

# Combining Technology and Purchase Behavior To Build Brand Loyalty

Presented by  
Sharon Glass

Unleashing the Power  
to **Know, Engage** and **Activate**  
the shoppers that **matter most.**

**CATALINA**<sup>®</sup>

# Building Brand Loyalty with Catalina



Most sophisticated and largest behavioral ad targeting system in the world

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Integrated, multi-channel solutions enable you to acquire, retain and maximize the most valuable consumers

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Unparalleled expertise designing, testing and improving campaigns based on consumer purchase dynamics

# Leveraging Technology and Purchase Behavior to Build Brand Loyalty



Find the Shoppers  
Who Matter Most



Motivate Them To  
Buy Your Brands



Build Loyalty  
With Multimedia  
Engagement

The Same Demographics:  
Women Age 35 to 44  
Household Income €20,000 to €35,000



# The Same Demographics

Women Age 35 to 44  
Household Income €20,000 to €35,000



Same “HOT” Bag

# The Same Demographics Different Shopping Behaviors



# Demographic Targets Can Miss Half of A Brand's Shopper Base



**53%** of brand volume comes from outside of demographic target for ten top CPG brands

Source: Deconstructing Demographics, 2012 Catalina

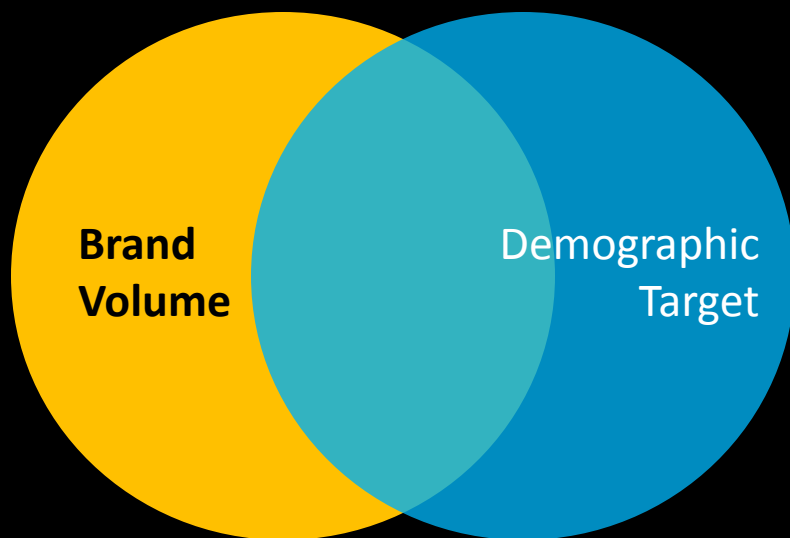


Advertising drives **awareness.**

Advertising to the right consumers,  
drives **activation.**

# Do Demographic Targets Find The Consumers That Are Truly Valuable to Your Brands?

53% of the brand's volume is outside of the demographic target.



Demographic-based media plans are **inefficient** in reaching the most valuable brand and category consumers.

<u>Brand Demographic Target:</u> Women age 25 to 54	
% of Brand Volume Sourced <b>Outside of Target</b>	
Frozen Dinner	60%
Mayonnaise	60%
Cereal	58%
Canned Soup	58%
Packaged Cheese	53%
Yogurt	50%
Cookies	49%
Soft Drink	49%
Tomato Sauce	49%
Salty Snacks	44%

## Same Demographic Profile, Different Values to Your Brand

Brand Spending and Brand Media Exposure  
Index of Heavy and Light Buyers to Average Buyer

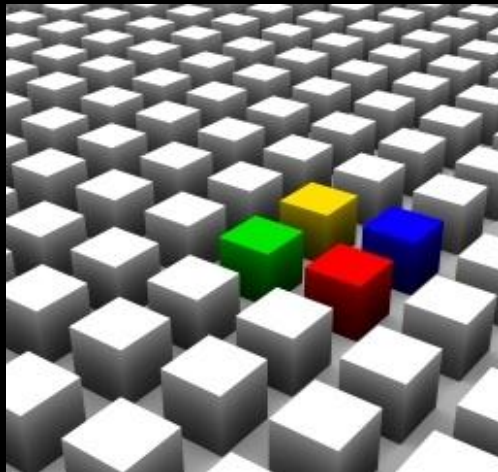
	Heavy Buyers	Light Buyers
Value to Brand	483	8
Exposure to Brand Media	133	95



Some buyers are  
worth much more...

Why do we  
treat them the same?

# Less than 4% of Shoppers Generate 80% of Dollars for most Brands in USA



% Shoppers Driving 80% of Sales Value  
Across Countries

	Cola	Laundry Detergents	Toothpaste
Italy	14%	8%	9%
France	6%	6%	13%
Germany	4%	4%	5%

Source: Discovering the Pivotal Point Consumer

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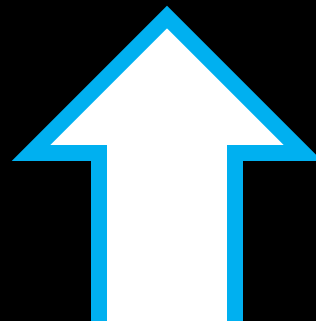
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# Levels of Loyalty

Committed to Your Brand and  
Buys No Others

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Likes Your Brand Best **but...**  
Switches for Savings  
or Not Loyal to Any Brand

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Loyal to Competitive Brands



# Growth Strategies by Levels of Loyalty

## Retain

with loyalty rewards and compliance programs

Committed to Your Brand  
and Buys No Others

---

## Maximize

with tactics that drive use,  
purchase frequency and  
units per trip

Likes Your Brand Best but...  
Switches for Savings  
Not Loyal to Any Brand

---

## Acquire

through selective trial  
programs

Loyal to Competitive  
Brands

# Combining Technology and Purchase Behavior to Build Brand Loyalty



Product  
Purchased

All Purchases in  
Past 3 Years

In the  
Store

On the  
Web

On the  
Go





# Engaging Consumers In the Store



Scopri una grande NOVITÀ :  
primi biscotti COTTI IN FORNO A VAPORE.



**0,50€**

di sconto su  
una confezione  
a scelta tra Gemme di Grano,  
Fiori di Latte e Segreti di Bosco



Gusto e leggerezza  
mai provati prima  
grazie alla delicata

**COTTURA IN  
FORNO A VAPORE**

che preserva tutto  
il gusto degli ingredienti.



Building relationships is about **courtship**.

**Listening**, entertaining, involving, **listening**, being interesting, **listening**, **being responsive**.

Too many companies focus on

**short-term ROI** over **ROR: return-on-relationships**.

Petri Darby, APR, director of marketing, communications and digital strategy  
Make-A-Wish Foundation of America

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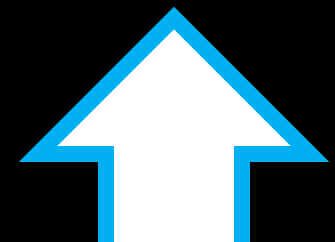
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# USA Marketing Investment Trend 2012

More focus on Brand Equity & Shopper Loyalty.

Proliferation of touch-points.

Shifts to Digital and Shopper Marketing.

Amplified focus on Measurement, Shopper Analytics, & Financial Return.

Allocation of Marketing Investment	% of 2012 Plan	Point Chg '12 vs.'10
Digital Marketing	7.2	+3.3
Shopper Marketing	5.8	+1.6
Consumer Promotion	11.6	(0.2)
Traditional Advertising	25.5	(0.9)
Trade Promotion	49.9	(3.8)

Source: Marketing spend study fielded October 2011 by Kantar Retail. 60+ respondents across variety of CPG companies.

# Digital connections have changed how we:



Find  
Solutions



Choose Brands



Obtain  
Value

## Digital Reaches an **Incremental Audience**

- ➔ 1/3 of digital coupon users have not opened a Sunday newspaper in at least 6 months.

## Digital **Drives Trial**

- ➔ 53% of shoppers redeeming a digital coupon were buying the product for the first time compared with 32% redeeming FSI coupons.

# Engaging Consumers On the Web



PEOPLE EN ESPAÑOL • ESSENCE • INSTYLE • PEOPLE • STYLEWATCH

GET THE BEST OF  
**STYLE & ENTERTAINMENT**  
FROM YOUR FAVORITE BRANDS

[START SAVING NOW](#)

# Engaging Consumers On the Go



Mobile Apps  
Load to Card  
Targeted  
Shareable Offers



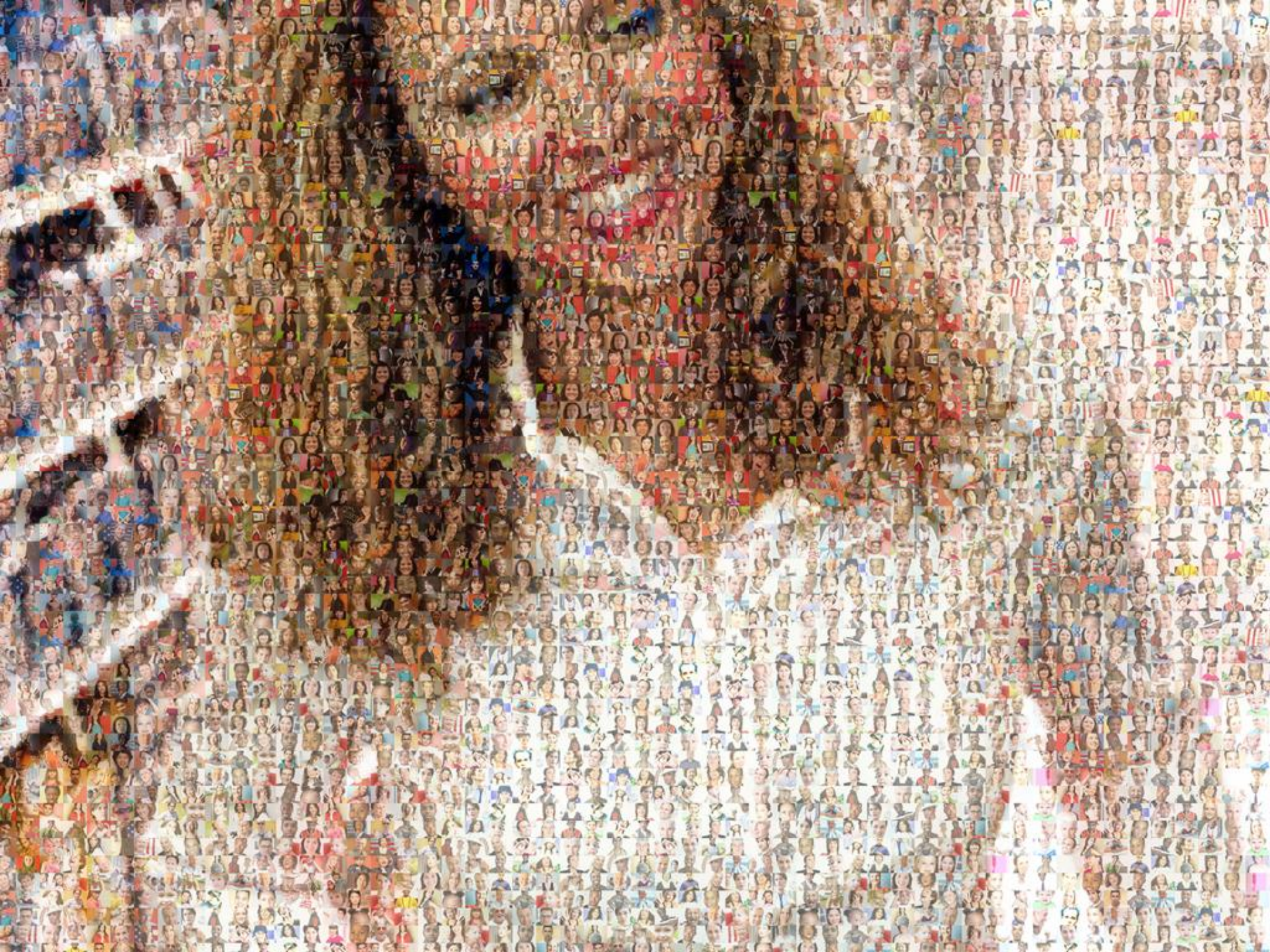


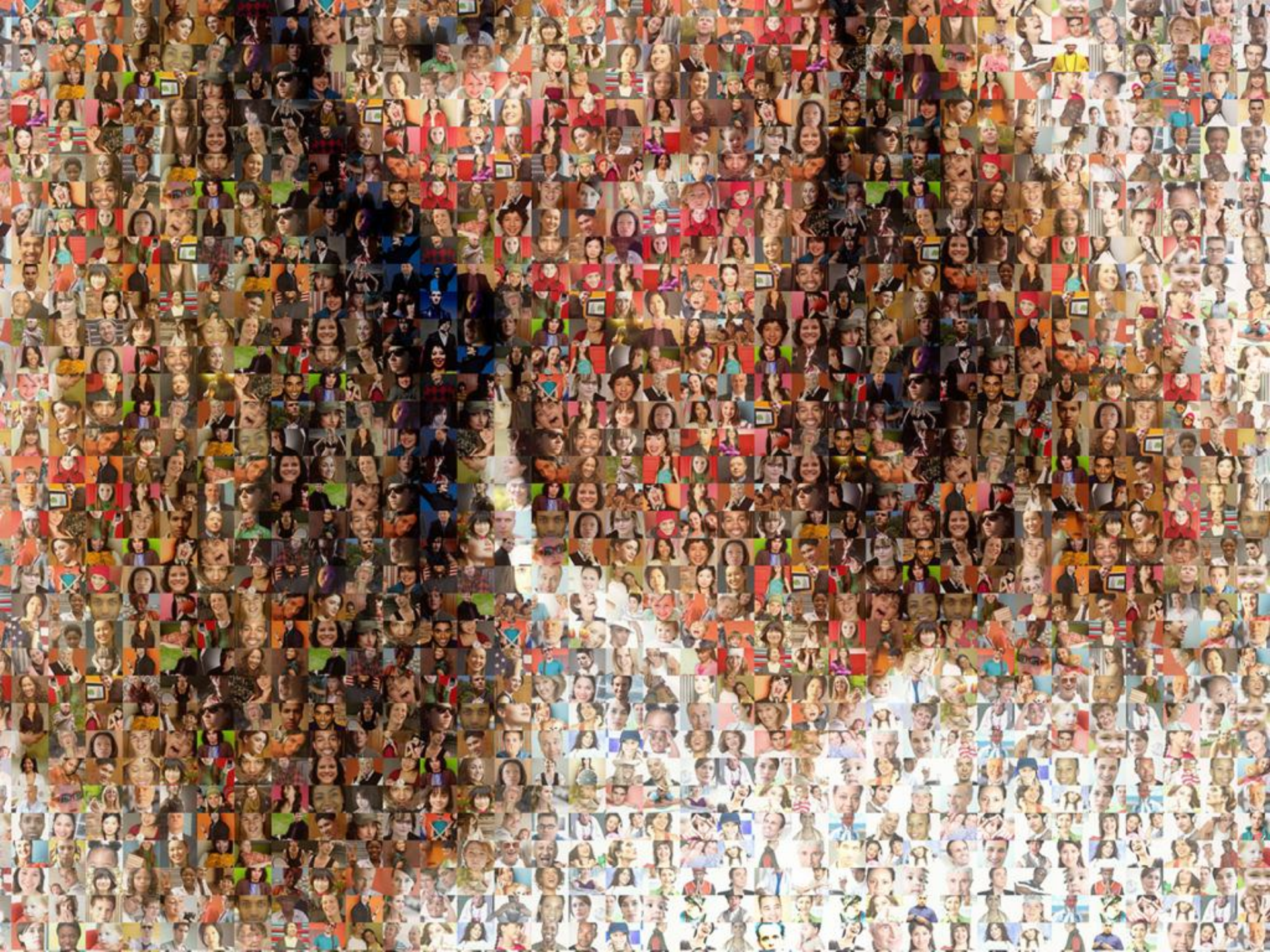
# Engaging Consumers at every point on the path to purchase













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