



## Continuous Shopper Engagement:

Why connecting with customers is crucial  
for grocery retailing success

Many of your customers **have never known life without the internet.**

**W**hether you realize it or not, that simple fact is having a significant impact on how consumers are shopping your store.

“Millennials and younger grocery shoppers are different than shoppers of the past—they are using two to three screens, looking up advertising on technology, researching and planning shopping trips via mobile devices,” says Enda McShane, CEO of Velocity Worldwide, a global shopper engagement and customer experience agency and Hussmann partner. “Technology has created an environment in which shopper engagement is becoming more and more relevant.”

Yet as crucial as connecting with customers has become, retailers’ shopper engagement strategies are lacking.

Case in point: Half the retailers in a January 2015 survey of 92 U.S.-based retailers said they are unable to identify in-store customers and their purchase behavior, and

37 percent say customers are not fully informed about promotions and special offers. “A big customer connection opportunity gap exists in the stores with over 1 in 2 retailers rating themselves at par or lagging behind their competitors in in-store customer engagement,” the survey from EKN-AT&T shows.<sup>1</sup>

And that, McShane cautions, is problematic.

“Shoppers are looking to access content in-store, so knowing how to best help them do that is really vital in today’s world,” McShane says. “The challenge is knowing what devices and channels they’re using and where they want to shop—it all has to come together to continuously influence the pre-shop, post-shop and in-store experience.”

### The Decision-Making Process

Fifty-six percent of U.S. consumers across age groups own smartphones, and adoption is growing rapidly.

In addition, data from the April 2013 Google Shopper Marketing Council shows that 84 percent of smartphone owners use these devices to enhance shopping while they're in stores ... primarily to gather more information online than is provided in the showroom. And this activity extends across major retail categories ... groceries and household care products among them.<sup>2</sup>

"Today's shoppers—those in the key millennial demographic, in particular—are social and crave information, especially from their circle of friends," says Michael Seals, director of marketing strategy and business development for Hussmann. "They also want to share their experiences. Shopper engagement, done well, should enable them to get and to share information along their shopping journey."

"CMOs, brand strategists and agency creatives must now learn how to capture attention and steer customer experiences in ways that are real-time, fleeting and intentional," information from EarthLink says. "Doing so will help businesses win the hearts and minds of connected customers in every moment of truth across every device. Missing or ignoring these new moments means that brands will miss vital chances to connect."<sup>3</sup>

## Questions All Retailers Must Answer

The power shoppers wield in the retailing world has never been greater than it is today. Consequently, every retailer must ask—and answer—three questions in the quest for optimum shopper engagement, according to Seals:

- How do I get shoppers to come to MY store?
- How do I maximize their spend when they get there, whether they use technology or not?
- How can I develop a deep relevant relationship that my shoppers value, to the point they become brand advocates?

According to Seals, "If retailers don't answer those questions, and do those three things, their competitors will—if not now, soon!"

"The most important piece of the journey is getting customers into YOUR store...identifying YOUR shopper,"

McShane echoes. "You might have 100 stores, but each performs differently. We believe you can win the battle store by store within your own organization."

Capturing individual shopper data—who they are and what they prefer—is the first step toward realizing that goal.

## Shopper Engagement— Today and Tomorrow

Like most grocery retailers, you are probably interacting with shoppers before, during and after the shopping trip via digital newsletters, email, social media and loyalty cards. But are you relying solely on yesterday's approaches to reach today's more savvy consumers?

To truly thrive in this ever-changing marketplace—one that's sure to evolve at ever-increasing speed—you must create a more personalized experience that will lead to a higher level of shopper engagement. This is especially crucial considering that time-starved consumers ignore all but a small fraction of items available on your supermarket's shelves.

As information from Catalina Marketing notes, "Since no two shoppers are the same, retailers and brands should tailor their communications to the specific needs and preferences of individual shoppers and households."<sup>4</sup>

"Consumers have choices about where to shop and they want personalized information—personalization is vital!" McShane stresses.

## Expanding In-Store Engagement

Using store insights to deliver tailored messages on a timely basis has the potential to increase brand engagement, personalize the customer journey, digitize operations, drive loyalty, or allow retailers to experiment and identify ideal store formats. The six out of ten retailers who have the ability to send personalized content to customers based on their location report positive financial gains.<sup>1</sup>

Darius™ for Retail—a continuous, cloud-based shopper engagement platform Velocity Worldwide developed in





Darius™ pre-trip, during-trip and post-trip communications

partnership with Hussmann—is a state-of-the-art example of technology that allows retailers to have personalized interactions with their customers in real time, at literally any time—at home, on the road, and in-store—via digital and non-digital channels.

“It is a new retail experience that delivers value to our three key stakeholders—shoppers, retailers and brands. And it will work well in supermarket and other retail food environments,” Seals explains.

“Darius™ is an integrated shopper engagement platform that allows retailers to build profiles of each customer who opts in to the system,” says McShane. Once a customer opts in, Darius™ can find and engage that shopper over any channel—mobile, web, social media, email, print, advertising and in-store (including your store’s existing data base).

When a customer enters the store and signs into WiFi or walks into an iBeacon zone, Darius™ knows they’ve arrived and can send personalized content based on their profile. “We can greet them with a personal message, email them with an offer they can download,” McShane explains. “We’re basing offers on what they’ve told us...it’s a way to immediately start to influence spend.”

The communication doesn’t end with a greeting or coupon. At checkout, Darius™ tracks the content of each shopper’s basket, records whether or not they’ve redeemed offers they’ve been sent, and can send a shopper reward or incentivized exit survey, which can increase customer satisfaction and shopping frequency.

“We tie all that information back to the customer’s personal profile, then create groups of who buys what in a certain way,” McShane says. “It is a continuous process in which you start basing offers on personal preferences and use those offers to get customers back in your store.”

The technology also helps Hussmann develop a customized strategy and ROI model for participating retailers that provides key metrics by individual store. That data includes information about the number of weekly visitors and percent of new customers, the average basket value and percent of customers adding extra items in their basket, and the average value of each additional item.

“For the retailer, the real value lies in the ability to measure ROI,” McShane says.

“Hussmann believes personalization must also occur outside the smart phone,” Seals stresses. “We envision being able to personalize merchandising as a complement to the personalization which occurs on the smart phone.”

Whatever the future holds, continuous shopper engagement will clearly remain a crucial component of grocery retailing success.

The key to optimizing the connection with your customers lies in understanding the stage each customer is in along their individual journey, and providing the tools, channels and experiences that take them from one stage to the next – and ultimately capturing their loyalty.

**For more information, visit [www.hussmann.com](http://www.hussmann.com) or [www.dariusforretail.com](http://www.dariusforretail.com).**

<sup>1</sup>EKN “Customer Context Power - A Success Imperative For Every Retailer,” 2015  
<sup>2</sup>EarthLink, “Driving Service Efficiency and Customer Engagement with In-Store WiFi,” 2015

<sup>3</sup>AdAge, “10 Ways Marketers Can Compete for Micro Moments,” June 03, 2015  
<sup>4</sup>Catalina Marketing, “Engaging the Selective Shopper,” January 2014

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## **Shopper Engagement**

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Today we are all witnessing the advances in Mobile Commerce and the Internet of Things, with the Smart Phone as a key enabler. Food retailers now have a unique opportunity to take advantage of new technologies to engage shoppers while more efficiently managing their products, equipment and processes.

Hussmann has partnered with world-class leaders in digital technologies, combining their technical strengths with our in-depth understanding of food merchandising, food preservation, and the opportunities for food retailers, all focused on the needs and desires of today's shoppers.



**Please contact Hussmann  
to learn more about our  
new shopper engagement  
solutions.**

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