

New age marketing

FMCG talks to some of the experts in this field about POS, apps and other mobile marketing solutions.

Matt Martin, director at Two Degrees of Separation, has been working within advertising, branding and broadcast for the past 20 years, both here in New Zealand and in the UK. He started his own advertising and branding consultancy in 2008 based on the skills and experience gathered in that time.

Martin finds that many FMCG companies don't allocate marketing budgets as they're understandably unsure of 'how much' and where to start. "As a percentage of sales, advertising expenditure varies across categories, however FMCG tends to average 8%-10% of sales," says Martin.

"Trends I've seen include FMCG companies reducing their budgets, moving more of the budget to online, embracing social media and demanding a higher level of measurement as proof of ROI beyond just an increase in sales."

He adds: "Recent studies found that online advertising is the most powerful marketing channel for FMCG brands for driving short-term sales. When the budget is tight, moving a greater share

of your media budget to online can give greater measurement and significantly improved results.

"Facebook ads and Google AdWords are two areas in particular where Two Degrees of Separation has achieved great results for our FMCG clients. Focusing on SEO (Search Engine Optimisation) is also a high-return, longer-term strategy that continues to return results between campaigns.

"This approach means the media consumers are exposed to offline are consistent when online. Brands are moving to where consumers already are, such as Facebook, rather than expecting consumers to come to them."

Masthead formats are also an effective method when budgets are limited, however choose carefully, advises Martin. "Make sure terms and conditions don't limit use through talent fees or across networks and online."

He says: "Another ROI of online marketing is the ease of building a database for future conversations, engagement and cross-promotion. Email marketing remains one of the highest ROI forms of marketing across

all industries and owning your own consumer database is a powerful and cost-effective asset to have."

Another area that needs attention is POS (point-of-sale). The key is to simplify the communication for cut-through. Says Martin: "We focus on straightforward promotions, price and prize incentives, focused on creative and instantly engaging ideas, stated with the least number of words and strong imagery."

Creating overly complex prize packages can be difficult to depict given the restricted POS space and can reduce the level of consumers who'll follow through with entry.

Depending on the product and its uniqueness, PR can also add a layer of communication that would normally cost much more to achieve. It can also provide another level of engagement with the consumer depending on the media or idea execution.

Martin says, in summary: "I'm seeing a move towards lower spends, simpler and stronger POS, more integrated campaigns including online, more measurability and brands embracing social media."

POS DISPLAYS

"We can't stress enough the importance for brands to increase their market share in this very tough market," says Sandy Young of Warner Displays.

"Those who continue to invest in their brands at the point of sale (POS) during a downturn create increased brand awareness at the expense of their competitors, resulting in increased marketing share," says Young.

Young adds: Most retail chains have come to embrace the fact that effective POS displays increase their sales, based on research studies which have shown that 75% of purchasing decisions are made in store."

Mobile is increasingly becoming an important channel as more and more consumers turn to their smartphones while 'on the run'.

Loughnan comments: "What we've found in the FMCG sector is that some individuals in leadership roles aren't using the technology, and are assuming their customers aren't either. It's possible that this is holding the sector back.

"We've found that our user base are avid users of the app, eagerly downloading the seasonal updates and regularly accessing recipes, favouriting recipes and they love the shopping list function (which you can email or text to someone else). They also love the social media aspects of the app; we're finding most of our web traffic is coming through other people mentioning the app in Facebook, Twitter and even LinkedIn.

Emily Loughnan, director Click Suite, explains: "Fast, Fresh & Tasty brings together brands that all compete for their place on the dinner plate each night. By coming together, the cumulative offering to the consumer is so much more powerful because on

a daily basis you're helping them solve the problem of what's for dinner. That means each brand gets considered every day.

"This is opposed to an app that offers ideas using cheese, for example, which a user might access occasionally. We think it makes an interesting new business model."

Says Loughnan: "The key is, it doesn't feel like advertising, so people are engaging with the content, and adding those products to their shopping list."

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Matt Martin, director, Two Degrees of Separation

seems to be working. That's the benefit of being in someone's pocket."

Some of the lessons shared by the Fast Fresh & Tasty development team are featured in more detail on fmcg.co.nz/features.

VANGO – DRIVING YOUR BRAND FURTHER

VanGo is the creation of Paul Archibald, presenting a new and successful way to have your brand recognised as a major New World supplier – something that is not often approved by this prestigious and well protected brand.

Archibald says VanGo is a form of mobile billboard advertising with numerous benefits for FMCG suppliers to the New World stores:

- Be the recognised New World brand in your category, at the time you are featured on their vans.
- Enjoy a closer and more 'hands on' relationship with the New World



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owners and buyers.

• The van is either parked right outside the front entrance of the New World store, or is being seen in high traffic areas while out doing deliveries – keeping your brand front of mind as shoppers enter the store, or when seen in the local vicinity.

According to Archibald, VanGo is very cost effective when compared to other similar types of media, such as bus stops, back of buses and stationary billboards.

He says: "We offer advertising for less expenditure, with greater exposure to your qualified target market, especially when used alongside in-store activity and other product promotions. At VanGo we have a can-do attitude, we believe anything is possible and will go out of our way to make your campaign work for you. We will drive your brand further, making it first in the minds of your customers!"

He adds: "As part of our innovative approach, we also soon hope to be able to assist with sampling, in conjunction with your van advertising, as we target everyone entering the store."

So what does one of his regular clients think of their results?

"Nivea has advertised on the New World vans many times by booking space on both the sides and rear win-

dows of the vans. Combined with in-store activity and van advertising we always notice a substantial spike in sales at the participating New Worlds. We also enjoy a more hands-on relationship with the owners and buyers," said Tim Holt, senior business manager, Beiersdorf NZ.

Archibald says: "We have recently supplied the new New World Metro store with a VanGo vehicle in Auckland's CBD, so now we have 18 vans located around greater Auckland and the Upper North Island. Our long-term plans are to grow the New World fleet and offer our Opel vans to businesses that also see value in having their own branded vehicle, with a topical area for advertising to increase their brand awareness.

"VanGo is 'All Go', be the recognised brand on the vans, to reach your targets!"

TITAN MEDIA

Titan Media Group launched into the New Zealand market during October 2011 after operating in the Australian market for just over a year. Titan Media quickly identified that a similar opportunity existed in the NZ market for an outdoor medium that was exclusively located within close proximity of key retail precincts and supermarkets nationally.

Claude Leonard, sales manager at Titan NZ, says: "With limited opportunities currently available to advertisers in the final path to purchase space it was the obvious next step for Titan. Currently a number of media suppliers operate in the retail space but none with the format, number of panels, or proximity locations in an uncluttered environment that Titan has, which is really exciting for our clients

and us. Whether bought as a stand-alone option, or in combination with other suppliers in the path to purchase environment, Titan Shop panels offer a huge value proposition to POS clients."

Titan Shop is one of the last true advertising channels where clients will have the opportunity to influence the consumers' buying decision, which would hopefully lead to trial, consideration, purchase and ultimately brand loyalty. Our landscape panels are large, highly visible and within close proximity to the point of purchase and cost effective.

Titan Media New Zealand is currently completing the final stage of its roll out of Titan Shop into the New Zealand market. Completed in March of this year, Titan Shop will have 300 faces targeting 25 key supermarkets nationally

across Whangarei, Whangaparaoa, Auckland, Hamilton, Tauranga, Wellington and Christchurch. A further 100 faces are in development, which will increase the portfolio to 400 faces within 50 supermarkets. Key properties within the portfolio are Westfield New Zealand, Botany Downs, Bayfair, The Palms, LynnMall and a number of significant metro independent centres.

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For more information please visit

titanmediagroup.co.nz or call

09 304 2926.

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