

Shopper Marketing Innovations in Food, Drink & Grocery from the USA

Evolution Insights analyst James Johnson compares and contrasts shopper marketing innovations in food, drink and grocery in the USA and UK.

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“(At) Whole Foods and Fresh Market.. it seems nothing is spared in the pursuit of in-store theatre”



Walmart's in-store TV's highlighting the latest promotions is an example of mass digital shopper marketing in action.

Innovations from abroad

At Evolution Insights we are always intrigued by the latest innovation in food and grocery shopper marketing abroad. The United States is often of particular interest and is considered by many to be at the forefront in the field. Indeed, given the extent of shopper marketing activity and thought leadership originating from the US, one could be forgiven for concluding that many retailers and manufacturers in the UK are playing catch up.

With this in mind I took the opportunity on a recent recent trip to the United States to re-visit a number of food and grocery retailers, and reflect upon some of today's more notable differences from the other side of the pond.

My initial thoughts, perhaps as expected, are that innovation and investment in shopper

marketing on the whole in the US remain ahead of the UK today. While I was of course only able to scratch the surface of this huge market in just one region, my trip nevertheless took me to several outlets of some of the USA's larger supermarkets; including Walmart, Publix, Whole Foods, Fresh Market and SuperTarget.

The in-store environment and the shopping experience

I particularly enjoyed re-visiting Whole Foods and Fresh Market, where it seems nothing is spared in the pursuit of in-store theatre. Attention to detail with merchandising, in-store environment and store layout is incredible. Eye catching innovation ranges from carefully selected spot downlighting, to fruit and vegetables sat on ice with running water that make it seem so fresh you can almost imagine it growing in a tropical

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Gillette showcases its latest razor on a revolving platform bathed in blue light



Branded coupon dispenser at the fixture

rainforest, to open plan zones more akin to a department store than traditional supermarket aisles.

Of course, these kinds of approach wouldn't suit every UK food and grocery retailer, but it certainly struck me how - as upmarket propositions - their shopping 'experience' feels more advanced than perhaps Marks and Spencer or Waitrose back home.

Coupons and vouchers at the fixture

When it comes to the fixture, the differences are also notable in the US. For example, while in the UK we have seen a rise in the popularity of loyalty cards and targeted coupons at the checkout and in the mail, in Publix the shopper is presented with miniature branded coupon dispensers actually at the fixture.

The device prints a coupon on demand roughly the size of a credit card, offering a deal related to a particular product or brand it is located near. I found these devices intriguing as

a shopper, and felt myself compelled to take a coupon to see whether the deal was good or not, even for items that I had no intention of purchasing. As a shopper marketing initiative, it struck me as particularly effective at interrupting the shopper at the point of purchase.

Throughout the store the shopper is also presented with off-shelf displays offering A4 sheets of free coupons to pick up and then redeem elsewhere in the store. From a psychological perspective there is perhaps something more satisfying in being 'rewarded' a great deal by 'stumbling' upon a treasure chest of coupons than choosing from the usual 'buy one get one free' at the fixture - even if the offer is the same. It may also be a more effective means to encourage traffic to certain areas of the store.

Interrupting the shopper

A fantastic example of an innovative branded off-shelf display that caught my attention in both Walmart and SuperTarget was from Gillette. The reason it caught my eye



Publix Aprons fixture with all you need to re-create the experience at home



Build your own pizza with Ragu sauce



Branded bananas, chocolate sauce and frozen ice cream together in harmony

was quite literally because it reacted to my presence. Through use of a simple motion sensor, it was able to trigger as I walked past, instantly showcasing a glamorous razor blade by bathing it in blue light and rotating it on a platform.

It certainly worked - before I knew it I was wondering whether I needed any more razor blades. If I had, then clearly there would have only been one sensible choice!

Taking cross merchandising to the next level

Cross merchandising is also an area where shopper marketing still feels more advanced in the US. Yes, we have meal deals, we have wine adjacent to the meat, we have snacks as parasites with the beer, and batteries adjacent to pretty much anything in the UK...

But in Whole Foods in the US there are peelers, chopping boards and drainers next to the fresh vegetables. There are wine bottle openers, decanters, gift bags and books about wine next to the wine. There's fresh cheese and

crackers samples to taste next to a carefully selected range of premium lagers. There's chocolate and stylish shopping bags next to the pink wine.

And Publix' "Aprons" in-store cooking demonstrations are not only crowd pullers, not only do they offer recipe leaflets crammed with suggestions, but they fill the store with hunger inducing aromas and offer neatly merchandised fixtures with all the ingredients you need to re-create the experience at home - all in one convenient place.

If you're after a fresh pizza, you can choose from the standard packaged convenience, or you can consider the 'all ingredients you need to cook a pizza' branded fridge adjacent to the fixture - stocked with branded cheese and tomato sauce.

There's even branded off-shelf displays of fresh bananas next to the frozen ice cream and the breakfast cereals. And these branded displays even have handy leaflets with recipe suggestions



While you're choosing your premium lager, why not sample our fresh cheese and crackers?



On-the-go cuisine taken to the next level.

telling you exactly why you should have fresh banana with your Kellogg's.

Fathers Day

Seasonal shopper marketing also features more prominently in the USA. I was fortunate enough to visit during the run up to both Fathers and Independence Day. The extent of above the line advertising in this respect is phenomenal, with television adverts from all manner of retailers offering Fathers Day suggestions.

But even in the supermarket, the sheer number of products and brands striving to remind you not to forget is quite astonishing. It is certainly a far cry from the odd reminder in the greetings card and spirits aisles!

Catering for the on-the-go shopper

One final area I was reminded of was the extent to which these huge supermarkets also cater effectively for the smaller on-the-go and top-up missions. Whether it's the soda fountain situated in

Publix' equivalent of Morrisons' "Market Street", the integration of Starbucks into SuperTarget, or Whole Foods' extensive range of freshly cooked hot meals at a self service fixture akin to Sainsbury's salad bars - the proposition is solid and always seems to fit the bill.

It's not all good

Although the number of innovative shopper marketing initiatives is in conclusion undeniably impressive in the US, there is one aspect of shopper marketing in food and grocery that I find more surprising - the most striking difference is not actually the extent of innovation, but in fact the extent of the divide between those who do it very well and those who do it very poorly indeed.

Yes we may not be blessed with the same degree of excitement in-store at home as in the US, but I feel the variation between the good and the bad is much less prominent. Some of the stores I visited on my trip were quite simply awful, in some cases more comparable to a poorly managed

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Independent c-store than a national chain, and in others suffering hugely from an overly strict clean store policy.

On reflection, it was this fact combined with the innovation that once again brought home for me the importance of the 'shopping experience' in-store - and the opportunity that is shopper marketing in food and grocery.



All the wine essentials you could ever need to go with your wine.



Publix' on-the-go soda fountain.

Evolution Insights Ltd

About Evolution Insights
Evolution Insights is a research led consultancy specialising in shopper marketing. We deliver original research, analysis and insight into shopper motivations and behaviour for manufacturers, retailers and agencies.

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