

# Shopper Insights Machine

*In-store can learn from online about insights.*

Since the beginning of the internet, marketers have used online technologies to track not only sales but also underlying consumer behavior. Today, for the first time, RFID technology is enabling marketers to track the same kind of insights into shoppers in the store.

In the same way marketers have used “cookies” to understand overall surfing “traffic patterns,” and then link those patterns to both online and offline purchase behavior, marketers can now understand underlying in-store shopping behavior.

Using RFID to track and understand shopping behavior can uncover a wealth of insights. These insights provide marketers with the ability to refine their in-store programs, resulting in more efficient and effective marketing.

Because of RFID, we now have a way of knowing which aisles shoppers frequent and which marketing programs they experience. We can now watch shoppers “surf” the store. More important, we can then link those shopping patterns to product sales.

That’s essentially what we did back in 2003 at ACNielsen, for advertisers including Pepsi, Kraft and Unilever. A program called Consumer Direct linked ACNielsen’s Homescan panel of 61,500 households with Yahoo’s 100 million visitors.

The Homescan panel consisted of consumers who scanned the UPCs of all of their purchases so we could track everything they brought home from the store. These same consumers also agreed to be tracked during their visits to Yahoo. So, basically, we created a link between the ads our panelists saw on Yahoo and what they then purchased in the store.

It’s about making the connection between behavior, ad exposure and sales. Not only did we have a way to measure the return on marketing expenditures, but we also became really smart,

very quickly, about what worked and what didn’t. That knowledge gave us the grounding to try new marketing ideas.

Now we can do the same thing at retail.

With RFID, we can monitor traffic patterns including how much time shoppers spend in each part of the store, which aisles are visited most frequently, the number of aisles shopped, the location of each purchase, total time spent in the store and the displays or ads that were viewed. (*see chart*)

Those patterns can be analyzed by shopper segment, based on which items were purchased, whether the trip was a stock-up or fill-in, the time of day and day of week, as well as any other relevant segmentations.

## IT’S YOUR LAB

To be able to understand underlying behavior and response to what you’re spending is critical, as is having the ability to test the effectiveness of one idea versus another.

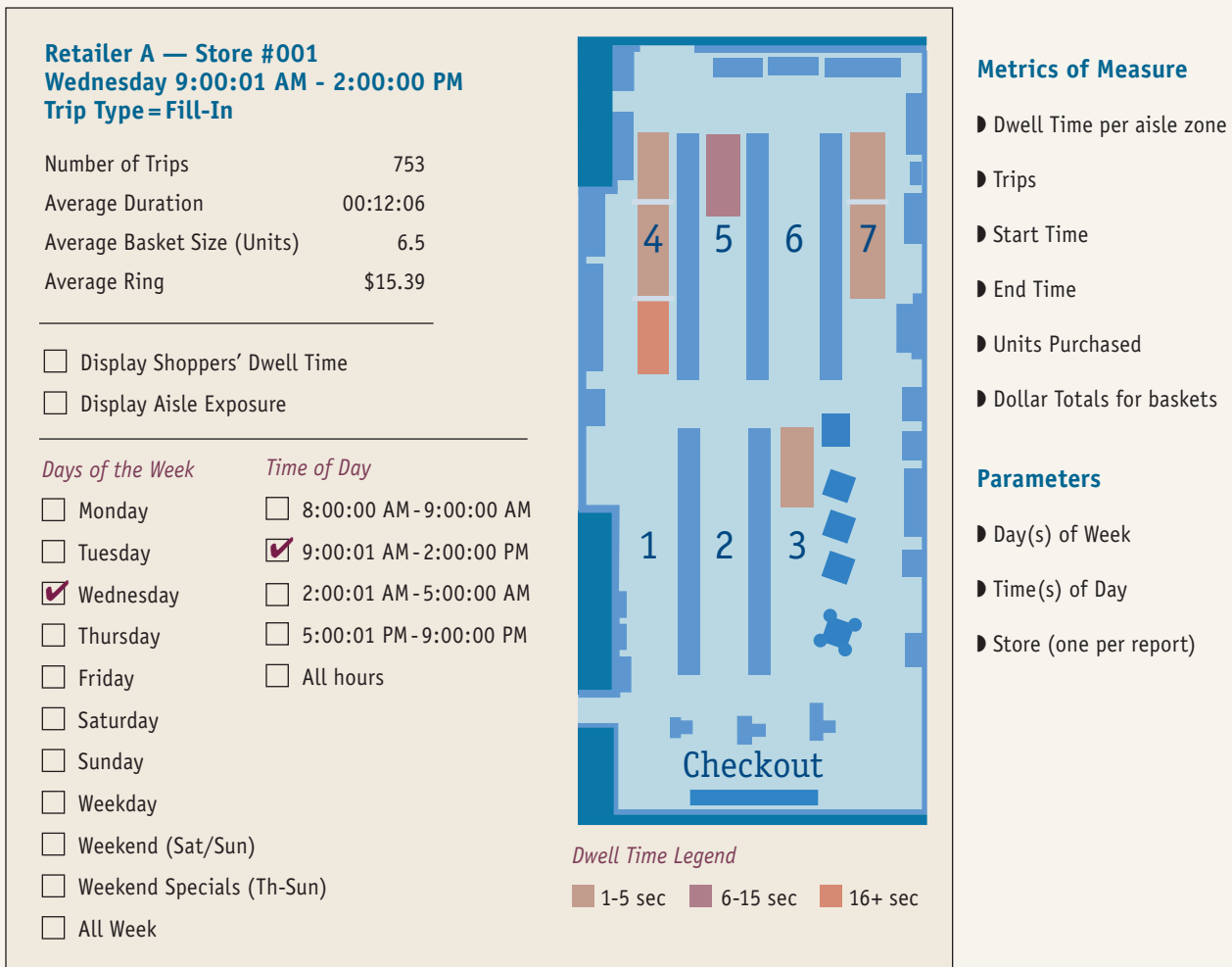
Taking full advantage of that kind of understanding requires a different approach to planning in-store programs. In the past, it was sufficient simply to have marketing and brand objectives. Today, it’s imperative to establish research and insights objectives as well.

After that, it’s about having the organizational support to take those insights and feed them into new brand marketing objectives so you have a “closed loop” of execution, feedback and refinement.

The key is to enter into an in-store marketing

## Cart Pathing – Trip Analysis

Dwell time is substantially longer in back of the store for mid-day fill-trips. These include Frozen, CSD and paper goods categories. Ads and displays for snacks should be shown in these locations to drive traffic to the snacks category/aisle.



program with a learning plan in mind. Decide exactly what you want to try to learn and think of the store as if it were your laboratory.

Compared to the internet, in-store arguably is the bigger lab because, for one thing, everyone has access to stores. Plus, there are no bandwidth issues, except maybe at checkout. And the only spam at retail is vacuumed packed and confined to the canned goods aisle.

The best news is, it doesn't take long to get smarter about how to execute an effective program in-store. If you implement just three or four in-store programs in the next year, you will zero in on what works and what doesn't very quickly.

The advantage will go to brand marketers who understand that, ultimately, it's shopper insights that

drive growth — and that the retail store is one great big shopper insights machine. They will win every time against those who just keep on doing the same old thing.

It's amazing what a little bit of reinforcement — in terms of measurement — can do to validate insights and grow your brands. ■



**LESLIE WARSHAW** is vice president, CPG sales and marketing, with **Media Cart Holdings** ([mediacart.com](http://mediacart.com)), a retail-marketing media company. Previously, she worked on Project Apollo, an Arbitron-Nielsen joint venture that links advertising exposure to purchasing behavior.