

NIQ
Brandbank

The future of retail: **Adapting** to online trends to grow sales





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Introduction

The year 2022 cemented the belief that **e-commerce and omnichannel** are the **future of shopping**, and that 2023 will be all about being flexible, consumer-centric, and consolidating retail-tech capabilities.

In fact, e-commerce spending is expected to reach \$36 billion in 2023 — a 20% projected increase from 2022.

This expected growth combined with a shifting retail landscape indicates that **retailers and brands must step up their e-commerce games if they want to thrive in 2023.**

As the world adapts to technology, modern-day shoppers have developed a new set of expectations for online shopping — and retailers must carefully consider every move shoppers make so they can strategize accordingly.

In this eBook, you will learn:

- How retailers have improved the digital shelf
- Where they still trail
- How to better serve shoppers with search capabilities, product detail pages, personalization, and more.

▶▶▶ **\$36 billion**

expected to be spent on e-commerce in 2023 —
a 20% projected increase from 2022





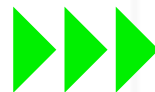
A look back at 2022

In the days before the pandemic, navigating a digital shopping experience had its challenges; particularly within grocery, where finding products down an **“endless digital aisle”** was inconvenient, and lack of product information proved frustrating.

Several retailers were quick to advance their e-commerce capabilities during the pandemic with **online shopping at an all-time high**; however, many retailers are still falling short of shoppers’ expectations and lack tools to aid in the product discovery and engagement process.

At the same time, shoppers began seeking out products they considered better for themselves, the planet, the communities around them in increasing numbers. The rise of these **“conscious shoppers”** had a significant impact on retail's bottom line.

In 2022, the ever-changing conscious shopper looked to retailers to provide full product transparency; but for many retailers it was still difficult to provide robust product content that made it easy for shoppers to find products with specific attributes (both in-store and online).



According to a NIQ 2022 Consumer Outlook online survey, nearly three-fourths of the global respondents said their priorities and shopping habits changed due to the pandemic, and a third said their priorities around wellness are much different than they were in 2019.

Therefore, when it comes to wellness, retailers are in a unique position; it is their responsibility to empower shoppers with accurate content to aid their journey from beginning to end.

In other words, it is up to retailers to ensure shoppers can **find** the products they’re seeking, and to then assist shoppers with **researching, understanding, and adding** those products to their carts with confidence.

It is obvious that consumer priorities have shifted over the past few years, but how have retailers stepped up to address shoppers’ evolving priorities and needs, and what more can the industry do?

The NIQ Digital Depth Analysis is based on an audit of how well retailers are achieving these online needs.

A look back at 2022

NIQ Digital Depth Analysis

In May 2022, **NIQ Brandbank and Label Insight** completed a new, enhanced audit of the **40 top retailers** in the grocery, health and beauty, and pet industries, according to both reputation and revenue. The study analyzes the holistic shopper journey, delivers a follow-up to need state product discovery, and explores how well retailers share information on product pages and throughout their sites.



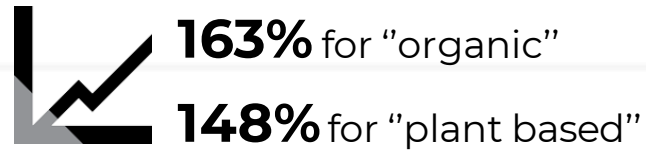
Auditing criteria:

- **Advanced Filters (wellness-based filters):** Retailers' ability to return accurate and complete product assortments with advanced filters or wellness-based filters when consumers search for specific product attributes.
- **Organic Search (or free text search):** Retailers' ability to return accurate and complete product assortments with organic search or free text search, that met various shopper need states.
- **Product Detail Page Content:** How complete product detail pages were with images, core product content, iconography, product recommendations, product replacement suggestions, and below-the-fold media.
- **Personalization and Wellness:** Retailers' personalized program initiatives through health and wellness programs, shop-with-dietitian programs, meal planning, etc.

Enhanced Discovery, Deliver Rich Attribution

When shopping retailer websites, consumers are increasing their searches for products with a range of **health and wellness attributes** at a tremendous pace. NIQ quantified web searches year over year for two established wellness attributes: **“organic”** and **“plant based.”**

Between 2020 and 2021, online searches for products with these claims increased by:



We know the demand exists for these product attributes — the challenge for retailers is making products with these attributes easy for shoppers to find.

Strategies for connecting shoppers with products include prioritizing relevant content, assigning searchable attributes, enhancing product pages with attribution, as well as working together on strategies that formulate how content is set up, how it is categorized, how it defines taxonomies, and how it integrates multimedia content.





Enhanced Discovery, Deliver Rich Attribution

Advanced Filters

Often, the first function a retailer tackles when it comes to implementing digital attribution is developing advanced filters.

Implementing advanced filters is a direct signal to shoppers that the retailer has identified the attributes around wellness that matter to their shoppers, prioritized the shoppers' needs, and made it clear they are **focused on making the e-commerce experience easy**.

This function will remain paramount to a retailer's success in delivering a personalized experience to shoppers.

By leveraging the right data, retailers have a massive opportunity to pinpoint the right attributes for filters that speak to their shopper base and deliver an exceptional shopping experience.

Of the retailers reviewed, the top-ranked attributes that appeared the most were: **“gluten free,” “organic,”** and **“vegan.”** Those established attributes were found on **nearly all of the retailers' websites audited**.

Examples of less-established attributes found on just a few retailers include: **“antioxidants,” “low FODMAP,”** and **“local”**.

Among nearly all the attributes ranked, sales are up for those products, with some increasing dramatically.

 For example, the attribute **“vegan”** is up **102%** in sales compared to three years ago in the personal care space.

Though retailers have addressed many dietary and allergen needs online that are growing sales significantly, there are many lifestyle preferences that continue to be overlooked by retailers, with sustainability being a large gap and high-growth opportunity.



To thrive in 2023 and beyond, it is important for retailers to make sure shoppers are finding the products they are looking for.

Enhanced Discovery, Deliver Rich Attribution

Advanced Filters, Organic Search, and Accuracy

How well are retailers returning products in their assortment based on advanced filters?

For retailers with advanced online search filters, on average, nearly **79%** of products that qualified based on label information on the products' packaging were returned per need state.

In other words, **21%** of the qualifying products that should be visible to a consumer on the digital shelf based on product claims and certifications did not appear. Such a gap in coverage can still be quite significant to the shopper seeking a large selection of products that meet their needs.

From a singular category perspective, **pet food** is exceeding as the category returning the most products based on their assortment with a gap of **19%**.

How well are retailers returning products based on Organic Search?

The audit revealed some major gaps in organic search return on the retailers' sites.

Most retailers offer an organic search option on their site as a way for shoppers to discover products.

However, for retailers with organic search capabilities, on average, nearly **32%** of products that qualified to be returned based on label information on the product packaging came up missing.

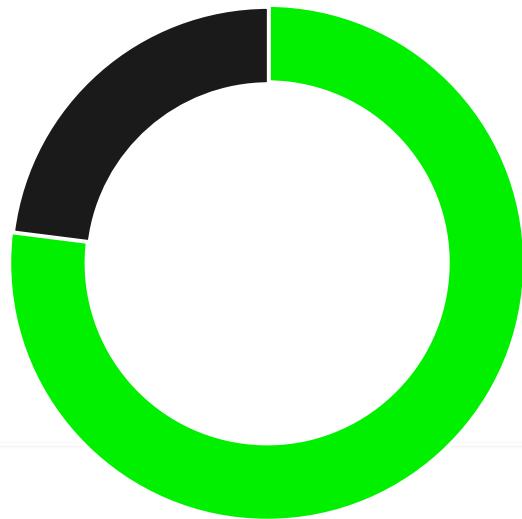
Even more telling, based on ingredient and nutrient analysis, **87%** of products that should have been made available based on the common search phrase did not appear. This means that retailers on average only return **13%** of qualifying products per search term.

Are online search results accurate on retailer websites?

Overall, accuracy of return seems to be an issue for retailers. **42%** of searches returned were found to be “semi accurate” meaning some of the products met the corresponding search but others didn't qualify or came back for a completely different category. **12%** of searches were found to be “inaccurate,” meaning the products returned did not meet the corresponding search

For example, in some instances of food and beverage searches, other products like cleaning supplies and supplements came back in the search results.

Foundational Product Content, Empower Shoppers



77%

of shoppers use the product page information when researching a purchase decision

Why 77%?

Because the product page includes everything from the raw product information such as ingredients, allergens and nutrients; to key call outs and brand information — enough to provide a **basic informed purchasing decision**.

When done right, the product page is a landing spot for a shopper to build a relationship with a retailer. They arrive with questions, and this page should deliver the answers. But are they?



Foundational Product Content, Empower Shoppers

Product Images

Imagery on retailers' websites

Imagery is vital:
40% of retailers on average show less than two images per product on their product pages. Less than a third of retailers are sharing more than four images on a product page.



Imagery for food and beverages

Whereas food and beverage drive the majority of sales for a retailer, they are also the categories falling behind in use of imagery for products.

30% of U.S. shoppers say they will not purchase if images are missing from a product page or are of low quality.

Imagery per category

The study breaks down the average count of images per product detail page and then the percentage of retailers across food and beverage, pet food, and personal care products.

66% of retailers show more than four images per product within pet food

27% of retailers are showing more than 4 images

Retailers are prioritizing imagery for pet, but they have a long way to go in food and beverage.

Foundational Product Content, Empower Shoppers

Ingredient Statements and Nutrition Fact Panels

Unfortunately, shoppers don't seem to be getting enough information when shopping for groceries online. On average, **23%** of retailers are missing ingredient statements on more than **50%** of their product detail pages.

This lack of information is extremely concerning, and on some occasions dangerous to individuals that require access to core product information, particularly those with comorbidities like high-blood pressure, high cholesterol and diabetes, along with those who suffer from allergies or dietary intolerances.

Missing this basic content online can be harmful to shoppers, eliminates a chance at conversion, and can weaken loyalty, especially when shoppers are expecting more information than what is provided on the physical label.



Nutrition Facts	
Serving size	2/3 Cup (132g)
Amount per serving	
Calories	370
% Daily Value*	
Total Fat	21g 27%
Saturated Fat	13g 65%
Trans Fat	0.5g
Cholesterol	55mg 18%
Sodium	90mg 4%
Total Carbohydrate	41g 15%
Dietary Fiber	4g 14%
Total Sugars	37g
Includes 28g of Added Sugars	56%
Protein	7g
Vitamin D	2mcg 10%
Calcium	222mg 15%
Iron	1mg 4%
Potassium	370mg 8%
*The % Daily Values (DV) tells you how much a nutrient in a serving contributes to a daily diet. 2000 calories a day is used for general nutrition advice.	



Deal

Feeding Instructions

Weight	Daily Feeding
Up to 10 lbs	1/4 - 1
10 - 25 lbs	1 - 1 3/4
25 - 50 lbs	1 3/4 - 3
50 - 75 lbs	3 - 4
75 - 150 lbs	4 - 6 3/4



An individual dog's requirements may differ from this guide. Store in a cool, dry place. Keep fresh water available.

Mixing With Canned? Replace 1/2 Cup For Each 1/2 Can Of Pedigree Choice Cuts In Gravy.

Mixing With Pouches? Replace 1/4 Cup For Each 3.5 oz. Of Pedigree Pouch

1 cup = 8 oz. measuring cup, 1 can = 13.2 oz.



Case study: Pedigree



Pedigree is a subsidiary of Mars, Inc. which makes market leading dog food. Pedigree is a perfect example of a brand that successfully leverages the power of a product page.

Pedigree shows a total of 9 images on the retailer's e-commerce webpage and one video. Thanks to this complete set of images depicting the product as if it was on a physical shelf, shoppers can see all information they need to make an informed choice when buying food for their dogs.

By adding the video, the brand is adding an additional touchpoint for shopper engagement.

This product page also clearly shows a nutritional table and feeding instructions below the images, as well as product recommendations and replacements, and even below the fold content!

This product page is a real landing page, where shoppers can find all the information they need to make an informed choice, and ultimately grow engagement and loyalty to the brand.

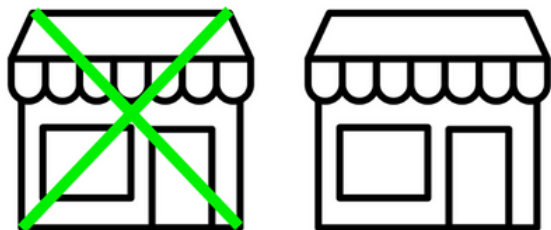
Foundational Product Content, Empower Shoppers

Iconography

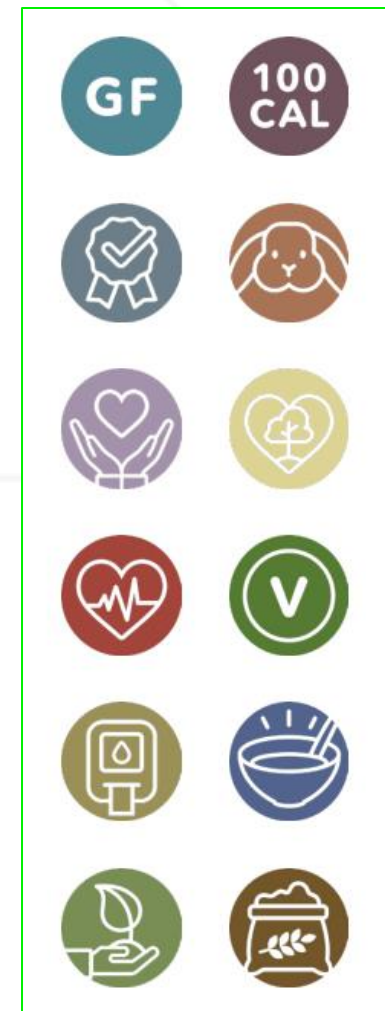
Shoppers value **convenience** and **icons** are a valuable tool to help meet that need. It takes a relatively savvy shopper to understand how to read a nutrition fact panel or an ingredient statement and dissect the various macro and micronutrients, or ingredients that could impact a dietary choice, but an icon can do the heavy lifting.

Health and wellness as a whole is a very broad category with many branches, from clean labels, sustainability certifications, and products that give back to the community. Icons are a way for a retailer to clearly define what they stand for, and personalization can directly relay these products to their shoppers and build trust.

The audit revealed that **half of retailers** did not have iconography present on their product detail pages — **leaving an opportunity to provide their shoppers with a more personalized experience.** It's a simple way to aid and make it more convenient for shoppers seeking products that meet their needs but don't have time to read a nutrition label.



half of retailers did not have iconography present on their product detail pages



Shopper Engagement, Connect via Enhanced Product Content

Enhanced content, also called rich media content, includes a variety of different media including high-quality product images, marketing images, GIFs, videos, infographics, product tours, comparison tables, additional branding imagery, brand story, benefits and so much more. It allows brands to provide shoppers with an enriched and engaging experience.

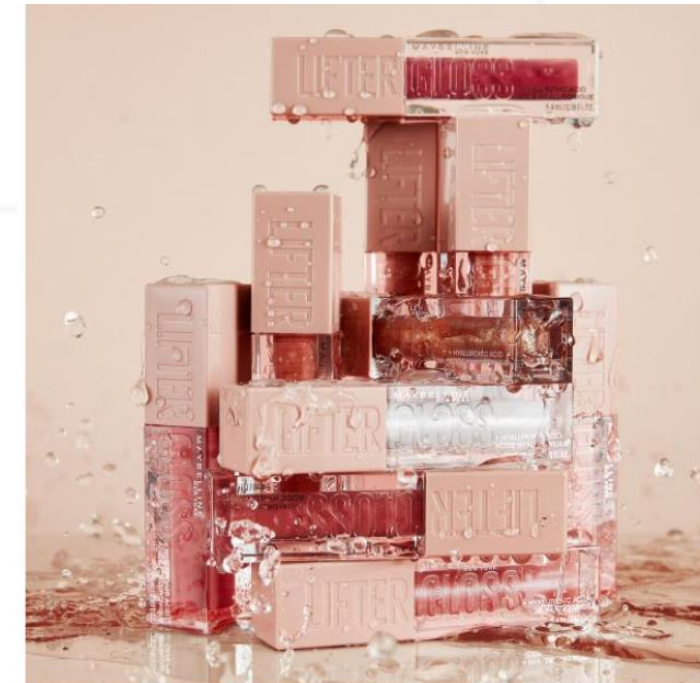
Insights from HingeGlobal find that **25%** of shoppers are more likely to purchase when enhanced product content is made available, such as videos and other rich media content

The audit found that **only 30%** of top retailers had any presence of “below the fold” media anywhere on their websites, and of these 30% (12 retailers), below the fold media was only actually present on **26.4% of the product detail pages audited.**

Example of enhanced product content:



Content for Kahlua Coffee Liqueur on Asda



Content for Maybelline New York Lifter Gloss on Amazon

Product Recommendations & Replacements

Some additional ways retailers can offer a differentiated approach to wellness shopping includes providing meaningful and accurate product replacement options and recommendations.

Retailers need to know their shoppers and recommend products that will fit all their health and wellness need states, along with their budget restrictions.

Retailers can lean into technology to automate suggestions based on a shopper's history or loyalty information, as well as product attribution.

20% of the retailers audited did not leverage this tactic.

Of the findings, **80%** of the retailers had product recommendations and replacements on **at least half of their product pages**, and **18 retailers** had product recommendations and replacements on **100%** of audited product detail pages.

Pet Lovers Also Bought

 Deal	 Deal		
Pedigree Complete Nutrition Roasted Chicken, Rice & Vegetable Flavor Dog Kibble... ★★★★☆ 705 \$27.78 \$27.98 Spend \$100, Get \$30 eGift Card Add to Cart	Pedigree High Protein Beef & Lamb Flavor Dog Kibble Adult Dry Dog Food, 18-lb bag ★★★★☆ 303 \$19.49 Spend \$100, Get \$30 eGift Card Add to Cart	Dog Chow Complete Adult with Real Chicken Dry Dog Food, 42-lb bag ★★★★☆ 510 \$27.98 Add to Cart	Dog Chow Little Bites with Real Chicken & Beef Dry Dog Food, 16.5-lb bag ★★★★☆ 159 \$14.98 Add to Cart

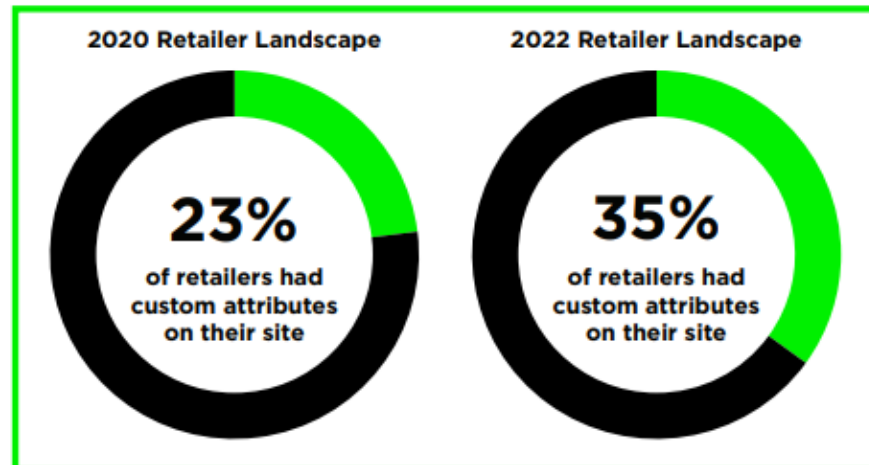
Example of product recommendations from the Pedigree's product page

Personalization, Offer 1-to-1 Experience

A personalized approach taps into an even more unique shopping experience and enables retailers to trumpet differentiated health and wellness programs.

Another element of a more custom approach from a retailer's point of view is offering a one-of-a-kind attribute to its advanced filters.

Retailers had strong improvement in terms of unique, custom attributes. In a previous study in 2020, **23%** of top retailers had custom attributes on their site and that number increased to **35%** in 2022.





Adapting to trends in **2023**

Adapting to trends in 2023

The NIQ Digital Depth Analysis report reveals that **retailers have a long way to go** to engage and empower their shoppers with complete and compelling product content.

Consumers are becoming more price-conscious and looking for the best deals because of persistent inflation. They're also doing more research to make sure they're buying the right products and upping the demand for transparency in products online.

Retailers need to prioritize the quality of digital shelves by offering a robust set of products and attributes. Providing the shopper with full product transparency, will also help seize today's opportunity.

The 2022 audit reveals retailers have a major lack of essential product information to be found on the digital shelf:

- **38%** have one or zero product images per product displayed online
- **24%** are missing ingredient statements on more than half of food and beverage product detail pages
- **29%** are missing nutrition fact panels on more than half of their food and beverage product detail pages
- **50%** do not provide any type of iconography on product detail pages

The audit also revealed that top retailers are still failing to return 72% of relevant products in search results.

This means that **less than a third of qualifying products are being found on the digital shelf**. If brands and retailers don't improve how they deliver this information, they will lose shoppers

In 2023, more shoppers will be buying online, and their patience will run thin if they can't find the products they're seeking. Retailers must continue to improve how shoppers find products that matter to them, with the attributes they rely on, through organic search, advanced filters, personalized programs, imagery, icons, and so much more.



1 in 3 shoppers have bought from a competitor brand because of the lack of information they received while shopping online.



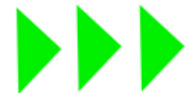
Discover how to help shoppers



Help customers get to know your products

There are several things you can do to help customers streamline their research and nudge them toward choosing your products:

1. Make your website easy to navigate. Your site menu should offer clear categories so customers can find what they're looking for.
2. Include images of your products from different angles and images of people using your products. Consider including videos, too. This will help customers better understand what your products look like and how they can be used.
3. Provide detailed product descriptions on your product pages, including details like materials, size, and features. Be sure to tie it all back to tangible benefits. Tying your product's features to real benefits gives customers a better understanding of what each product is capable of and how it fits into their lives.
4. **52%** of consumers today value increased sustainability efforts, an effect of the pandemic's forced changes in buying habits. Shoppers care about their impact on the world via the brands they purchase from. Transparency around your impact is an attractive quality to consumers, so it can bring in new customers who prioritize these values.



Discover NIQ's Personalized Product Experience



The Solution: NIQ's Personalized Product Experience

As brands and retailers look to build trust and loyalty with today's shoppers, they are looking for an easier way to unlock deeper insights into their product set.

Retailers must have **complete, representative, high quality, and accurate** product content that engages shoppers, meeting their needs and fueling product discoverability and conversion. Without this, shopper loyalty will be lost, and sales will diminish.

Retailers can leverage the **NIQ Personalized Product Experience** to receive:

- extended attributes
- product imagery
- rich media
- logistical information
- health and wellness claims to drive discovery, engagement, and create optimal digital shopping experiences for their shoppers.

Our enrichment and personalization solution provides the **most complete set of product attribution** available in the US CPG industry.

Ensure all your digital needs are met with NIQ's Personalized Product Experience

NIQ will do the heavy lifting for you and is committed to **100% coverage** and continual improvement



Discover Rich attribution

With **25,000+ standard attributes** and the ability to customize attributes based on complex criteria, NIQ offers best-in-class product attribution supporting **99%** share of search. Retailers can leverage attributes to launch the personalized experience shoppers demand. Obtain consistent key identifying information like standardized UPC formats, brand, sub brand, product title, size, variant, and category.

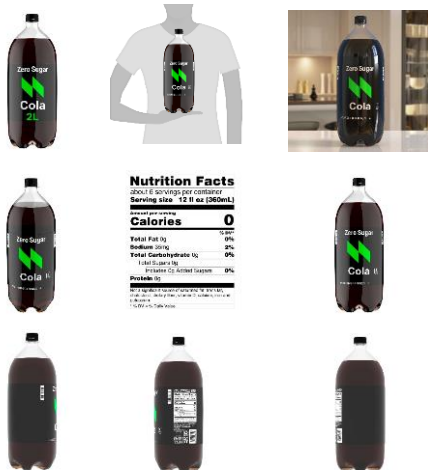


Dairy Free Milk



Empower Impactful core content

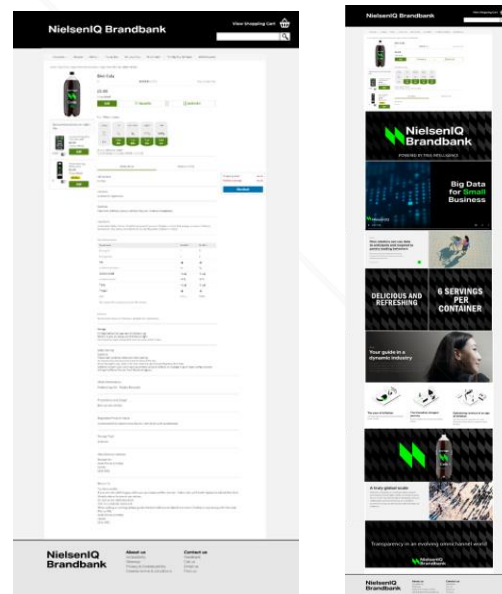
Tap into NIQ's Product Library (**650,000+ products**) and enhance your product pages with fresh product content and images. Rely on proactive brand enablement to ensure quality content and rest assured your supplier community is proactively managed to increase to 100%. Additionally, retailers can leverage full product content capture solutions, including CGI for private label brands.



Engage Detailed and robust enhanced content

Leverage NIQ's enhanced content solution and easily manage rich media content to build brand awareness.

Answer shoppers' questions on the path to purchase with below the fold imagery including videos, FAQs, and feature sets.



Personalize Special features

Differentiate in-store and online by developing a full-store wellness program, highlighting better-for-you products and making an impact in your shoppers' lives.

NIQ has now extended health and wellness attribution to capture the loyalty of a rapidly expanding consumer segment.

Transform your PDPs with an unprecedented level of **rich, high quality product information** to drive discoverability, inform shoppers, power health and wellness programs and meet ever-evolving needs of your shoppers.

Leverage NIQ's Personalized Product Experience

Retailers can easily leverage **NIQ's Personalized Product Experience solution** that provides unified product content, includes high order attribute data to power discovery, and empowers personalized shopping experiences that include product images, marketing copy, weights and dimensions, and derived health and wellness claims mapped to the retailers' schemas across all channels.

Retailers benefit from the best time to market with custom API integration that powers all content and attribution needs across all business functions covering 99% of shopper search terms with the highest levels of quality, accuracy, and coverage.

Power every facet of your omnichannel success with a single-source content solution.

Learn more: <https://NIQ.com/global/en/solutions/NIQ-personalized-product-experience-brandbank/>





NielsenIQ Brandbank

NIQ Brandbank is the leading provider of digital product content solutions enabling more than 52,000+ brands and 700+ retailers and wholesalers across the globe in over 39 countries to deliver the best shopping experience by giving them the ability to capture and share rich digital product content on all channels seamlessly.

NIQ Brandbank's end-to-end solutions connect shoppers to the most up to date and relevant digital product content making consumer goods more discoverable and engaging.

For more information please visit:
<https://NIQ.com/global/en/landing-page/brandbank/>