

MAPPING CONSUMER BEHAVIOR IN 2022

HOW TO TURN RETAILER PRODUCT PAGES INTO **E-COMMERCE** GROWTH IN 2022

May 2022



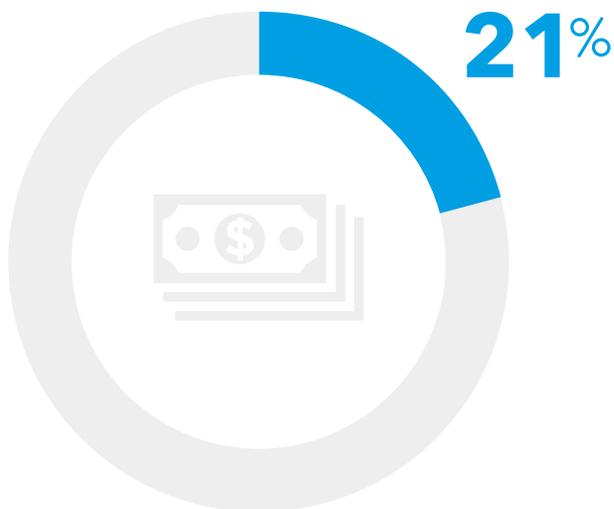
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E-Commerce Should Be Viewed as an Extension of Your Media Strategy

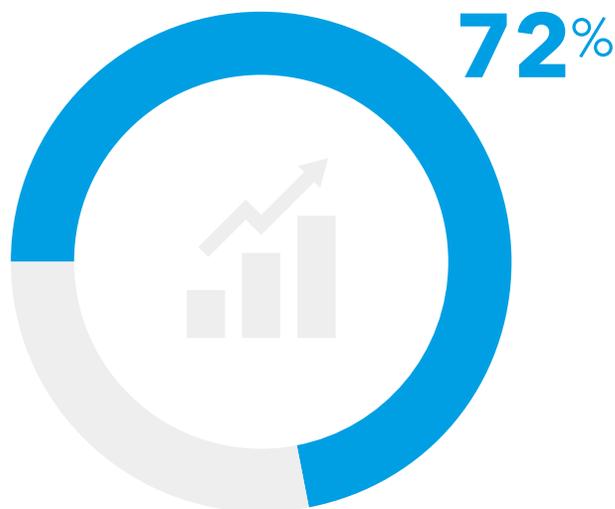
As consumers continue to increase their mobility and CPG emerges from pandemic-fueled years of unprecedented growth, keeping the momentum going through an unpredictable, inflationary and supply-constrained 2022 is a challenge. And the most important factor for overcoming that challenge is getting e-commerce right. Because right now, though e-commerce still represents only about a fifth of all CPG sales, it accounts for the lion’s share of industry growth.

Share of Multi-Channel

E-Commerce Share of Multi-Channel Sales



E-Commerce Share of Multi-Channel Growth



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Source: IRI eMarket Insights, 52 weeks ending 01-23-22, From 200+ Tracked Categories, B&M = MULO - Pickup, Del Ship and Pickup Numbers from eMI

The best thing brands can do is make sure they're doing everything they can to optimize the performance of their retailer product pages.

To keep the growth going in 2022 through e-commerce, brands need to first and foremost think of e-commerce as an extension of their media strategy. When consumers go into the shopping funnel today, they often do so by going online. And when they do, the first thing they're often viewing is the product detail page of the brands they're considering on the website of whatever retailer they're shopping at. To grow in 2022, the best thing brands can do is make sure they're doing everything they can to optimize the performance of their retailer product pages. These seven basic steps can help any brand get this right:

1. Recognize the critical importance of product detail pages on retailer websites.

It's essential for brands to cultivate their own branded experiences on the websites of their various key retailers. You should devote the same level of attention to these as you do to your own brand website. The content, the images and the seasonality of the messaging all need to match the quality and timeliness of your company website and your total marketing messaging. Because the reality is that in most cases, shoppers are much more likely to experience your brand on these sites than they are to ever surf your company's website. These sites are where they shop.

2. Don't hesitate to get help in managing these product detail pages.

Third-party product digital asset management (DAM) providers (such as Salsify, Syndigo and others) can help you consolidate your product information and syndicate it out to retailers in the formats that each retailer requires. Whether it is updating your packaging, optimizing your bullets or enhancing your brand imagery, you don't have to do it all yourself. Product detail pages are the "tip" of your brand's marketing spear. Product descriptions, product bullets, product packaging, product imagery – all the way down to the specific words you use on the product detail pages – matter and will impact sales.

3. Shorten the funnel for key digital consumers.

When considering your e-commerce strategies, embrace the 80/20 rule fully. It's essential that you prioritize the effective targeting of the subset of customers who drive most of your sales. Find ways to target these consumers that are in your sweet spot by using digital media, with a call to action to drive them to your product detail page on key retailer sites. Whether you do that by using your own CRM tools or by buying advertising through these different retailers, this approach enables you to shorten the path to purchase to get these customers in the funnel where they can buy your products. An "always on" investment strategy in paid search should also be part of this effort.

4. Support your e-commerce plan with brick-and-mortar rigor.

To succeed in e-commerce, you should also support your online sales using the same standards you apply to your brick-and-mortar sales in terms of the four Ps of marketing (product, place, price and promotion). The online aisle can certainly provide opportunities to test-market products that don't currently have in-store distribution. But whether it's for these products or for flagship products in your portfolio, you should devote as much attention to your e-commerce promotions, pricing monitoring and tracking, and distribution as you do for your in-store efforts.



Progressive brands treat retail media investments at major retailers like they are national advertising campaigns.

5. Treat big retail media networks like national advertisers.

The most progressive brands treat retail media investments at titans like Walmart and Amazon like they are national advertising campaigns. They don't silo these investments as account-specific or retailer-specific ones that come out of an in-store promotional budget. This approach prevents barriers to investing in the right retail media programs at the right levels to successfully drive business.

6. Include a digital call to action in e-commerce ads.

Regardless of where e-commerce-focused ads appear, they can't be ads just for the sake of advertising. They should have a strong call to action that takes the customer to the product detail page on a retailer website where they will find your best-in-class content and imagery selling your product in the most optimal way.

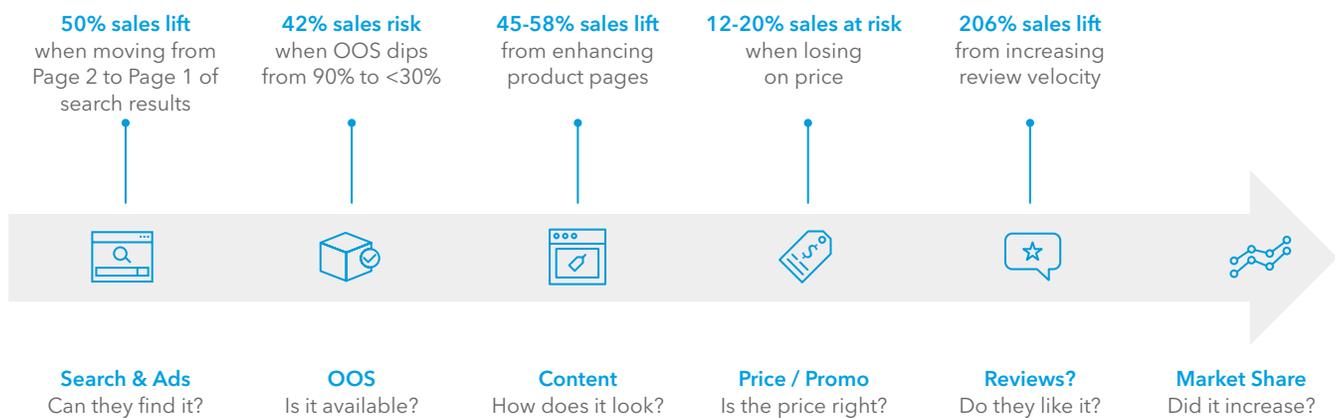
That initial conversion, in turn, can yield huge long-term benefits because online shoppers spend a lot less time shopping than brick-and-mortar shoppers do. Instead, whether through their product subscriptions, voice reordering or rebuying from previous orders, they tend to rebuy vs. re-shop the same products over and over. Unless shoppers have a terrible experience or something is out of stock, online shoppers are more likely than in-store shoppers to repurchase what they previously purchased. It's very different from the in-store world, where up to 70% of purchases can be impulsive and tactics like end caps and shelf tags can be very effective.

7. Test, learn and optimize.

You should also continually test and learn so that you can learn what works and what doesn't at each retailer. Over time, this will likely result in a real differentiation in the tactics you use to convert key audiences at different major retailers.

It is now possible to achieve the kind of comprehensive and granular insights on the digital shelf that were once only obtainable for brick-and-mortar sales at retailers that share their POS data. Using IRI's new E-Commerce Growth Platform powered by Profitero's digital shelf data, CPG brands can optimize their product detail pages by combining their e-commerce item-level POS data with item-level digital shelf insights on a single omnichannel platform. Brands can isolate the digital causal factors that influence e-commerce performance – including stock availability, product content, search position, pricing and reviews – down to an item level. So they can learn what works, do more of it, and keep learning and improving over time.

All aspects of your digital shelf must be strong to maximize sales and increase market share



Source: Profitero research

By implementing these e-commerce strategies in 2022 with a focus on retailer product pages, brands can make better e-commerce decisions, invest more efficiently and capitalize on e-commerce growth opportunities faster. In the process, brands can successfully convert more of these critical online shoppers whose loyalty and habitual online purchase behaviors can pay dividends for years to come.

About the Author

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