provide a customer with an offer that rewards them for being loyal to the store, category or product.

### RETENTION



## Objective #2

Get the customer to buy something with you instead of with a competitor.

### GROW SHARE OF WALLET



## Objective #3

Get the customer to buy more of what they already buy, or a higher margin version of something they already buy, aka

### QUANTITY OR QUALITY UPSELL



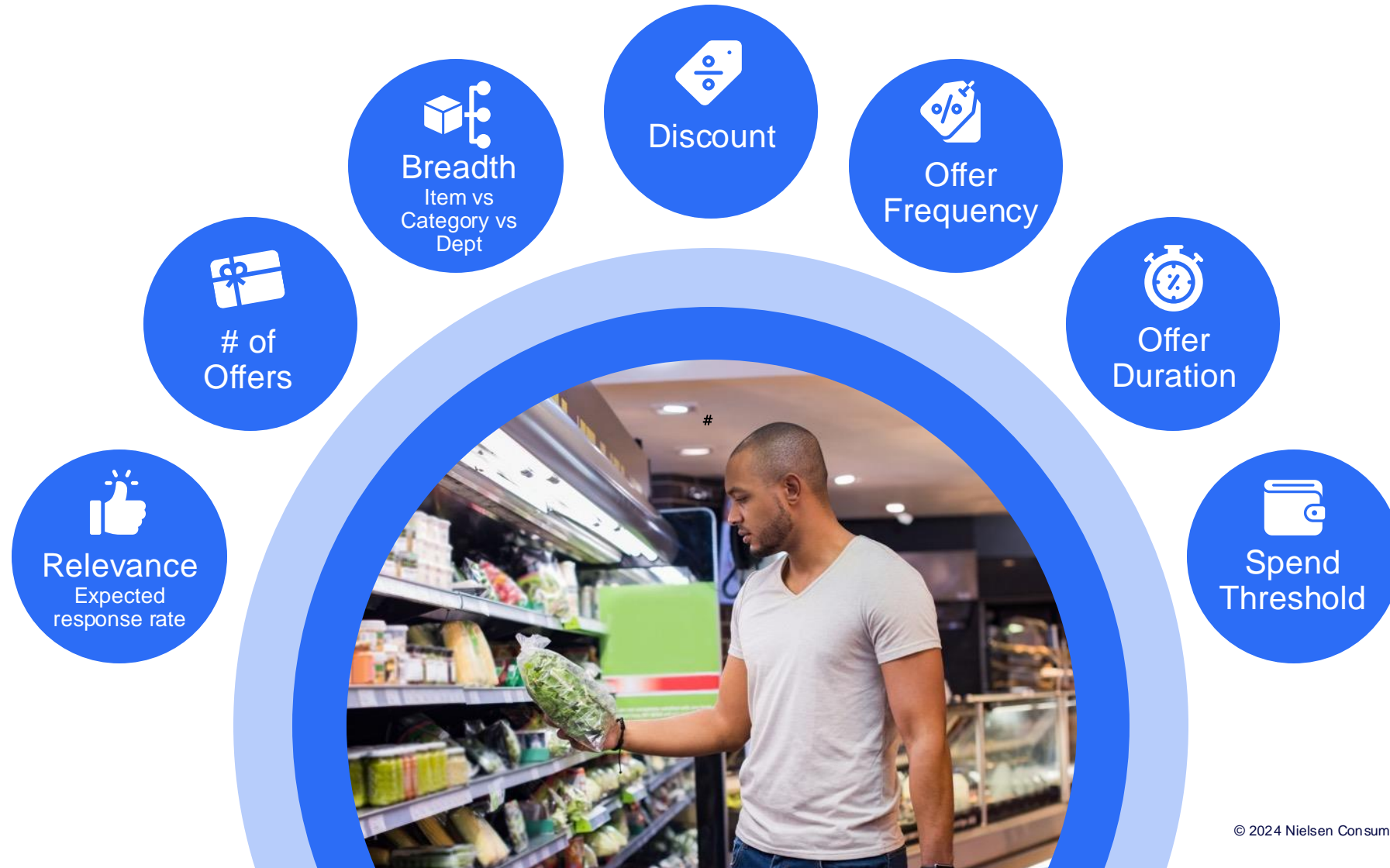
## Objective #4

Win back customers who used to buy an item of category but have reduced their purchases or stopped.

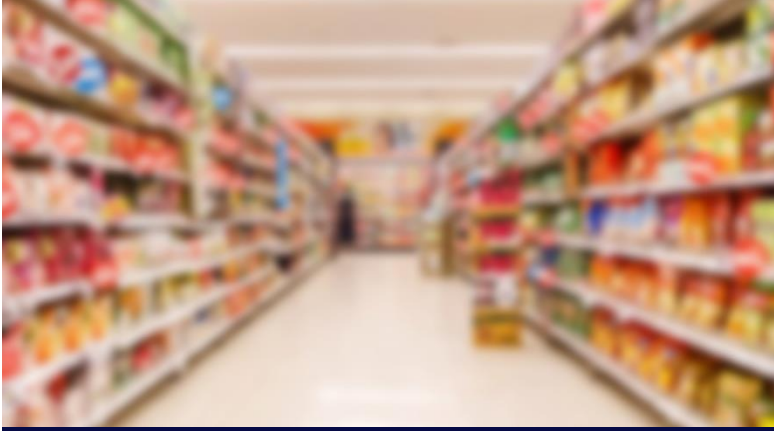
### WIN BACK



See personalization as a mix of tactics, repeated and varied every week for each customer.  
Your data insights enable you to understand behavior:  
technology / AI can help you reach scale & relevance.



## Some recommendations – How good is your offer mix?



### Coverage

- Cover all available products and categories, so that each customer would receive their 'ideal' offers.
- aim for a bank of category and product offers that covers at least 40% of store sales.
- If you struggle funding personalized offers at the beginning, start by making your leaflet offers more personalized



### Variety

- Having a large variety of offers sets your campaign up for more cross-sell and growth opportunities, which not only breeds larger baskets, but also generates more visits to the store.



### Value for the customers

- Have at least 2-4 discount levels that will enable you to provide different discounts based on the customer's value to the store, their discount sensitivity, the marketing objective (cross-sell will tend to be more aggressive than reward), and additional attributes.
- Start with an analysis of your top selling categories, products, and brands and work your way from top to bottom until you manage to get sufficient coverage and variety.

## Real Life Results of Personalization - Top Retailer in West Europe

### Sales Lift

**3-25%**

from allocated shoppers compared to sales from unallocated shoppers

### Visit Lift

**5-30%**

from allocated shoppers compared to the # of visits of unallocated shoppers

### Return on Investment

**1.2 - 8%**

# Real Life Results of Personalization - Redemption Rate by Marketing Objective

## Retention

Up to

**30%**

## Win Back

Up to

**15%**

## Cross Sell

Up to

**5%**



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Thank you.



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