

Establishing a platform for in-store digital growth

By <u>Cecil Ungerer</u>, issued by <u>Smart Media</u>

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Despite challenging economic conditions in 2018, South Africans still managed to spend around R32,120 per second at retail stores recording sector growth of 0.7% year-on-year since September 2017. Although growth was lower than recorded in 2017, retailers in pharmaceuticals, medical goods, cosmetics, and toiletries had a positive annual growth rate of 2.3%.



The past 12 months have seen in-store point-of-sale (POS) media playing an invaluable role with brands increasingly embracing a 360-degree approach to meet their campaign objectives and their consumers responding positively. Part of this dynamic approach to in-store collateral involves brands looking to try new things in order to differentiate their campaigns and stand out. Customer experience has been a clear buzzword in 2018 and it's establishing a strong platform for growth into the new year with consumers showing openness to a variety of experiential campaigns.

The traditional way of marketing and branding products in retail environments has resulted in consumer fatigue. However, this year has reflected the value of alternative options in POS mediums and materials that positively impact the customer journey and engage shoppers. For us, 2018 will be known as the year of doing things differently.

In the busy and highly competitive retail environment, particularly in FMCG, brands need to be able to stand out both to be discovered and to influence purchasing decisions. The best way to do so is by gaining exclusivity per in-store category on powerful and innovative mediums. In challenging economic times, the focus is on brands (and retail stores) trying to differentiate themselves from their competitors to attract consumer interest.

Being personal

One of the ways to drive this differentiation will be a more personalised approach. Instead of the generic, mass market advertising of the past, we will see the growth of customised messages that can talk directly to specific customer segments.

Part of this entails using digital in-store solutions that are capable of being updated from a central control room. This will see campaigns changed more dynamically to suit specific times of day and audiences. For example, digital onshelf solutions might be geared towards pensioner discounts on Wednesday mornings and changed to general family messaging during the after-work rush.

Retailers could also start adopting near-field communication and Bluetooth technology that link to the mobile devices of shoppers while they are in a store. This sees targeted advertising (and promotions) pop up as shoppers move

through the aisles. Even better, when linked to reward programmes, these promotions can unlock even more value for retail customers. This is already in play at Nike's new flagship store that opened in November in New York.

Smart innovations

Throughout the year, Smart Media launched several mediums on a variety of campaigns. These included upgrading static mediums as well as piloting digital signage such as Digital Window Screens, Digital Shelf Strips and rotating 3D Holograms. While having media rights to Dis-Chem's window space, Smart Media also developed a Co-Sponsorship window branding solution to include relevant brands in Dis-Chem promotional campaigns. We also took over window branding activities for Dis-Chem's internal messaging in order to ensure an excellent delivery process and stunning strategic displays.



On our window display for the Sanex Advanced campaign, the key accounts manager shared that it was "one of the most successful launches I have had this year within the drug category."

The current Disney MicroPopz campaign is an example of how both our 3D Hologram and Digital Window Screen pilots have been used to capture consumer interest and attention in store fronts. We also launched our new Digital Shelf Strip medium in collaboration with Unilever for the new Vaseline Lip Therapy product range which has received very positive feedback from consumers.

Another innovation we introduced this year was developing a more effective solution for advertising on the Dis-Chem queuing rails in the OTC area. We gained experience flighting many campaigns in this space and interrogated our findings to engineer something which would address key pain points for advertisers and the retailer.

Our all new OTC Poster Arches are sleek and sophisticated while providing Dis-Chem with strong and durable fixtures adding to the store aesthetic. Advertisers have the added benefit of being able to share their message with both the consumer and the pharmacist.

These innovations amongst other elements have combined to create a 360-degree enabling environment for brands to grow into next year. There is a quiet confidence that 2019 will be a time to refocus on the growth potential hinted at these past 12 months. With both digital and static medium innovations a large contributing factor.

ABOUT CECIL UNGERER

Cecil Ungerer is the Chief Sales Officer at in-store advertising innovators Smart Media.

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