



OPTIMIZING ERETAIL VISIBILITY



INTRODUCTION

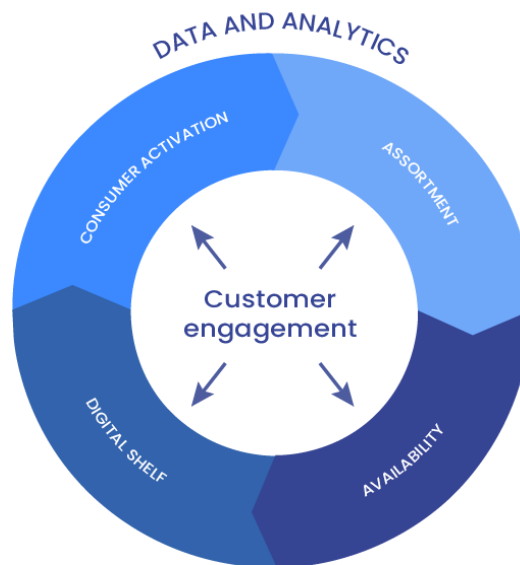
THE ECOMMERCE FLYWHEEL

Consumer Activation

- Monitoring of activations is a must to protect ROI
- Visibility is needed to take decisions
- Ensure execution is neat

Digital Shelf

- Monitoring is not enough and too simple
- Digital shelf to play an active role in enhancing visibility



Assortment

- Gaps need to be localized
- Fosters a good (better) collaboration with retailers
- Requires understanding of the category trends and components

Availability

- Requires precision and exhaustivity, no directional data permitted
- Impact of Availability on visibility, consumer activations and digital shelf
- Monitoring requires high level view but execution requires granularity

The flywheel is composed of 4 levers: assortment, availability, digital shelf and activation.



To win in the omnichannel environment it's essential to cover the entire flywheel.

In this ebook we will zoom in on visibility (digital shelf, activation, and media).

WHY ERETAIL VISIBILITY IS AN IMPORTANT LEVER

THE CONCEPT OF THE DIGITAL SHELF

Definition:
The digital shelf is defined as the organization of products and references sold by eretailers as compared with the store shelf in which products are organized and sold physically in aisles. The digital shelf can take many forms according to consumer browsing on desktop or mobile.

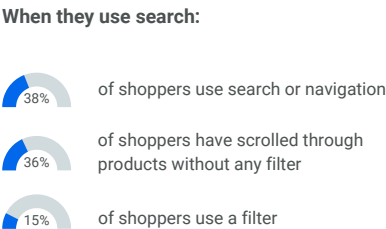
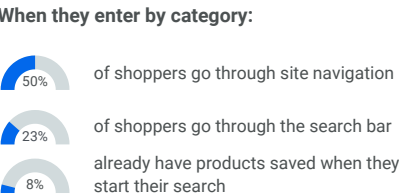
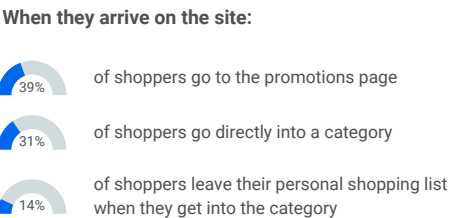
The consumer can navigate in an almost infinite way on the digital shelf since the number of products per page can extend indefinitely.

The digital shelf is accessible to shoppers via different points of entry which are search, categories, as well as the list / memo/ favourites pages already purchased by consumers.

The ranking of products and their classification is done via an algorithm unique and specific to each retailer, and functions through the search mode (navigation by section/department, product, category)



For click and collect, the promo page and navigation remain the key entry points.



HOW DOES THE DIGITAL SHELF DIFFER FROM A PHYSICAL STORE?



	STORE SETTING	DIGITAL SHELF
BUSINESS PARTNERSHIPS	• Partner with the category manager of the retailer • Partner with the department manager • Partnering with the CSMs	• Partner with the ecommerce category manager for the retailer • Partnering with the merchandiser who manages the algorithm • Partnering with the managers of the click and collect
ASSORTMENT VISIBILITY	• Assortment is finite and immediately visible • On site teams have strong impact on visibility	• Assortment is potentially infinite (in navigation) and a large part of it is invisible • Store setting: double implementation possible
SHOPPING JOURNEY	• Organized by hot and cold zones, separated in the store, also a main entrance orients shoppers	• Browsing is uncontrolled and not managed by different entry points. The promotional area is more of a central aisle • Certain aisles are not visited because they're not visible (e.g. impulse buys being put front and center)
PACKAGING	• Items can be physically handled by the shopper • Can be manipulated to make it stand out in the aisle	• Visual can be optimized to respond to a brand's desire for visibility (taste, weight...) • optimized content is added in addition to packaging text content

DIGITAL SHELF CHALLENGES FOR BRANDS



Advantages



Larger assortment possibilities. Very wide choice. (Hence the need to optimize categorization and content to increase visibility and sales)



More flexibility possible because the product can be modified digitally (test and learn)



Supplementary information (e.g. by going into the product page and adding videos, images, detailed text, shopper experience, ratings and reviews)



Online access to local data

Drawbacks



Heightened competition due to larger assortment



Easier for the shopper to compare price and characteristics



Impossible to handle the product before purchase. Packaging is replaced by an image



Shoppers change their shopping habits and retailers are obliged to adapt to them



DIGITAL SHELF CHALLENGES FOR BRANDS



Shopper journey



Overrepresentation of promotions in the shopper journey



The consumer has the same expectations for click and collect as in-store



With an increase in the product offering and the infinite choice on the digital shelf, there's a need to clarify the extent of the offer by retailers through navigation and search. Brands can help retailers here to improve the shopper experience, penetration, enhance the business and position yourself as a brand partner favoured by retailers.



Click and collect has attracted a large number of consumers during Covid. The challenge is therefore to adapt the content to a new public while maintaining product availability in-store as well as in click and collect.



Understand the decision process of the consumer to embrace it: 67% look for a type of product through a simple, basic and descriptive search

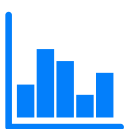


Online sales are designed to retain repeat customers

The essentials for brands to win on the digital shelf:

When it comes to driving sales in a commerce environment, there are three fundamental levers; eretail media drives visibility on the digital shelf.

1. GENERATING DEMAND



Using media and owned digital channels to drive qualified traffic through to a point of conversion.

2. MAXIMIZING CONVERSION



Maximizing the percentage of customers who view our products and go on to make a successful purchase.

Retail media drives this.

3. PRICING AND PROMOTION



Driving demand through pricing and promotional mechanics, agreed largely by sales teams with retailers.

We need to work with retailers in a different way

Old Silos

Retail Marketing

Retail Marketing

Legacy way of working that the business is comfortable with

New Silos

Brand Marketing

Performance Marketing

E-Commerce

Customer Marketing

Shopper Marketing

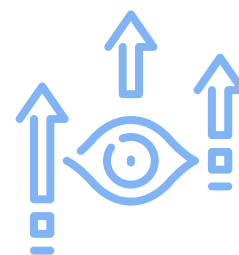
Significant risk of fragmentation and inconsistency across marketing

No Silos

Omnichannel Marketing

Organizing for the future now and setting a North Star in the business

HOW TO ACTIVATE THE THREE LEVERS: ORGANIC SEARCH, PAID AND PROMOTIONAL



Organic search

Organic visibility on the shelf, i.e. the place of the product online as defined in the retailer's algorithm



Paid media

Paid media visibility on the digital shelf can occur as advertising in the buy box media but also in negotiations with retailers



Promotional

Promotional visibility impacts the purchasing journey and the digital shelf. 39% of shoppers go to this page first



Content



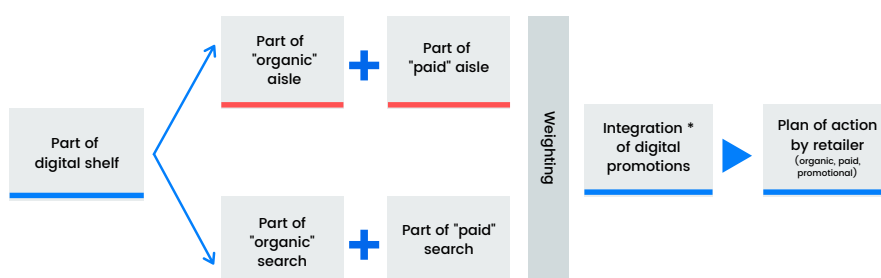
Media



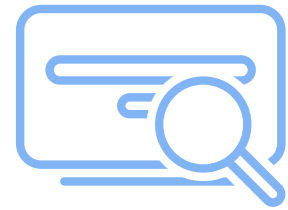
Promotional

These 3 pillars are an integral part of the shopper's journey, not always distinguishable to the shopper, but they influence the algorithm, the journey and purchases. These 3 interconnected pillars allow brands to calculate a "Part of digital shelf". In order to calculate this, here is an example of methodology by Publicis Commerce that links the indicators:

Calculating a brand's part of the digital shelf



FOCUS ON ORGANIC SEARCH



Why it's important

- 30 to 50% of products are found through search
- Products that are visible on page 1 get 80% more clicks than those on page 2

What the main challenges are

- Defining the guidelines to optimize content for each retailer's search engine
- Having an overview of your entire product portfolio
- Automating content creation

The main KPIs

- A part of organic search
- A part of search including paid
- A part of weighted search
- Product search score

Distribution, content, promotion and sponsored search are 4 levers to improve search visibility.

- Plan & set visibility goals, execute and benchmark with competition regularly
- Data-driven approach to defining guidelines on key features that affect search rankings across retailers
- Local factors impact visibility, hence the necessity to share data & break silos
- Approach SEO optimization from a portfolio-wide perspective rather than product focused

70%

Churn amongst top products every trimester

25%

Amount of traffic generated by longtail keywords



Identify keywords



Analyze them



Identify guidelines



Optimize content



AB testing



Rollout

FOCUS ON ERETAIL MEDIA



There are three clear ways to buy retail media

CLIENT TRADE TEAMS	CLIENT TRADE TEAMS	RETAILER INVENTORY
Boosting product visibility within native search results, activating display and building brand partnerships amazon	Inventory in key locations on retail.com within onsite search results, purchased through third-party network platforms criteo	Both onsite and off-site (such as owned CRM) negotiated and purchased directly from a retailer, traditionally mostly included in trade terms. ASDA TESCO Sainsbury's

Similar to what has happened in the US, a large range of emedia activations are now being offered by retailers in the UK. Retailers are becoming like media platforms, offering their valuable online space to competing advertisers. It's important to monitor these investments for ROI.

Why it's important

- Access to a large number of shoppers that brands want to capture
- Tools that render the best ROAS

The main challenges are:

- Incomparable performance data
- Overview of competition (share of voice, strategy)
- Quality of execution (out of stock, delisted)

The main KPIs

- ROAS
- Share of voice (by category and retailer)
- Split search vs shelf display

+5%

of growth in display retail investments in 2020

+32%

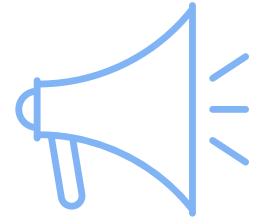
of growth in retail search in 2020

30%

30% of underuse of campaigns



PROMOTIONS



Why it's important

- This remains first priority for consumers, even more so with Covid
- The promotion page sees the most traffic

The key challenges

- Creating a balanced promotional strategy
- Improving replication with click and collect
- Decreasing out of stock of promotions
- Having promotions which are quick and collect-specific

The main KPIs

- Part of promotional offering
- Promotion rate
- Promotion replication
- OOS rate on promotions

56%

of shoppers want more promotions in click and collect

30%

of products are added to baskets on the promotion page

30 to 50%

30 to 50% of promotional campaigns are replicated at independent retailers

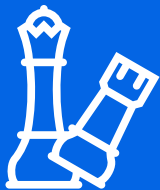


BUILDING ERETAIL VISIBILITY ON THREE LEVELS



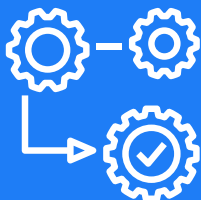
Strategic

Develop strategy and its pillars independently while bearing in mind they are interconnected



Tactical

Adapt your work plan according to what's happening in the market



Execution

Take into account the digital distribution of products, and brand objectives into workflow execution



Objective:
to give etail teams the
correct working methods

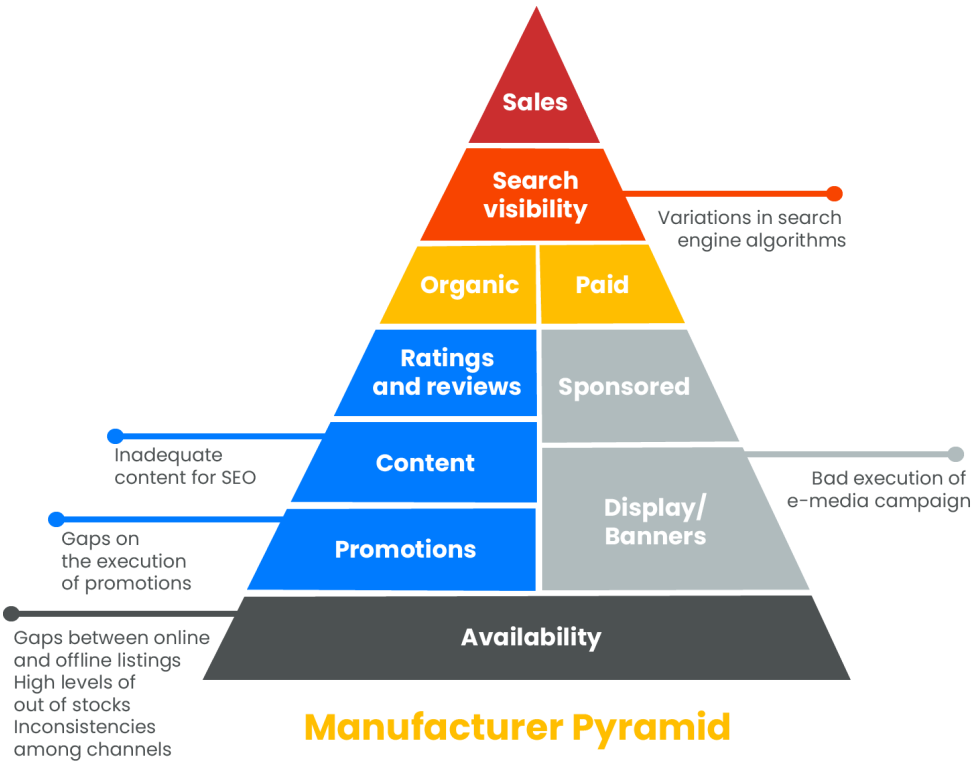
BUILDING ERETAIL VISIBILITY ON THREE LEVELS



	CONTENT	MEDIA	PROMOTIONS
RESOURCES	- Ecomm team - Marketing team - Media/ creative agency	- Ecomm team - Marketing team - Media/ creative agency	- Ecomm team - Sales/trade team
SHORT-TERM OPPORTUNITIES	+	++	+++
LONG-TERM OPPORTUNITIES	+++	++	+
OBJECTIVE	Work with shopper considerations while adapting to retailer site algorithms	Get more visibility at the decisive moment before purchase	Increase visibility occasionally to boost sales through promotions
LONG-TERM STRATEGIES	- Determine the level of content by priority per product: basic/enriched/premium - Define category content versus brand content	- Define objectives and KPIs - Prioritize per brand & phasing vs. promotion - Choose levers versus objectives - Define cappings/frequency	- Create a promotional strategy per retailer - Be sure that there is a connection between promotion per retailer and promotion per click and collect - Optimize promotional weight and promotional rates versus competition
TACTICAL (MID-TERM)	- Optimize content with regards to trends and in response to competition's modifications - Opt for 'shop-in-shop' during peak brand or retailer moments	- Optimize for keywords and aisles - Increase media presents when competition is offering promotions	- Promote during high volume periods for brand and also retailer - Define a seasonal calendar
LONG-TERM OPPORTUNITIES	- Optimize text and images for mobile - Monitor 20/80 (tool/ dashboard)	- Prepare eRM plans considering 1/ digital distribution 2/ promotions 3/ SOV etail media	- Monitor the progression of promotion - Prepare resale of promoted items amongst onsite teams - Activate with specific ecomm promotions and other dedicated activations

CONCLUSION

It's necessary to work 360° as much in the organization of teams, as in preparing plans or sharing tools internally. It is important to weight your investments accordingly to and identify levels of maturity on each of the 3 axes.





dataimpact
by NielsenIQ

Data Impact is an omnichannel data analysis platform that transforms ecommerce CPG data into actionable guidance.



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