

The Future Of Retail: It's All About Data

leadfamily IMPACT™



Your hosts



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Agenda

1. The state of retail in a first-party data world
2. Why retail should adopt an agency approach
3. What a first-party data strategy looks like & how it enables personalized experiences
4. Q&A



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\$100B

The media opportunity for retailers

Source: [BCG](#).

IMPACT™ *leadfamily*

What's the opportunity?

15%

feel they're
getting good
value from
granting access
to their data

2x

amount
data-driven
marketing
impacts
revenue

1% to 2%

are using data
to deliver a
cross-channel
experience for
customers

Gathering first-party data

1. Create a strategic goal that answers the why and how of collecting the data.
2. Identify what data is essential for your brand
3. Calculate benefits and costs
4. Develop a plan
5. Execute it!



A perfect storm is coming

Digital revenue boom



Covid-forced adoption means eCom now holds 30% share.

[Ben Evans](#)

Changing consumer behavior



53% of US adults start their product search on Amazon.

[eMarketer](#)

Regulatory changes



GDPR and the end of 3rd party cookies.

Sliding media landscape



2021 first year where digital is +50% of global ad spend.

[Dentsu](#)

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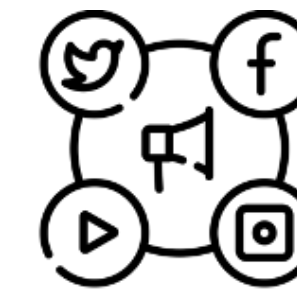


**THE RETAILERS WITH THE BEST
1ST PARTY DATA WILL WIN**

Data is key for superb segmentation



Own channels



External networks



Own vendors



External partners

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Perfectly timed marketing in grocery retail



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Grocery retail's new offering...

1. Access to a leading platform connecting online and offline

2. A platform with very deep consumer engagement

3. An exclusive environment without noise

The customers gives an active yes to engage with a positive mindset

4. Big scale

Access to over 650K unique customers per month

How does gamification a positive impact?

How it works



Value drivers for gamification in app

Strong integration between online and offline

- Proven customer journey with 250+ well executed games + 4 million prizes

Gives deep interaction and engagement (digital and in shops)

- With 30-60 sec time spend and unique distribution in shops

Smooth and exclusive environment with out any noise

- Relevans, segmented and specific

Big scale with + XXX weekly users + XXXK players

End-to end marketing solution with strong process

- The retailer are in control with the full journey

Strong reporting of the consumers after the prizes are redeemed

The game mechanics secure awareness and top of mind with relevant targeting for customers with...

The right prize, brand & time

Why do in app games as a retailer?

Access to a retailers digital consumer base drives awareness through gamification

- Fits in your other media landscape and campaigns online and offline
- Contribute to launch new products with samples to very segmented target audience including unique tracking opportunities
- Revitalization of brands and products through sample distribution to selected audiences to increase penetration

How to maximize your games

	Game type	Supplier value
Product / brand awareness Awareness-driver through sampling	Ordinary games	Shop samples / prizes (winner logic) <ul style="list-style-type: none">• Creates top-of-mind among customers• Strong segmentation gives a perfect audience penetration• Bigger rebuy frequency after the sample
Sale awareness campaign Knowing about unique offer	App offers Offer of the month	Shop samples / prizes (winner logic) <ul style="list-style-type: none">• Creates attention around the offer• Big reach and time spend with brand via frequency• Proven activating and buy-rate

Unique Registration Rate

The ratio between unique registered emails
and total sessions for a campaign

Note: Sessions do not constitute unique individuals, hence,
the registration propensity of each individual is, all things
equal, higher than the number indicated here.

45.4%

Average Unique Registration Rate
In the industry

Time Spent with audience

The number of seconds each user spends in the campaign starting from first 'in-game action' until last flow page is reached.

Note: since we do not start tracking time until the first action is performed, and stop when the last flowpage is reached, this figure is, all things equal, understated.

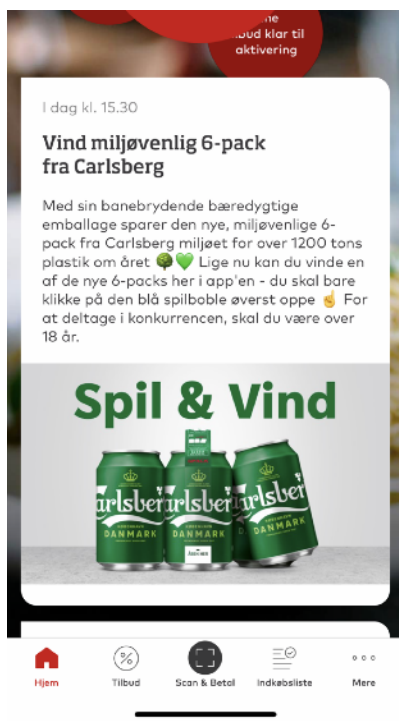
90 seconds

Average Time Spent on Campaigns
In the industry

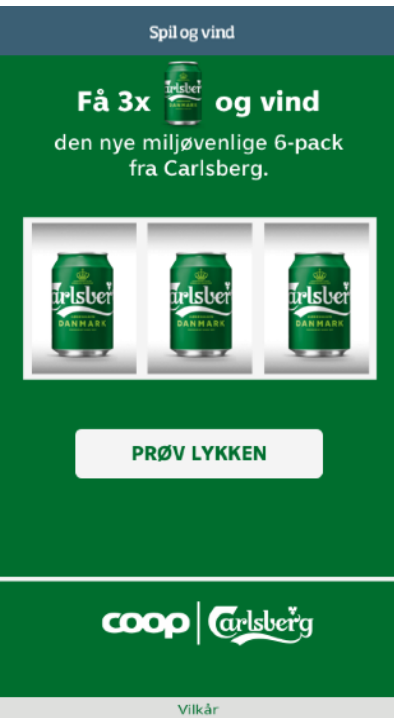
Coop Nordics

Rewarding mechanism

Push notification with a new game in the Coop app



New video feature



The customer decides what shop to collect the prize



The blue bobble shows the customer has a prize to collect



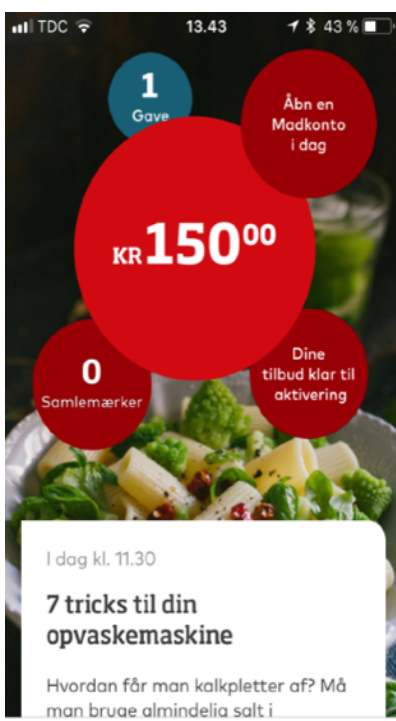
OK, let's play!



I WON!



Coop promotes the prize



Automaticly the prize is removed from the receipt on the POS-system

2020 at **coop**

350,000

Daily openings

4.5 mins

Average
time used
per day

78%

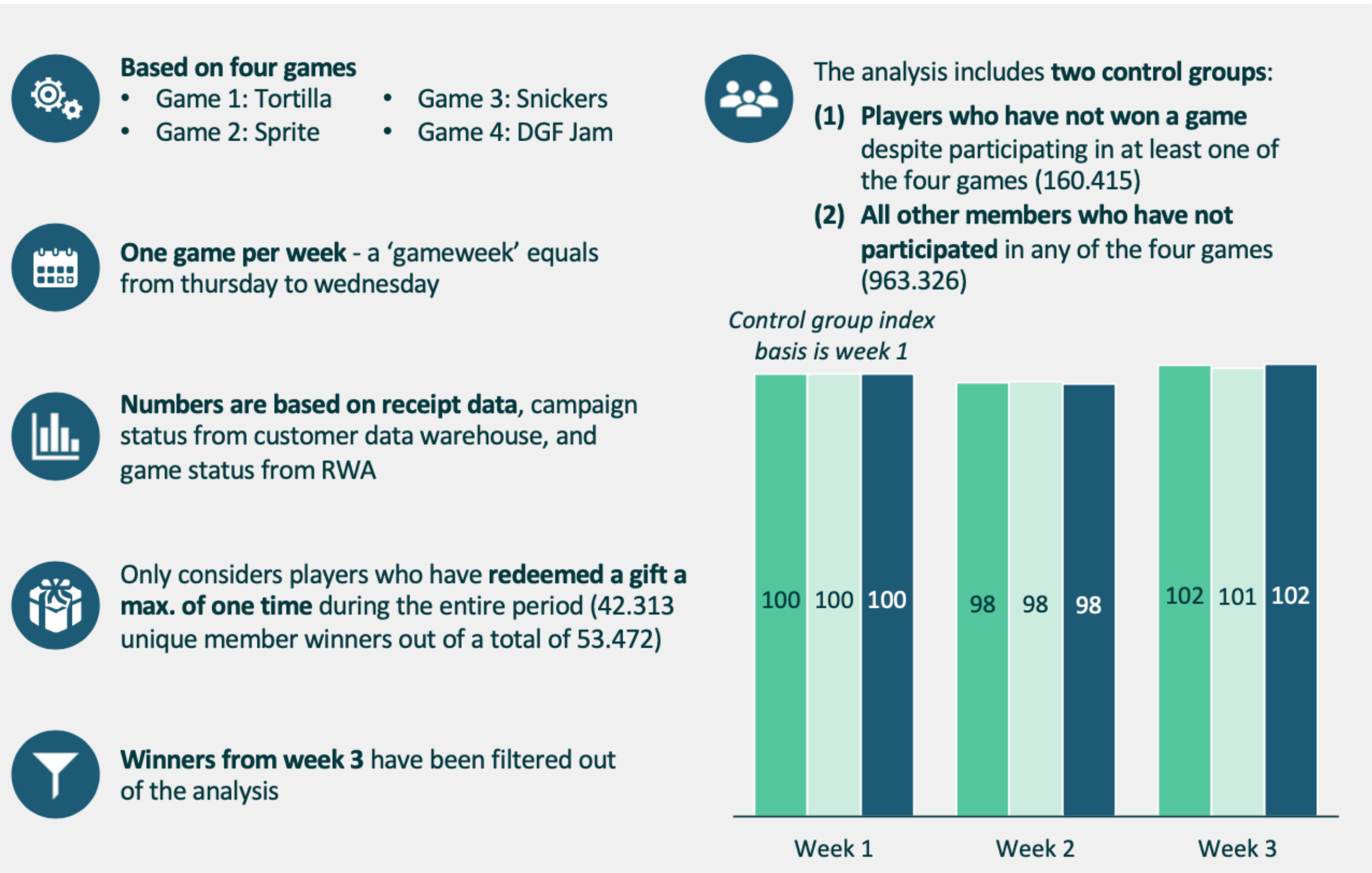
Redeemed
the won
prizes

3x

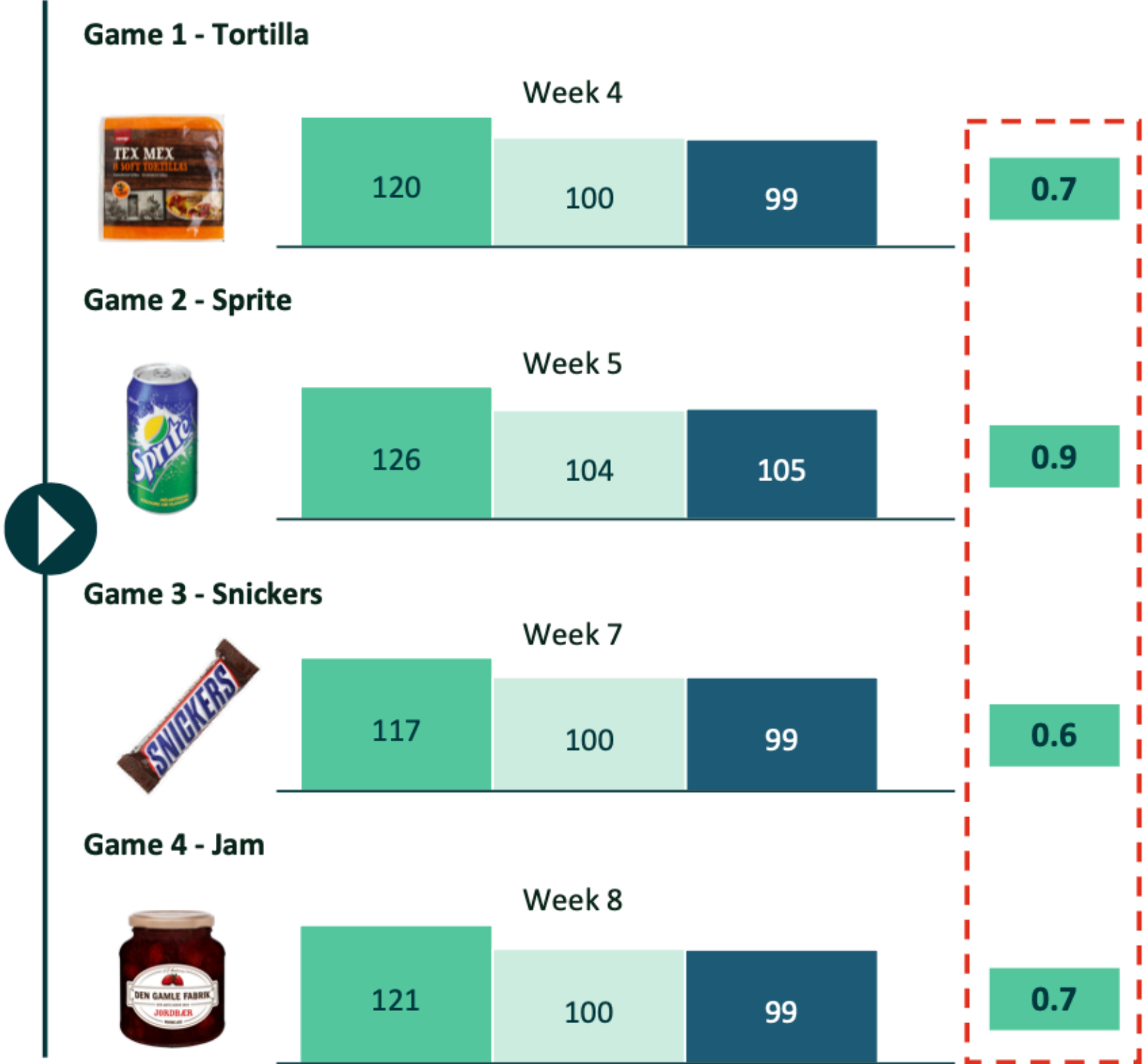
Two games
per week

Game winners visit on average the stores ~0.7 times more per week

Methodology and control groups of the gamification analysis



Development after games¹⁾, week 4-8, index



Note: Winners are measured as consumers picking up their winnings from the prior week; Exchange rate EUR / DKK is 7.45

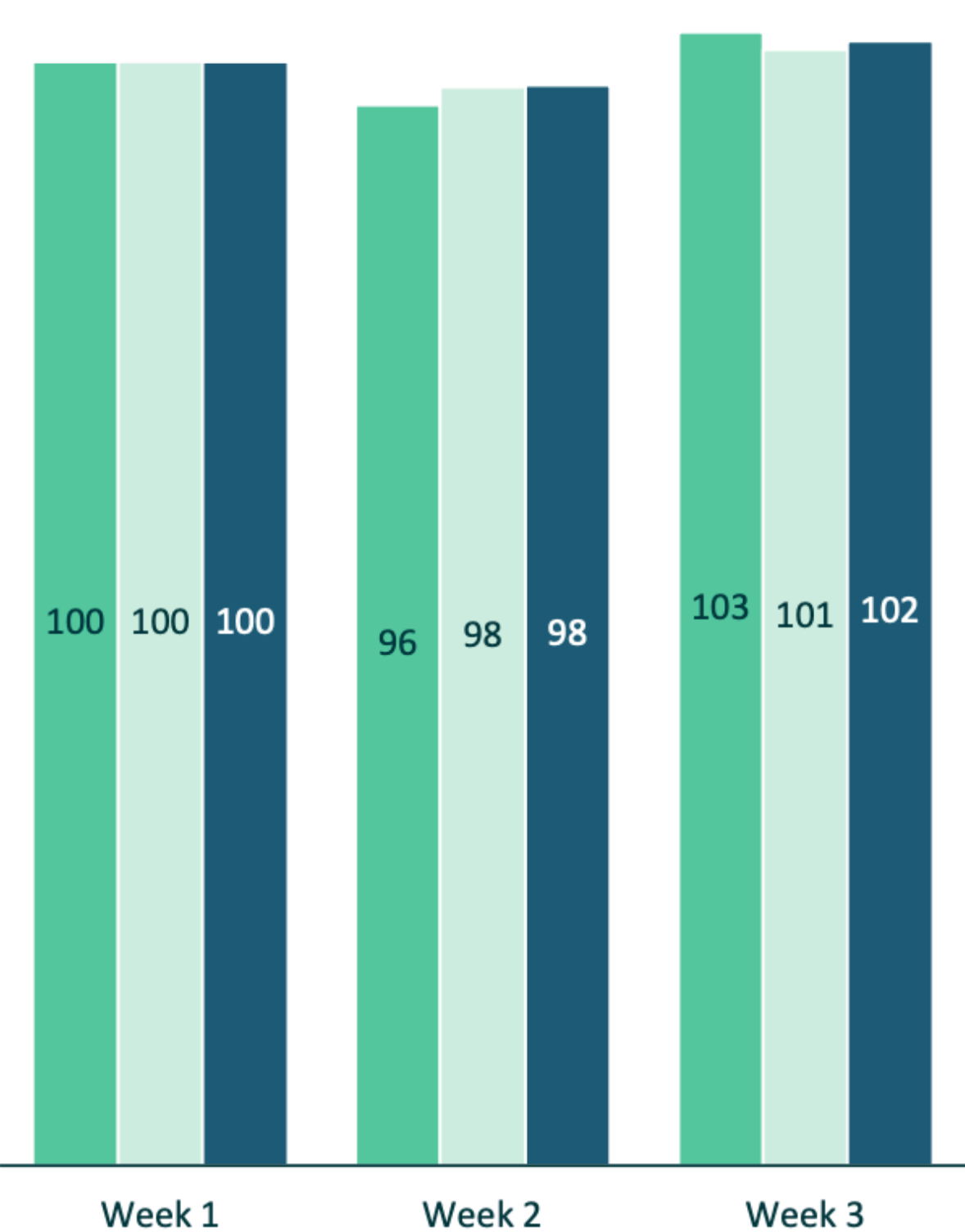
1) Measured as number of receipts for goods sold.

Source: Lobbyco data







Game winners have on average an approx. EUR ~10 higher spend

Control group spend before games, index



Effect by running games measured in increase average spend, EUR

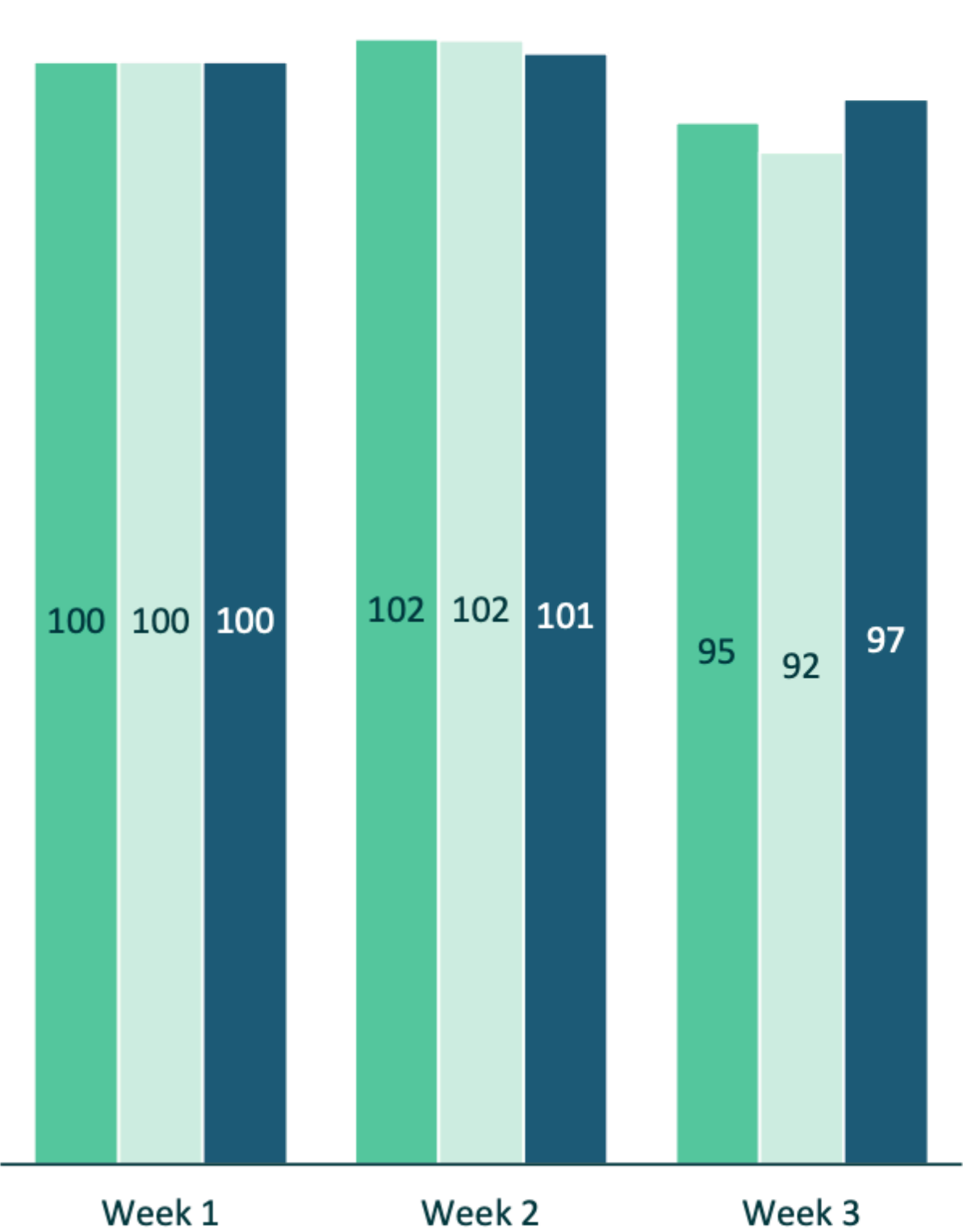
Development after games (index)			No. of awarded gifts (#)	Total additional spend from games (EURk)		Effect per gift awarded (EUR)
	Week 4		11,348	÷	94	=
	116	100				8
	99					
	Week 5		8,265	÷	5	=
	128	111				10
	110					
	Week 7		6,279	÷	72	=
	123	106				11
	98					
	Week 8		16,421	÷	179	=
	118	100				11
	99					

Average increased spend is EUR ~10





Note: Winners are measured as consumers picking up their winnings from the prior week; Exchange rate EUR / DKK is 7.45
Source: Lobbyco data

Game winners have on average an approx. EUR ~2.5 higher margin

Control group margin before games, index



Effect by running games measured in increase average margin, EUR

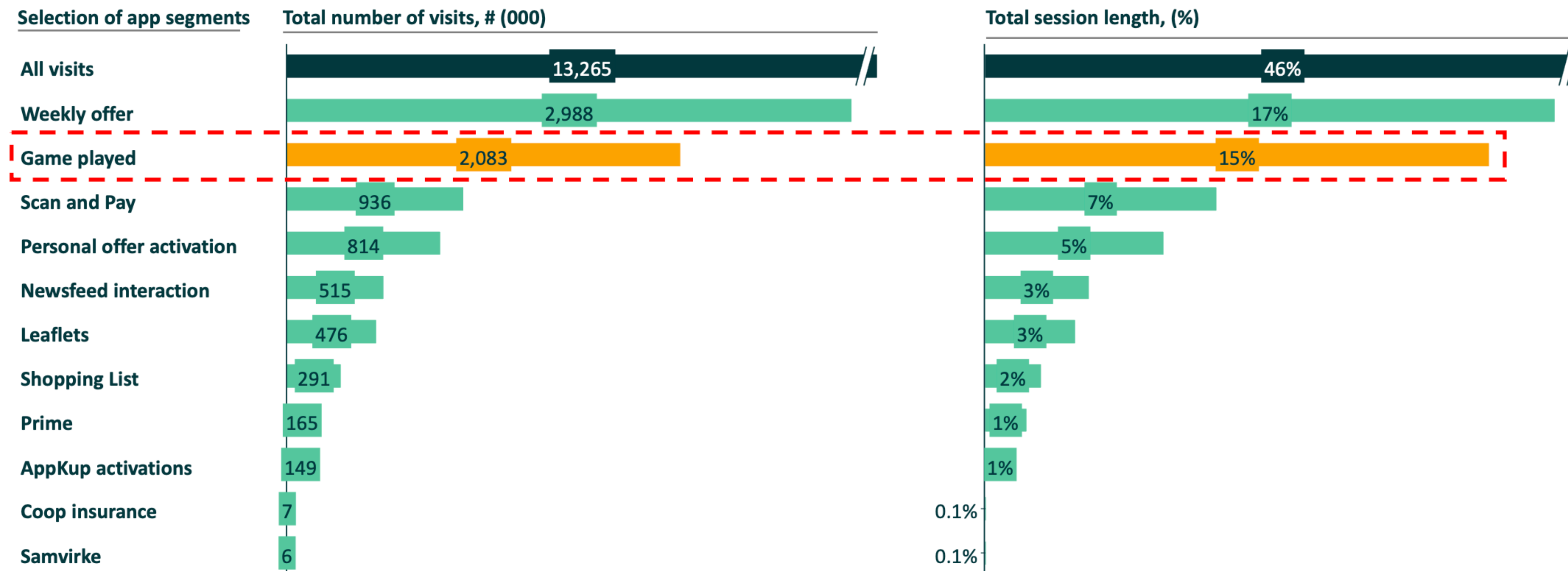
	Development after games (index)	No. of awarded gifts (#)	Total additional margin from games (EURk)	Effect per gift awarded (EUR)
	<div>Week 4</div> <div><div>105</div><div>104</div><div>99</div></div>	11,348	2.3	0.2
	<div>Week 5</div> <div><div>136</div><div>119</div><div>115</div></div>	8,265	27.8	3.36
	<div>Week 7</div> <div><div>121</div><div>107</div><div>97</div></div>	6,279	20.1	3.21
	<div>Week 8</div> <div><div>116</div><div>99</div><div>99</div></div>	16,421	55.7	3.40

Average increased margin is EUR ~2.5

Note: Winners are measured as consumers picking up their winnings from the prior week; Exchange rate EUR / DKK is 7.45
Source: Lobyco data

Games & reward appears to be the second highest traffic driver for consumers using the Lobbyco application

Distribution of time spent in app based on segments, 2020 18th August to 16th September (~1 month))



Source: Lobbyco data

Fun facts from Coop Denmark 2020

High loyalty: The game module is the **second most used feature** in the Coop app

Big commitment: Number of games played in 2020 = 24,779,416 game sessions

High interaction: Number of minutes spent in the game universe in 2020 = 12,991,666 min

Clear traffic driver: Number of prizes handed out in stores in 2020 = 1,095,317 prizes



10x growth in digital co-op funding in 3 years

*“We saw an opportunity to do more in the digital space — and at the same time the **demand for transparency from our vendors** increased.*

That’s when we knew we have to reorganize into a real media organization.”

1st party data is fundamental

“Club Matas leaves us with first-party data that is extremely valuable to both us and our vendors.

*Especially at a time where the traditional media find it harder and harder to **identify and segment customers**.”*



Peter Hestbaek

Head of Digital Sales & Marketing
Matas

Three pillars of Mata's media success

A truly digital company



Revenue from digital channels has passed 1 billion DKK and Matas dubs themselves a digital company.

1.7m customer club



Every member shares valuable data on brand preferences, buying frequency, skin tone preferences, etc.

A dedicated internal agency



A team of 20 people with dedicated digital strategists, creative teams, data specialists, project managers, SoMe managers etc.

Takeaways

1. A brand's **martech landscape needs to be in place** before introducing a media as retail strategy.
2. Collect customer data (and lots of it!)
3. Efficiency is the name of the game. Retail marketers have a huge opportunity in front of them, but they're also under pressure with **ROI, supply chain issues, and providing value.**
4. **Organize like a proper media**, which includes investing in an in-house media agency and thinking like an agency.
5. **Start small** and with existing tech. Do this while ensuring sufficient funds and necessary buy-in.

Q&A

Want to connect?



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