

## Editorial:

# Shopper Marketing and the Digital Last Mile

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EVEN AS DIGITAL was just a dull glow on the shopping horizon, “the last mile” has been a pressing concern.

Sure, new technologies could reach prospects at new—and even unimagined—stages of the purchase cycle. They could drive discussions, build brand identity, create direct consumer engagement. None of it would matter, however, unless the interactive tools moved consumers beyond planning and into purchase. In this issue, four papers demonstrate the new vitality that new technologies and tracking have brought to the last mile.

In just the last few years, for instance, handheld devices—particularly smartphones and tablets—radically have advanced the ability for marketers to engage consumers not just at the point of purchase but to follow them right through the check-out counter. In “Nielsen Personalizes the Mobile Shopping App: If You Build the Technology, They Will Come” (please see page 333), authors Dave Cameron, Chris Gregory, and Daryl Battaglia introduce a new way to deliver personalized coupons via a mobile application on consumers’ handheld personal device.

The benefits, they write, are immediate:

*For the consumer, mobile’s ease of use paired with highly relevant on-screen coupons displayed enables a quick, easy way to save money. For the retailer, the customer benefits should increase customer engagement and loyalty, leading to more shopping trips and larger basket sizes. For the manufacturer, personalized coupons provide a way to connect directly with mobile shoppers and to promote products to consumers most likely to be motivated to purchase.*

The long-term implications of such handy apps? “A strong opportunity for retailers to engage with their most valuable customers and increase the effectiveness of coupon promotions.”

Another challenge of determining mobile’s role in driving purchase decisions comes with retail

kiosks—an environment that My Bui (Loyola Marymount University), Anjala S. Krishen (University of Nevada/Las Vegas), and Michael S. LaTour (Cornell University) admit is “novel.” In this case, however, the new also is the burgeoning: in North America alone, the number of units increased from 1.82 million in 2008 to 1.85 million in 2009 to a projected 1.9 million at the end of 2010. “When Kiosk Retailing Intimidates Shoppers: How Gender-Focused Advertising Can Mitigate the Perceived Risks of the Unfamiliar” (please see page 346) powerfully demonstrates, however, that not all kiosk shoppers are alike. And the difference, the authors reveal, is as simple as the different attitudes that men and women bring to the kiosk experience:

*Advertising campaigns specifically tailored for different genders may be more effective in reducing risk perceptions for kiosk retailers.... Females favor more elaborative processing styles (i.e., verbally and emotionally descriptive), whereas males favor more holistic processing styles (i.e., charts, graphs and illustrations). Thus, advertising messages should be adapted to communicate product information effectively for the targeted gender.*

*In essence, as female information processing is geared toward verbal and emotional descriptions, advertising media such as magazines would be more consistent with those preferences. For males, their propensities could be further explored in the context of animated illustrations contained with appropriate media (e.g., Web-based options).*

Whether these gender lessons have lessons beyond the kiosk will make this research the grist of future studies. And nothing demonstrates the complexity of shopper-focused research better than the decades-old debate over the relative efficiencies of television advertising and sales promotion.

“Exploding the Legend of Television Advertising and Price Promotions: The Proper Mix of Price, In-Store, and TV for Maximum Short- and Long-Term

ROI" (please see page 339) demonstrates that not all twenty-first-century learning about in-store best marketing practices involves digital interventions.

TRA, a media marketing and analytics software company, and marketing-researcher dunnhumbyUSA worked together to study the consequences of moving from a reliance on traditional panel-based demographics to deliver more-granular, more-effective measurement and custom analytical capabilities. And, together, the research team on the project reports that "Exploding the Legend ... demonstrates, for the first time, a methodology for measuring and predicting the synergist impact of in-store tactics with television advertising with household-level data."

Their specific findings include the following:

- "In six case studies, approximately 50 percent of all households exposed to television also were affected by [companion] temporary price-reduction (TPR) promotion program and exhibited higher sales increase than the other half reached only by television." That conclusion flies in the face of long-held beliefs that television and TPR promotion should not be used at the same time because television reduces the impact of price reduction.
- Simultaneous pricing, in-store display, and television advertising maximize the positive impact on brand sales. "The combination of all stimuli at the same time," the authors write, "averaged more than 11 times the sales effect of television alone."

Finally, the fourth paper in our special in-store section puts results from a 10-year-plus empirical of 18,000 new products from 81 U.S. consumer packaged goods companies. The subject is packaging, and

the focus is on three types of claims: nutritional, environmental, and production.

All three considerations are societal hot buttons in North America. In "The Power of a Package: Product Claims Drive Purchase Decisions," however, (please see page 364), Nora Lado Cousté and Ester Martínez-Ros (University Carlos III Madrid) and Mercedes Martos-Partal (Universidad de Salamanca) provide strong evidence that trying to do too much often is too much.

They write,

*The results specifically pointed to a tendency to use more and more claims on the same packaging at the same time, even though such usage may have created some communication risk.... There is likely a threshold above which the number of claims causes confusion among consumers, especially if those claims pertain to different types of attributes.*

In some product categories, however, claims that reflect cultural concerns can drive sales: "Beverage and canned companies benefited more—in terms of profitability—from the claims they used. For the food category, claims that highlighted positive attributes and production methods enhanced the ratio of market value to book value."

In the past several weeks, we have received word that papers such as these four in-store offerings are making a connection with our readers. According to Thomson Reuters' 2011 "Journal Citation Report," the impact factor for this publication has doubled in the last year. Three reasons for the hike jump to mind:

- It begins and ends with the provocative and engaging work submitted to the *Journal* by our esteemed authors.
- It salutes you—our readers—who are using the *Journal* in just the ways we had

hoped: as a reliable resource that drives the enhancement of the science and art of marketing research.

- The Advertising Research Foundation (ARF) is our publisher, and the work that appears in these pages regularly is enhanced by the staff and membership of that organization.

Case in point for point number three: there is no higher honor for marketing researchers than an ARF David Ogilvy Award for Excellence in Advertising Research. And, again, with this issue, we present the awards of this year's top three Ogilvy winners.

Bob Barocci, ARF President/CEO, has observed, "These innovative campaigns reflect the power of research and its ability to elevate campaigns to a new level. We are proud to honor the great work of these companies and their dedication to research, and we hope these awards continue to inspire the industry."

The inspiration begins on page 376 and runs through page 387. Again citing the ARF president, we believe, "The winning campaigns demonstrate why the insights gained from research are as important as great creativity." In 2012, Vicks DayQuil and Vicks NyQuil took home the ARF Grand Ogilvy Award (for the campaign demonstrating the most successful use of research in the creation of superior advertising) for the "In the NFL, There Are No Sick Days" campaign.

We trust that the case studies from Vicks, Verizon FIOS (Research Achievement Award), Chevrolet Silverado (Research Innovation) will make for great reading. And we believe that academics and practitioners alike will find utility and enrichment in the full articulation of the three campaigns.

As always, we thank you for your continuing interest in the *Journal of Advertising Research* and welcome your observations and comments. 