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FEATURE

Actionable Advice

Build effective marketing campaigns that increase trips.

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Developing marketing campaigns that resonate with consumers and lead to increased in-store traffic requires retailers to embrace new marketing tactics, expand communication with consumers, actively seek out new innovation, remain flexible in their planning and align with in-store execution. Sounds like a lot to juggle, doesn't it? But by applying a few strategies, c-store retailers can build more effective campaigns that increase trips, while also increasing brand awareness with consumers.

A DIVERSIFIED APPROACH

The technology you integrate into your marketing efforts is perhaps the single greatest factor shaping how consumers view your brand. Retailers that remain agile in their marketing tactics are able to extend the reach and impact of a campaign where more traditional marketing efforts

fall short. By leveraging tactics such as mobile marketing, branded smartphone apps and mass text message marketing, retailers can reach and engage with more consumers in new ways.

Darrin Samaha, vice president and brand manager for Yesway, says the company embraces a mix of traditional, digital and loyalty marketing tactics. “Yesway builds campaigns around our loyalty program and our core consumer. Other tactics such as email marketing, direct mailers and even text messaging are extensions of our loyalty program,” he said. Samaha references the success of Yesway’s recent “Stack and Save” campaign supporting their private label brands while also incentivizing non-loyalty customers to join the Yesway Rewards program. For the month of January, 52% of fuel transactions included an in-store purchase. In addition, 69% of unique Yesway Rewards program members shopped in-store on a fuel visit, and 32% redeemed a club program item. While other retailers use fuel incentives as the main traffic driver, Yesway’s approach resulted in a higher level of loyalty around private label products that allowed the retailer to use fuel incentives to drive incremental traffic instead.

COMMUNICATE IN NEW WAYS

The increase in smartphone usage in recent years has fundamentally shifted how brands communicate with consumers. By 2020, U.S. mobile ad spending is projected to outpace all traditional media ad spending combined, according to eMarketer. For retailer marketing campaigns to retain their same reach, it is essential to shift a majority of ad spending to mobile. In 2016, Americans spent more than three hours per day on mobile, says mobile expert Mindsea, and that usage is only increasing.

One major factor is the growing influence of social media. Mindsea shares that almost 40% of smartphone users claim that social media apps, such as Facebook, Instagram and Twitter, are their most frequently used. Retailers that recognize the need for a social media presence will better position their brand to engage their consumers more directly. As Samaha explains, “Social media is critical for any B2C brand—both as a communication vehicle and a feedback mechanism. A B2C brand should not be afraid of that.”

THINKING OUTSIDE OF THE BOX

While it is imperative for retailers to acknowledge competitor marketing activity, it is just as important to look beyond what may be conventional and seek out new and innovative ways to leverage technology to more effectively market to consumers. Many convenience retailers deliver best-in-class marketing campaigns, but it can also be beneficial to look outside of the industry for marketing innovation and to find new ways to stand out against the competition.

Retailers such as Starbucks and Target are leading their respective channels—and some might say the entire retail industry—with their mobile apps. Starbucks’ in-app mobile payments system is more popular in the U.S. than those offered by Apple or Google. By the end of last year, Starbucks had more than 23 million users make an in-store mobile

Haffner's Oil has also recognized the need to communicate with consumers in new and different ways and has seen success as a result. Jonathan Ketchum, vice president of retail with Energy North Group, which operates Haffner's stores, explained: "Customers want to engage with your brand. Simple window signs and pump toppers are no longer the most effective means of communication. Much of our promotional success has been through text messaging, loyalty and Instagram." Haffner's "Text to Win" campaigns have been the most successful for the retailer. While promoting free merchandise has generated strong customer participation, their "Free Gas for a Year" promotion has resulted in opt-in rates that, according to Ketchum, "dwarf any other texting promotion."

payment in the previous six months. Target is using its Studio Connect app to gain deeper insight into customer preferences with real-time feedback. This innovation goes beyond online surveys or focus groups by empowering the customer and generating greater loyalty as a result.

REDEFINE A SUCCESSFUL CAMPAIGN

Traditional marketing performance metrics such as reach, impressions and brand awareness can provide useful insights into how your target audience reacts to your marketing campaign. However, as consumers shift how they consume content and interact with a brand, these traditional metrics need to be applied in a new context.

While historically reach and impressions have been applied to social media marketing, it's the underlying technology that allows for more quantitative analysis. While knowing the number of times a post was displayed is beneficial, the ability to know the number of times a unique person liked, commented, clicked or shared a post is even more valuable. Engagement has become a fundamental metric for social media because it is measuring the relevance of your marketing message. For example, Yesway's "Munch Madness" campaign included the retailer's most popular post of the year. A combination of Yesway customer and vendor participation in the campaign resulted in an engagement rate of 14% and 460 total engagements.

Then, there are more transactional metrics, such as coupon redemptions and promotional codes, that can help calculate return on investment (ROI), but to really measure the financial impact of a marketing campaign, it is essential to include more traditional sales metrics. By considering a campaign's effect on number of trips, average transaction value and sales on promotion, retail marketers can better understand a campaign's halo effect throughout the store and get closer to a true marketing return on investment (MROI).

For your website, search engine marketing (SEM) and social media marketing transactions are measured by clickthrough rate (CTR) and ultimately conversion on a landing page. Google Analytics offers insight into unique page visits, page depth and time-on-site as additional

measures of the reach and relevance of each search or display ad. Utilizing these metrics can help retailers evaluate the impact of digital advertising and refine future advertising campaigns. For example, when comparing ad performance, those generating higher click-through rates are directly increasing website or landing page traffic and the likelihood of conversion. This metric is useful when A/B testing ad formats, placement and offers to maximize the productivity of future ads.

PLANNING TO BE FLEXIBLE

As retailers build their customer marketing calendars, there can be many levels of sophistication and planning. Manufacturer and vendor promotional contracts often require specific performance dates and are not easily adjusted week-to-week. Also, many retailers have corporate events, such as sweepstakes, contests and themes, that have to be included in the overall plan.

However, planning for flexibility within the customer marketing calendar can be a competitive advantage. As Ketchum explains: “We always leave room for any new or just released feature so as to capture current trends or events. Gone are the days of a rigid tool. In today’s environment, being flexible and nimble to capture what the consumer wants to purchase is paramount.” This type of marketing agility allows the retailer to adjust promotional strategy, optimize campaigns or shift tactics based on previous performance or to account for changes in consumer preferences.

PREPARATION = EFFECTIVE STORE EXECUTION

Ultimately, the success of any marketing campaign is dependent on effective store execution. To achieve this, retailers like Yesway focus on cross-department communication—especially in the planning process. This typically includes operations, merchandising, marketing and even involving agency and vendor partners directly. For example, including a signage vendor in the planning process can create new efficiencies and streamline the campaign rollout to stores. As Samaha points out, “planning and preparation are what lead to effective store execution.”

This internal alignment ensures that each marketing campaign is supported throughout the organization, and that store operations have what they need to deliver that value to the consumer. As Samaha points out, “We simplify and amplify everything—especially customer messaging. Building enthusiasm internally will help build momentum and operational buy-in is essential.” This methodology demonstrates the retailer’s focus on offering value to their core consumer and how much they depend on their store operations teams to deliver that value.

As technology continues to advance, it is providing consumers with new and different ways to interact with retail brands. However, this evolution is also creating new opportunities for retailers to develop more personalized and relevant marketing campaigns by leveraging that same technology. The data-driven insights that result from these campaigns serve to optimize future marketing efforts and value to the consumer.

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