



# Optimizing the Customer Journey.

By Bill Carmody, CEO of Trepont

APRIL 13, 2016



Private label accounts for more than **\$1 in every \$6** spent in the United States.



# Private Label's appeal goes beyond price.

Consumers are seeking quality and value, and private label delivers on both of these attributes.



Believe private label offers extremely good value for the money

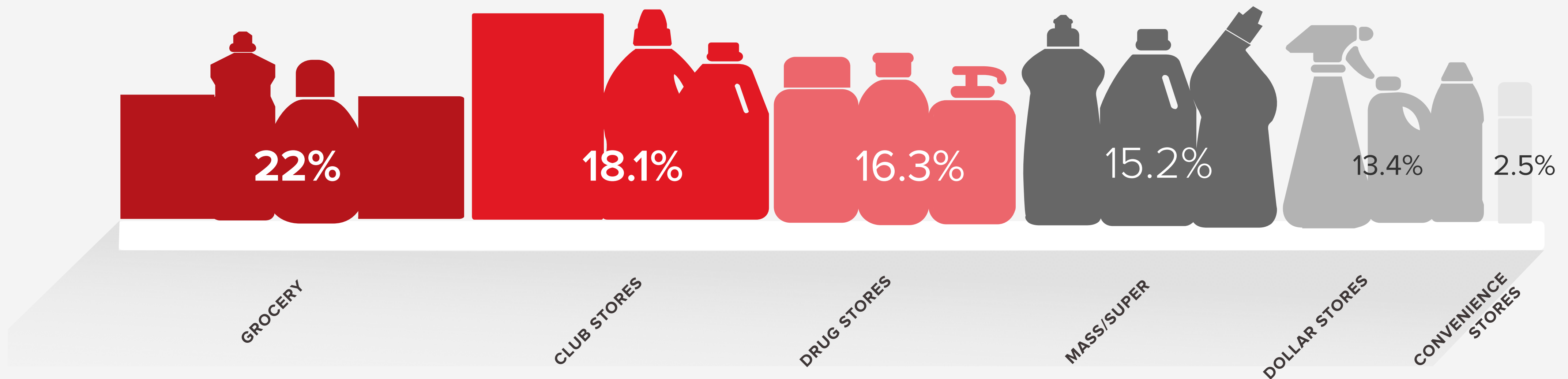


Say buying private label makes them feel like a smart shopper.



# Highest Penetration Rates of Private Label

According to IRI Data



<http://www.foodnavigator-usa.com/Markets/IRI-report-on-CPG-trends-and-private-label-food-trends>



“...more than half of packaged food’s major categories have exhibited **flat** private label share growth **since 2011**, precisely at a period when economic theory would suggest that private label share would be creeping up generally.”





# WHY?





from Transactions





to Relationships



# A Critical Transformation in Business



Transactions

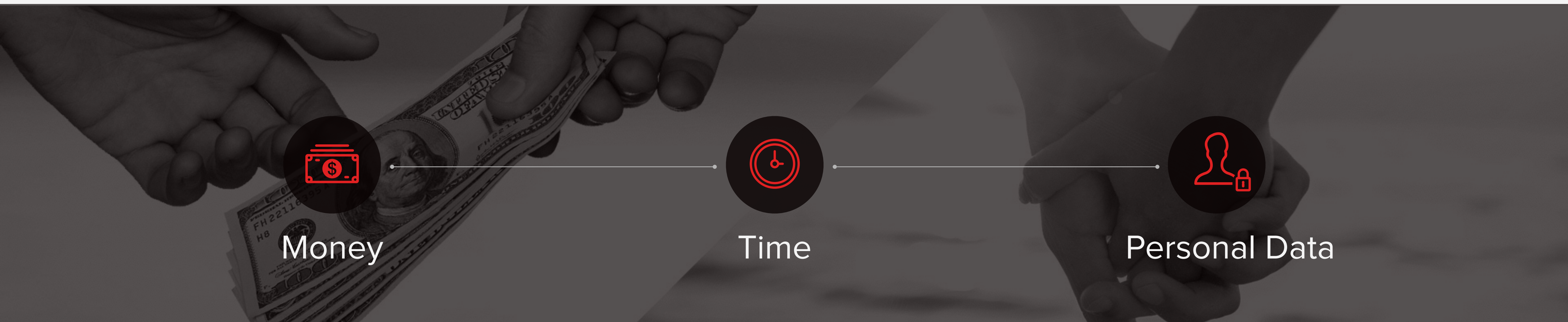
Relationships

- Win the sale / Win it now
- Advertise, promotions, incentives
- Short-sighted / Immediacy rather than intimacy

- Win their hearts / Win them forever
- Develop connection, understand preferences, deliver experience
- Longer-term focus / Loyalty



# An Alternate Currency



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# Relationship Journey Mapping

## Designing an exceptional experience....

Examining from the constituent's perspective the best means of engaging, interacting and addressing the mental, physical, and emotional journey through all the stages of the relationship lifecycle.

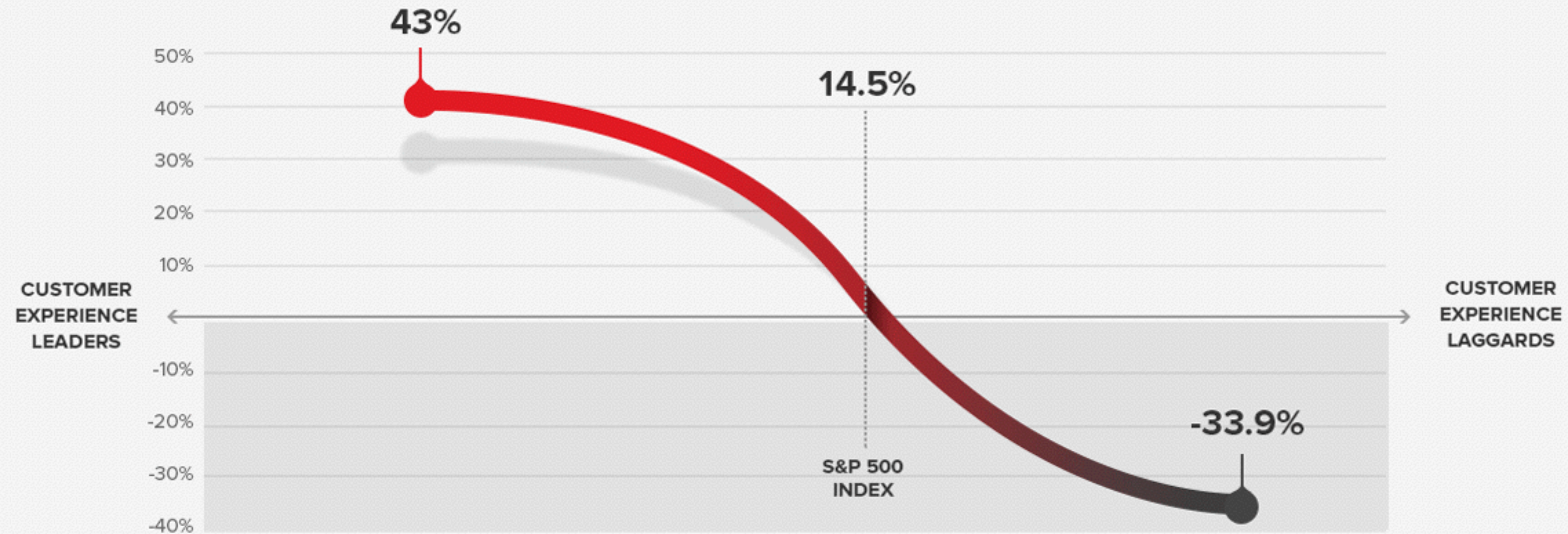


# Relationship Journey Mapping

- The path to purchase is no longer characterized by the linear marketing funnel
- Consumers move from one channel or touch-point to another and switch devices to suit their needs
- Understanding the different journeys that customers have with your organization and the emotional responses they provoke is crucial to delivering an effective customer experience.



# Why Experience Matters

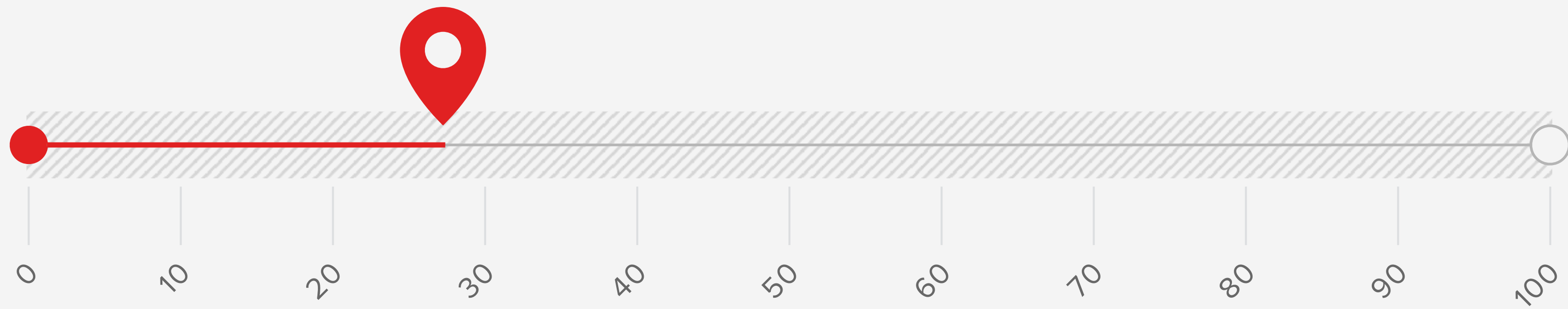


Customer experience leaders obtain returns up to **77% GREATER** their marketing investments than those who give it little importance within their overall market approach.

*2013 Watermark Consulting*



# Relationship Journey Mapping



Less than **30%** of businesses map customer journeys.



DISCOVER.



# Discovering Private Labels



Many shoppers don't actually realize that Simple Truth is a Kroger brand, or that Archer Farms is a Target brand, whereas everyone knows that Great Value is Walmart.



# Opportunity



Build loyalty further by making a more transparent connection between private label and the retailer.

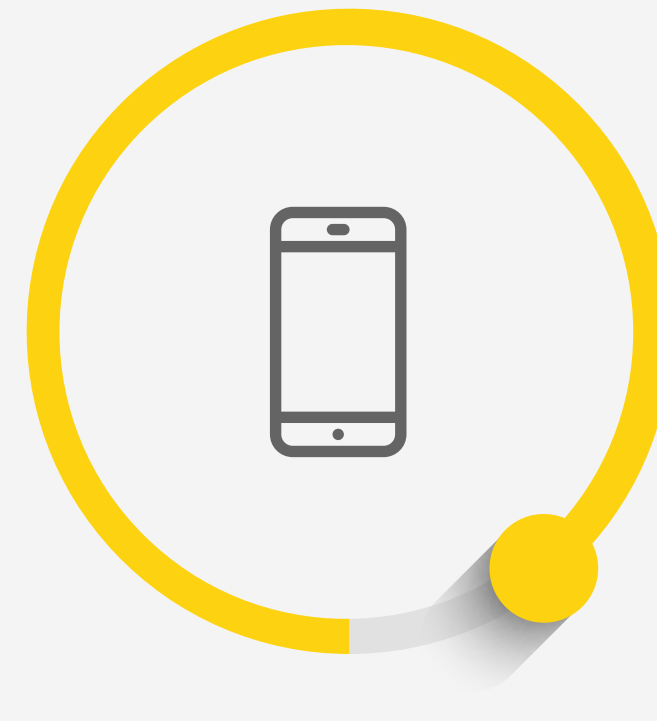


# Consumer Behavior



93%

Use **public search engines** as the initial point of information discovery



88%

Suggest that **social channels** are influential during the decision-making process



70%

Cite **consumer opinion** as the most trusted source of information



60%

Will use **support forums and discussion groups** to inform purchase decisions



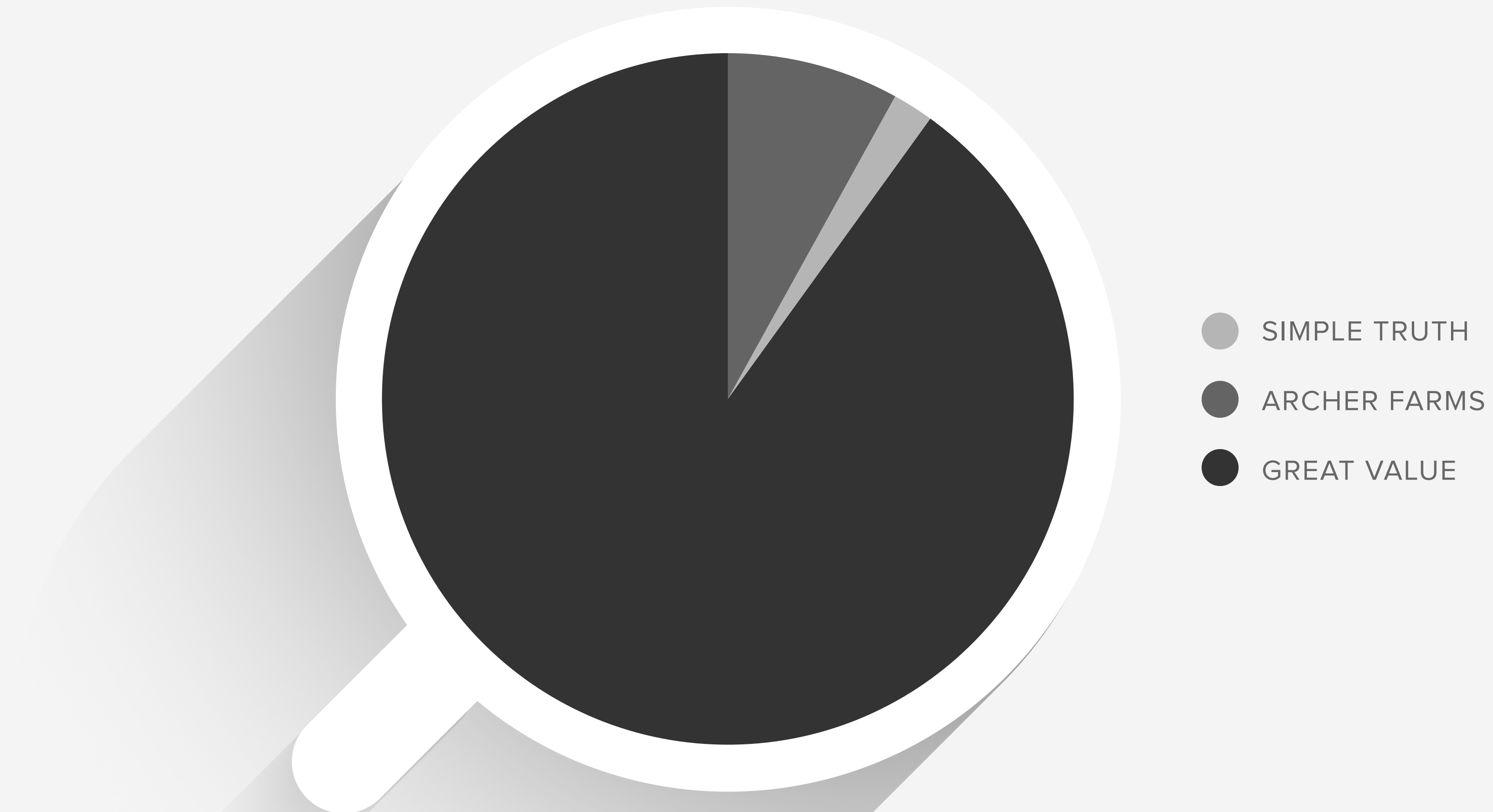
58%

Publish their **brand/product experience** to 'protect others' from a similar experience



# Discovering Coffee

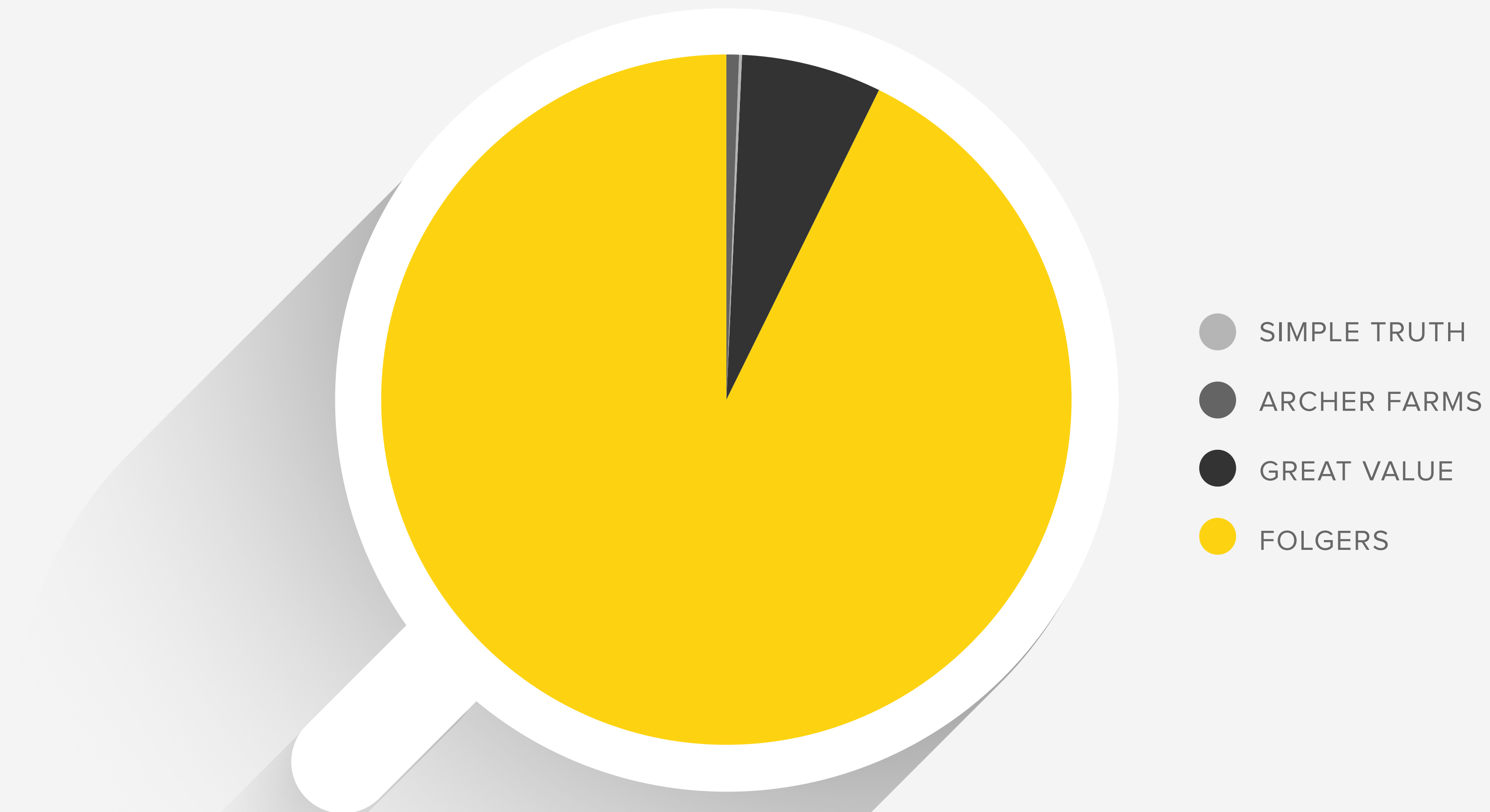
Mentions of the word “coffee” with corresponding brand name within the last year.





# Discovering Coffee

Mentions of the word “coffee” with corresponding brand name within the last year.





# Social Media Drives Sales to Retail







ACTIVATE.



# Engaging with Your Core Customers

Trader Joe's has capitalized on market trends such as **better-for-you** and **healthier-for-you options**. By listening and engaging with your core customers, you can get ahead of demands.





# Engaging with Your Core Customers

You need to learn to tell your story in an extremely cluttered environment.





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# Finding the Right Measures

Don't get distracted by measurements out of context. Engagement doesn't always equal sales.

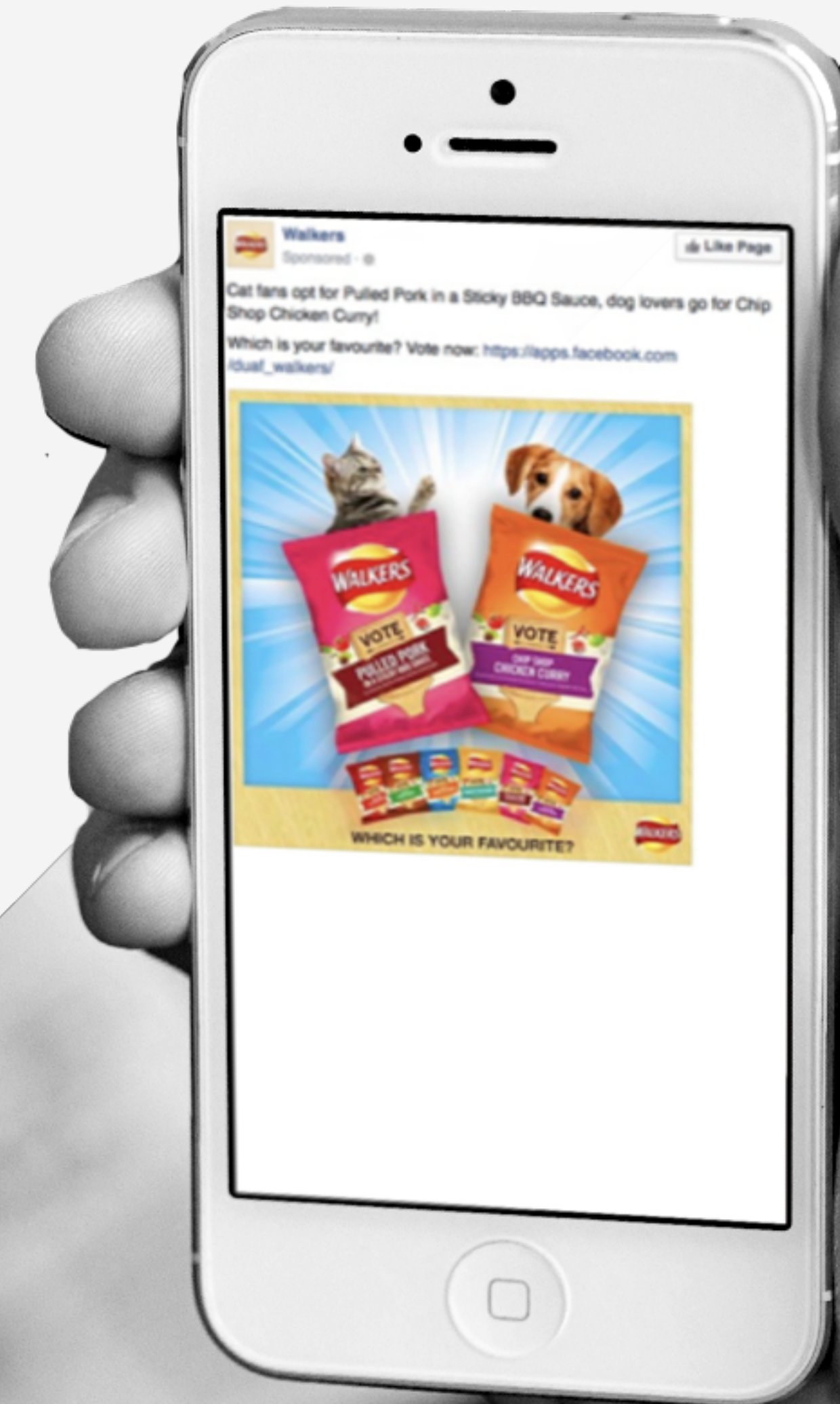
✓ CPMs / Impressions

✓ Click Through Rates

✓ Banner Ad Views

✓ Facebook Likes

✓ Twitter Followers












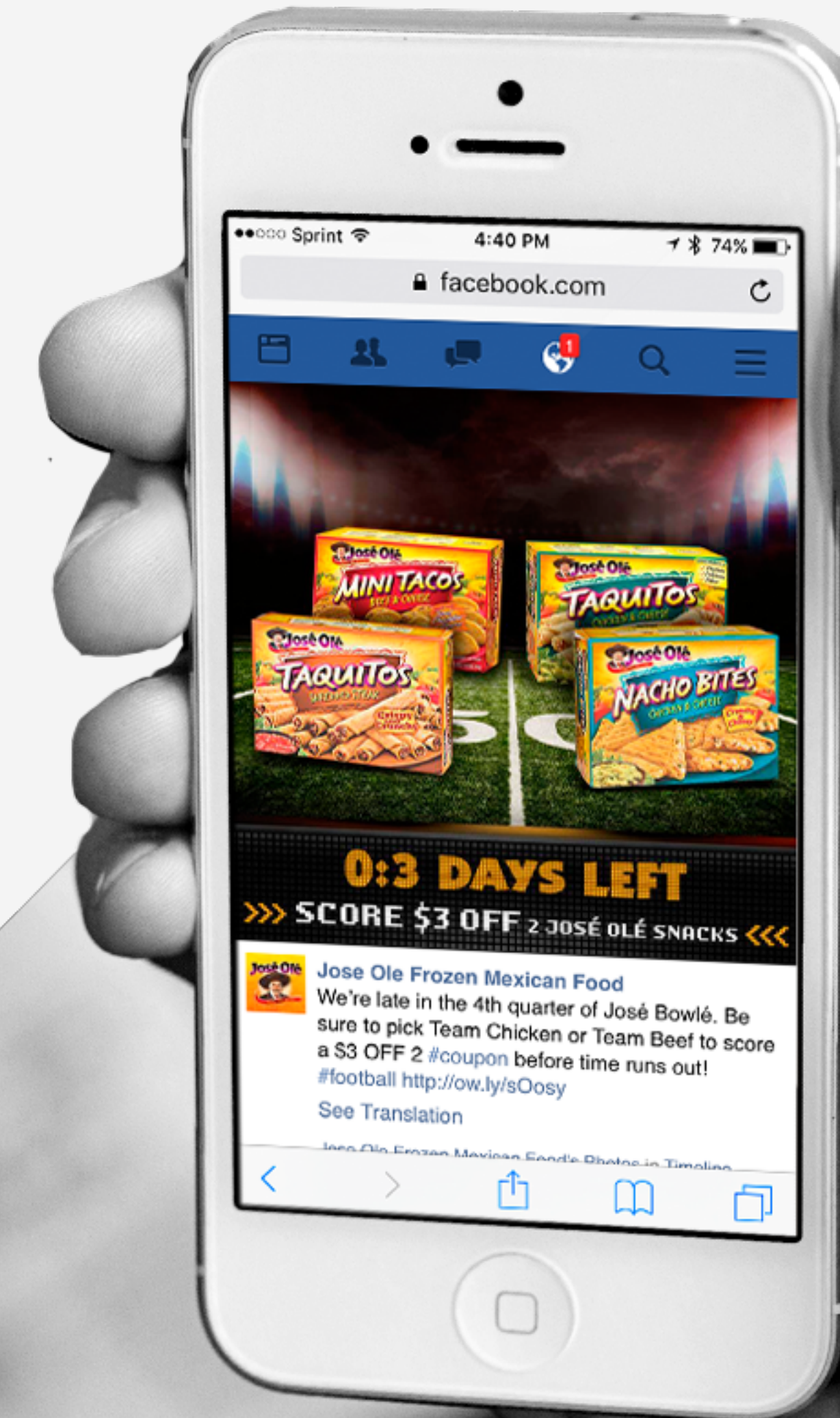
TRANSACTION



# Drive to Sales

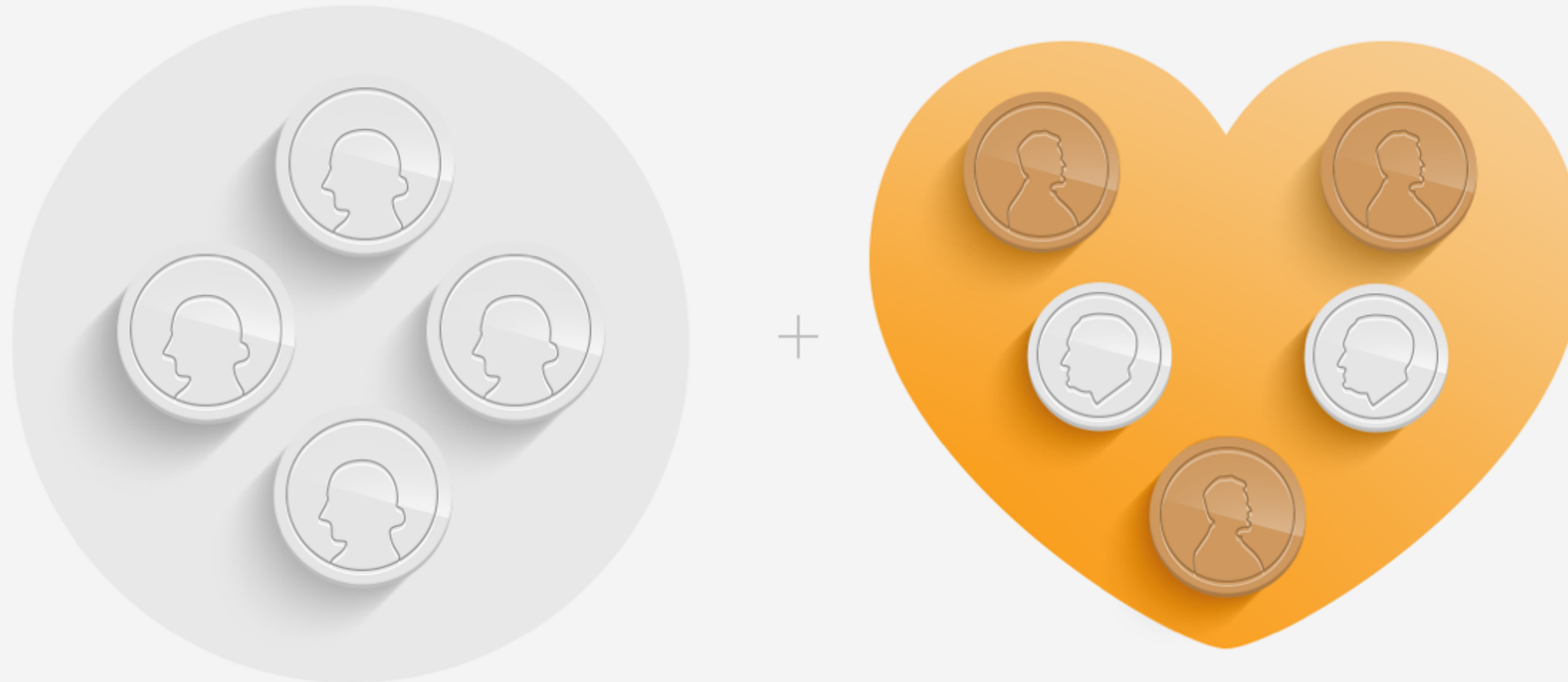
Measurements must include data points at or near the register.

RETURN ON INVESTMENT	
	Sales
	Codes Redeemed
	Loyalty Program Registrations
	Coupons Redeemed
	Rebate Proof of Purchase





# Experience Drives Transaction



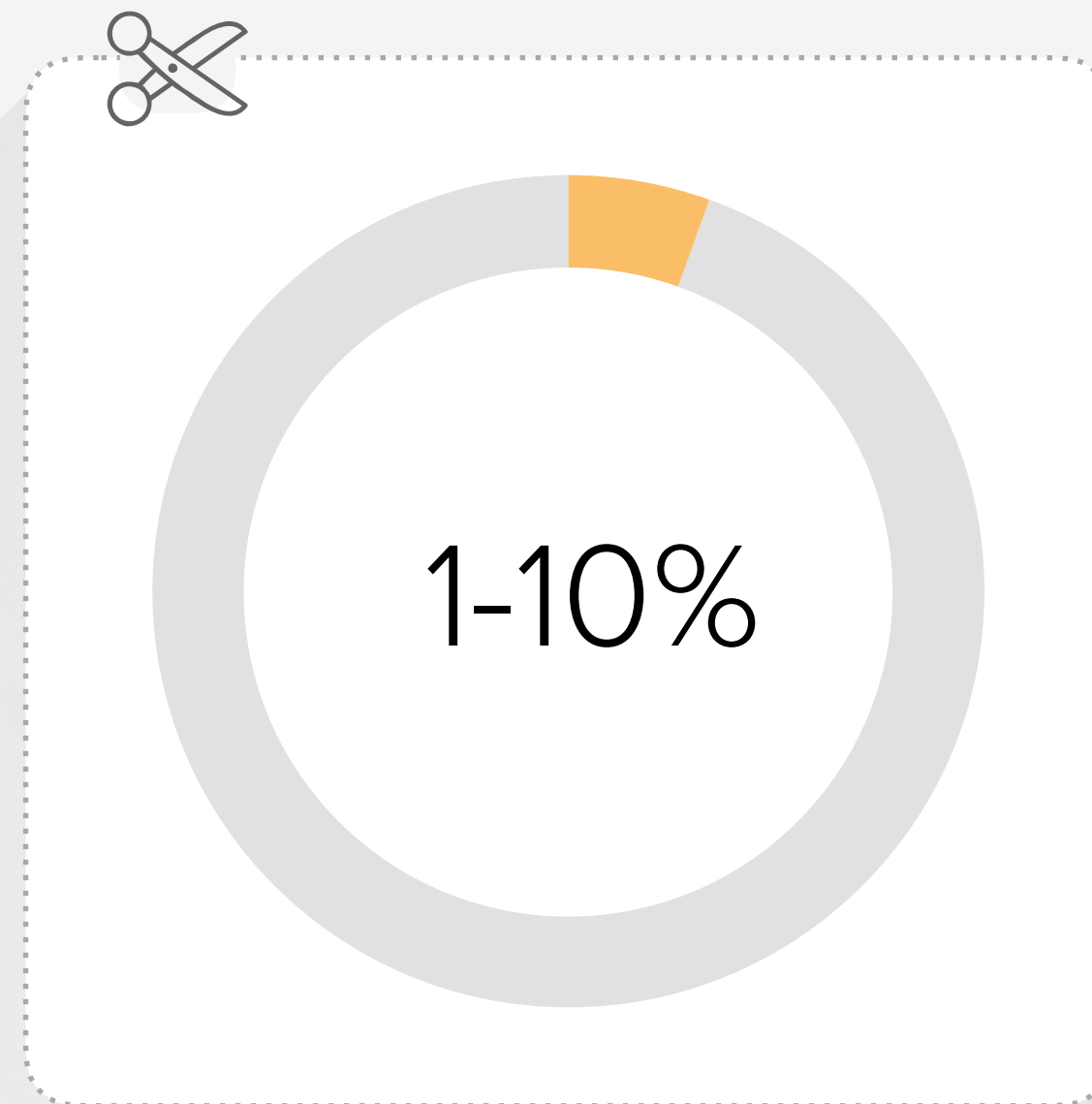
Customers spend an average of **23% MORE**  
when they have established an emotional connection with a brand than customers who have not.

*2014 Gallup Survey Data*

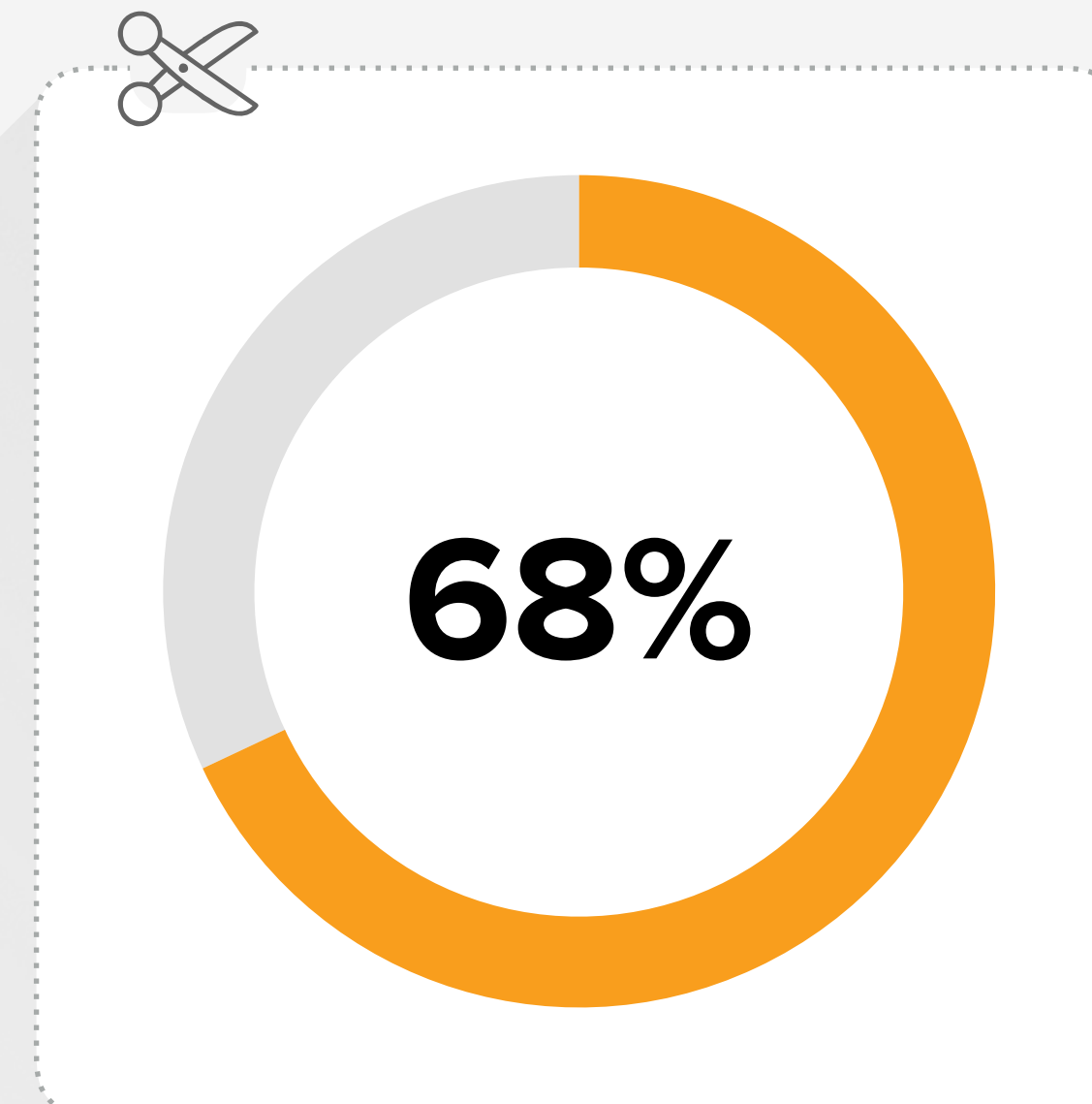


# Blend Tried and True Tactics with Social

COUPON REDEMPTION  
INDUSTRY AVERAGE



COUPON REDEMPTION  
WITH SOCIALLY-DRIVEN CAMPAIGNS



Socially-driven campaigns have increased **redemption rates up to 68%**  
A result of highly-targeted campaigns to a highly-engaged audience.



# Blend Tried and True Tactics with Social

Coca Cola's Share a Coke Campaign brought social to reality and back to social again.







ADVOCATE.





# Creating Raving Fans

Today, the purpose of business is to get you customers who get you even more customers. That's advocacy, and most businesses don't understand how to create raving fans.

Creating raving fans of your product is about doing more for them than they could ever reasonably expect from you.

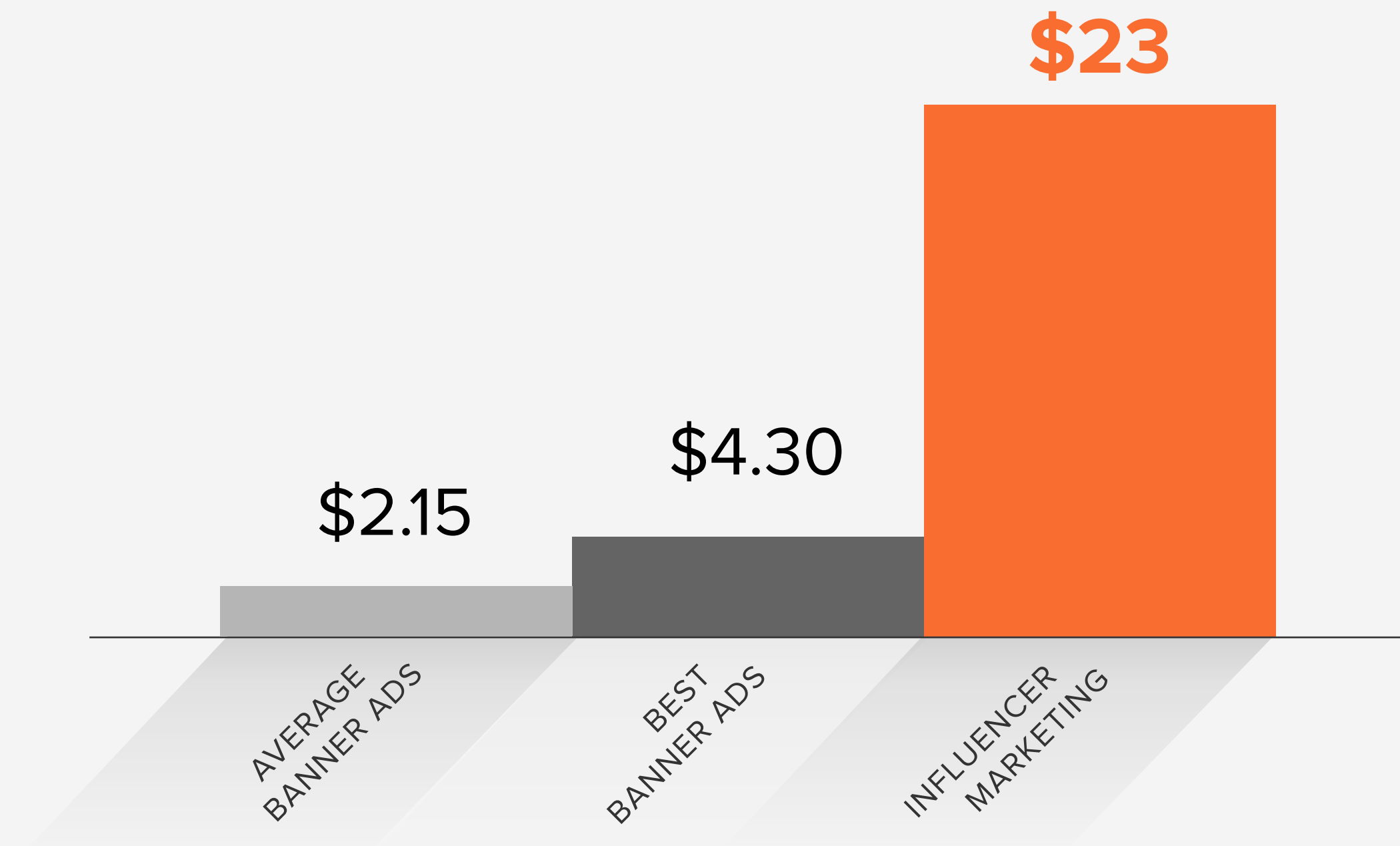
How are you blowing your customers away?





# The Power of Influence

In a recent study, households exposed to influencer content purchased more than buyers in the unexposed group.



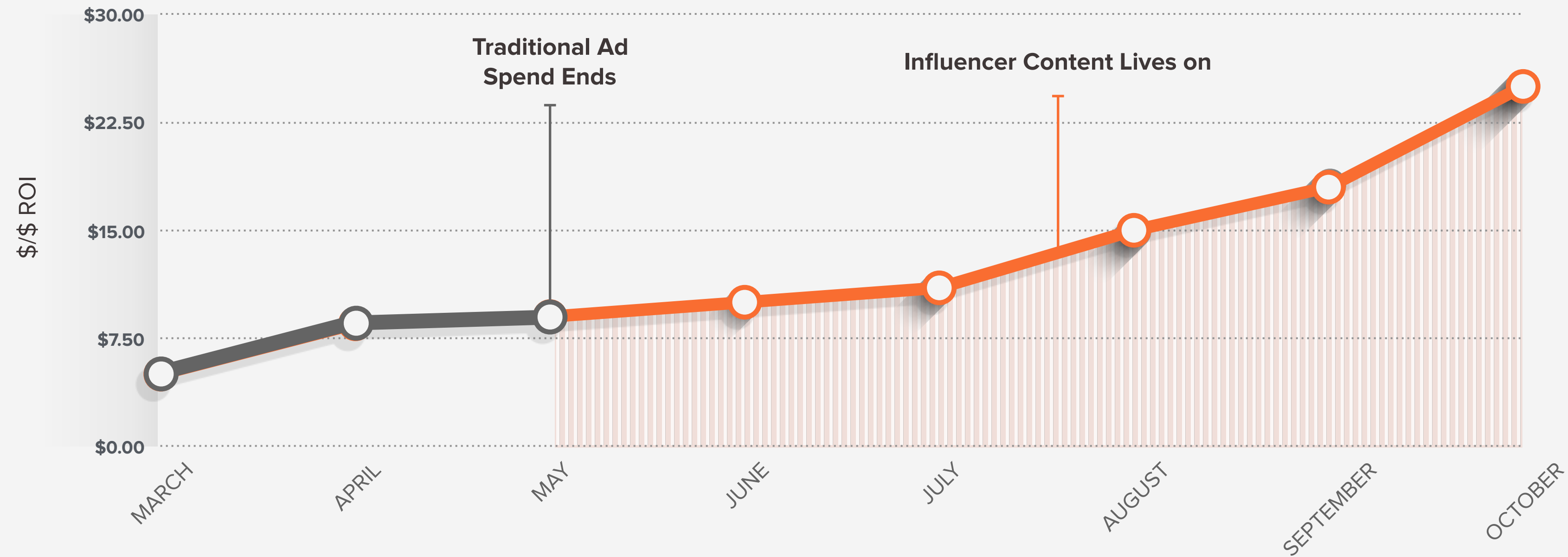
Influencer Marketing created **\$285 incremental sales per 1,000** impressions - nearly 11x the ROI of traditional advertising

*Tap Influence Nielsen Study: Dollar Buying Rate from September 1, 2015-February 15, 2016.*



# The Power of Influence

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Influencer content stays online forever, continuing to perform with earned media value growing at \$0 extra investment. This leads to **2X THE NUMBER OF IMPRESSIONS** after the campaign ends.

*Tap Influence Nielsen Study: Dollar Buying Rate from September 1, 2015-February 15, 2016.*





So how could a private label deliver even more value than it already does today?



What if we acted like a national brand?  
What if we rewarded loyalty?  
What if we delivered **Surprise & Delight?**



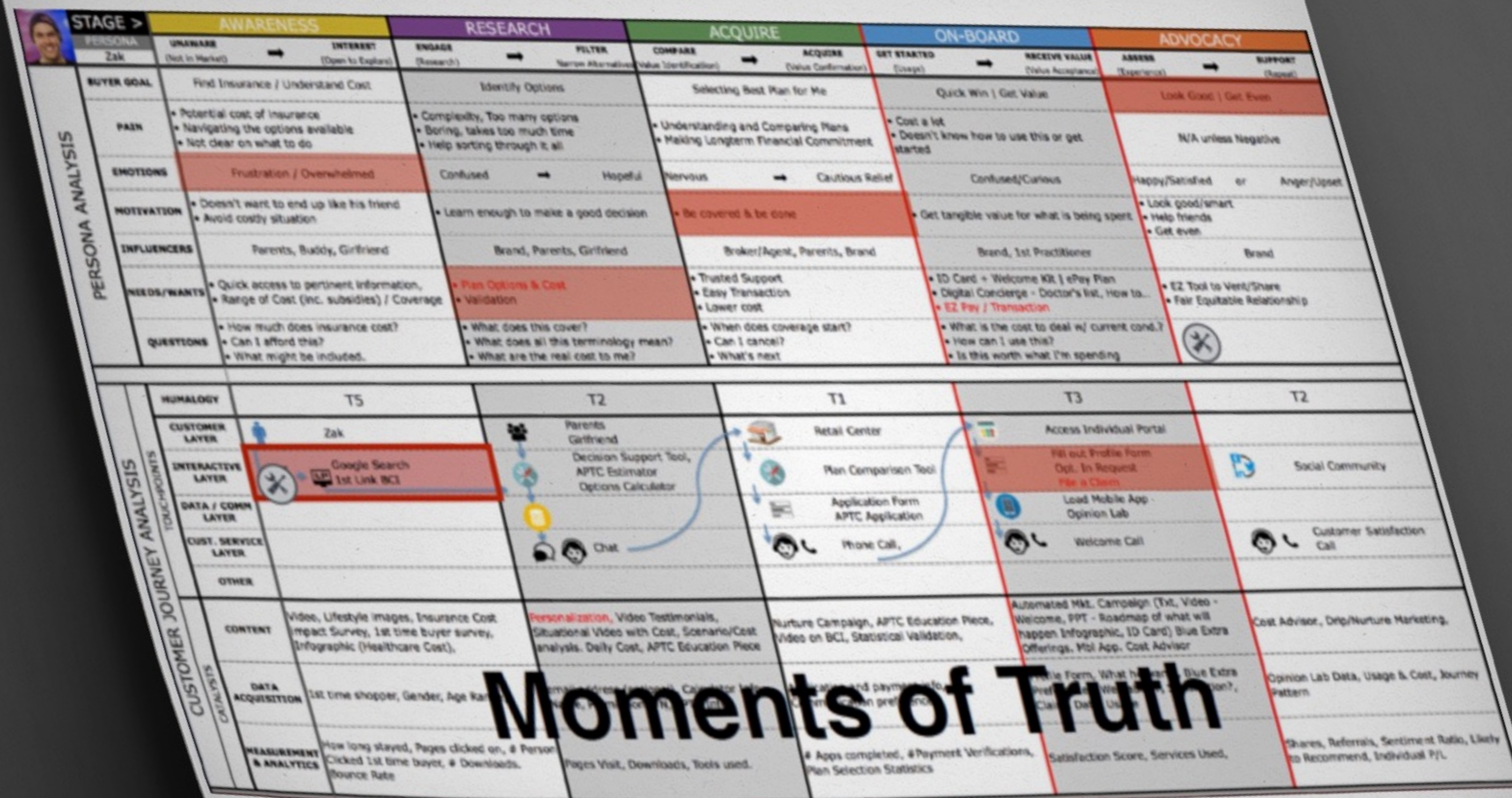


# Customer Journey Mapping.





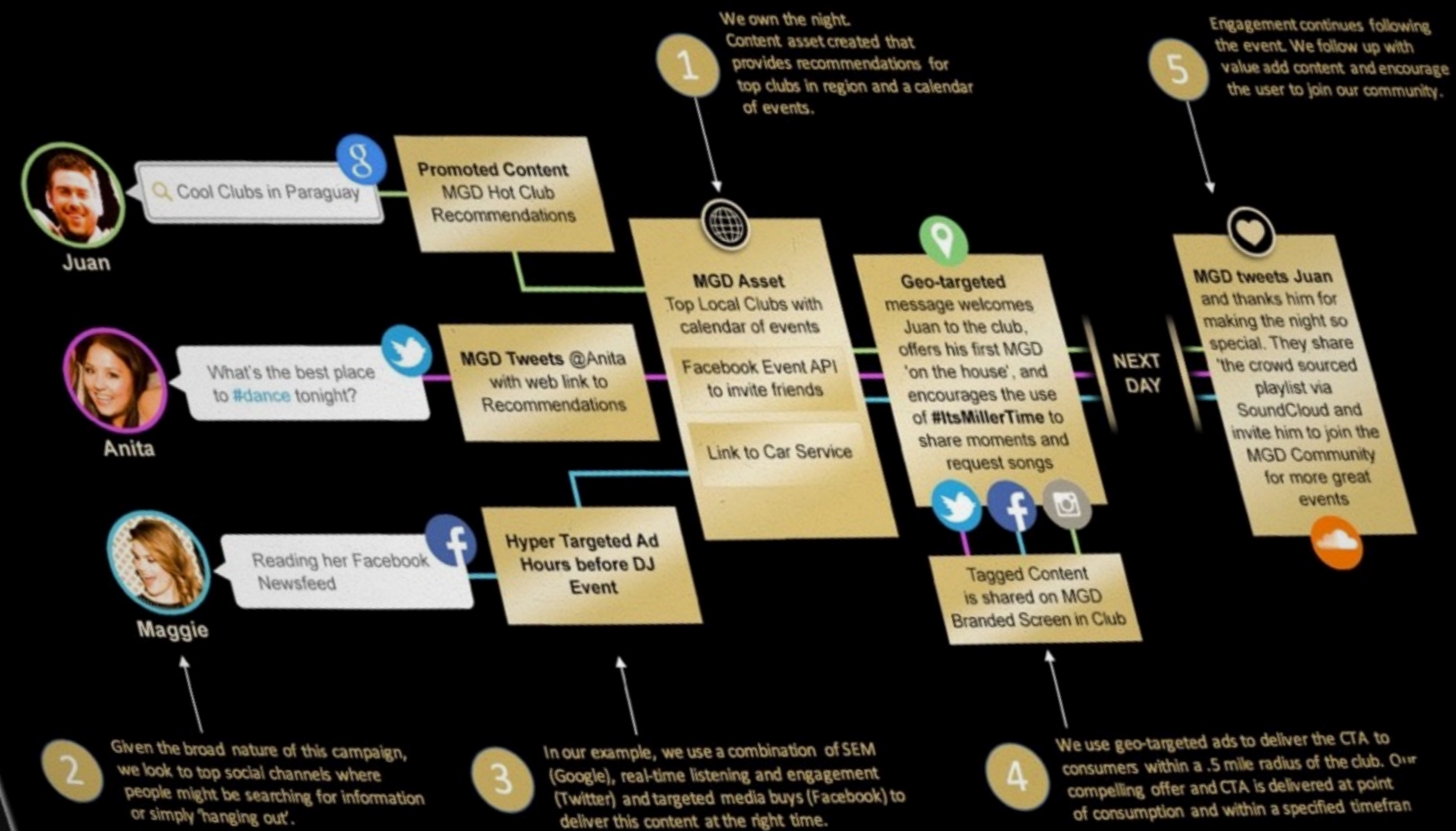




Moments of Truth



## Building Connected Experiences





# The New Relationship Economy.





Transactions

Relationships

Do you care about them when they  
have not done a transaction?

Do you care enough to really get  
to know them?

Do you care more about them than  
you do about their money?



**Digital Darwinism** is when the pace of technology innovation is faster than the speed people will adopt valuable new tools.



# The evolution to Technology Mastery

Constant willingness to change

An unending willingness to learn

Courage to invest time and money

An accurate future vision

The wisdom of H&T balance





The customer experience is the next competitive battleground.

**Jerry Gregoire** CIO Dell





By 2020, customer experience will overtake price as the key brand differentiator.

**Forbes**





89% of companies plan to compete primarily on the basis of customer experience by 2016

**Gartner**



# Thank You.



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Trepoint is a boutique digital engagement agency with demonstrated capability across a variety of industries spanning strategy through execution.

We design and execute digital strategies that enable brands to connect with consumers throughout the customer journey in a meaningful, measurable and consistent way.

We believe that digital offers a greater opportunity than broadcasting your marketing message. We are inspired by our desire to demonstrate the tangible impact of digital engagement to your bottom line.