



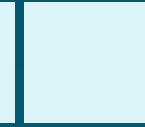
Brand Representation

Managing consistency across multiple platforms

Dave Wendland
VP Strategic Relations

Discussion Topics

- Expectations
- Retail realities
- Brand building
- Moving forward
- Wrap-up



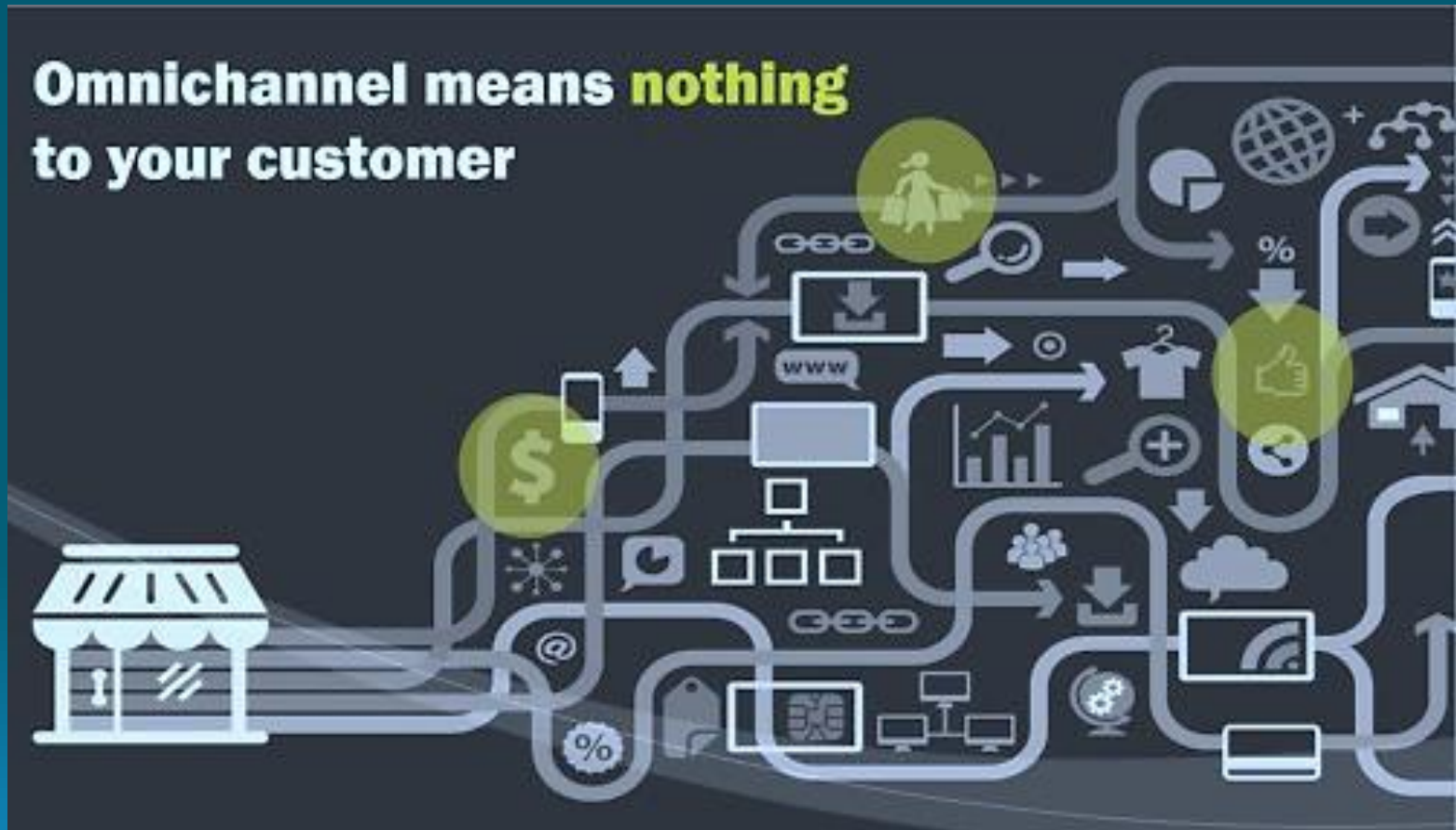
Capitalizing on the new landscape

Changed Expectations

Let's be honest ...

- A complete disruption has occurred in the retail industry, causing the shift of power from retailer and manufacturers to the customer.
- The customer is educated about the product, its pricing, its quality – and its availability.
- Customers view shopping as a single experience, not as separate interactions in different channels.

Let's be honest ...



So, what's the big deal?

Combined online and web-influenced retail sales are expected to reach **\$1.8 trillion in 2017!**

An increase of more than 3% versus brick and mortar growth of 1% or less.

Source: Fitch Ratings' Outlook report, January 2017

So, what's the big deal?

The challenge for retailers is to find how to offer the best mix of **services and experiences** to draw in consumers who would otherwise buy from Amazon.

Key Insight

Amazon now accounts for more than **1 out of every four** online retail sales.

Source: "Omnichannel Retailing Works," Harvard Business Review, January 3, 2017

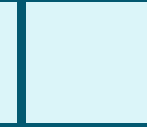
So, what's the big deal?

Did you know?

55 percent of online shoppers start their product searches on Amazon.

Source: "State Of Amazon" Study, BloomReach, September 2016

Bridging the Divide



Goal for retailers and brand manufacturers:

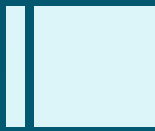
Draw people in and inspire them to stay.

Bridging the Divide

- Future of retail lies in bridging gaps between the online and in-store shopping experience.
- Modern retailers need to be able to use mobile and other technology solutions in every aspect of their physical store experience.

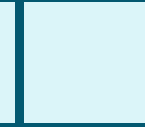
The more channels customers use, the more valuable they are!

Source: "Omnichannel Retailing Works," Harvard Business Review, January 3, 2017



Shoppers who buy from in-store and online are the most valuable kind of customers. These shoppers have a **30% higher lifetime value** than those who shop using only one channel.

Source: IDC FutureScape: Worldwide Retail 2015 Predictions — It's All About Participation Now



Capitalizing on the new landscape

Retail Realities

Omnichannel Opportunities

- 64% of retailers consider themselves advanced or leading at providing an overall seamless shopping experience ...
 - Ernst & Young cautions that “they’re measuring themselves against older standards”
- In-store applications have been slower to develop than online e-commerce.

Omnichannel Opportunities

- Nearly 7 out of 10 consumers that shopped online last year are likely to switch grocers to one with a better online shopping experience:
 - Quick
 - Easy
 - Convenient
 - Enjoyable

Source: "Grocery Shifts to Digital As Customers Demand Online Experience," Forbes, January 25, 2017

Omnichannel Opportunities

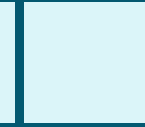
- Stores are the ultimate touchpoint between the consumer and the retailer.
- Store are becoming fulfillment centers.
- In-store technologies can keep sales associates well informed about products and free them up to focus more on the customer.

Retail Imperatives

- **Redefine the role of the store** – the purchase journey is no longer linear.
- **Create smarter store fulfillment** – enable endless aisles.
- **Orchestrate orders** throughout the process – view inventory in real-time.
- **Create a single view** for the customer – marry online and in-store.
- **Personalize experiences** – this goes far beyond shopper segmentation.

Retail Imperatives

- **Empower associates** to create memorable shopper experiences.
- **Make every brand interaction count** – deliver top-notch customer service anywhere and everywhere.
- **Manage demand-driven inventory** – ensure the right product is in the right place at the right time.
- **Measure everything** – remember, you can't effectively manage it if you don't measure it.



Capitalizing on the new landscape

Brand Building

CPG manufacturers beware

- An estimated \$0.56 of every dollar spent in a store is influenced by a consumer's digital interaction.
- 34.4 percent of US consumers listed the Internet as the most trusted source of information over traditional media channels.
- CPG companies are no longer in total control of their brand message.

Source: 2017 Consumer Products Industry Outlook, Deloitte Center for Industry Insights, 2016

CPG manufacturers beware

- What does your brand *really* look like on Amazon?
- Is the product image on Amazon correct and current?
- Is your description accurate?
- Does content related to the product align with Amazon requirements?

CPG manufacturers beware

As the consumer path to purchase is increasingly facilitated by enabling technologies, CPG companies need to engage and influence consumers at every stage of the process.

It's imperative to target the **right consumer** with the **right message** in the **right moment** through whatever device they are using.

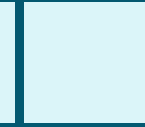
Source: 2017 Consumer products industry outlook; Deloitte Center for Industry Insights

Brand Imperatives

- **Gain alignment with your retail partners** – ensure you are rowing in the same direction.
- **Represent brand consistently** – from packaging to messaging, online visuals to customer service.
- **Create a single view** for the customer – marry online and in-store.
- **Understand your consumer** – selling to a demographic group is no longer acceptable.
- **Personalize experiences** – this goes far beyond shopper segmentation.

Brand Imperatives

- **Differentiate** and have a story – work to separate yourself from the crowd.
- **Work with strong business partners** – realize you cannot do it all alone ... choose wisely.



Capitalizing on the new landscape

Moving Forward

Summing Up

- Retailers (and brand partners) need to start looking at digital technologies holistically, and integrate them to connect the end points.
- For those that don't ...

their reverence will become irrelevant

Common Pitfalls

- Believing that the “moment of truth” is when a customer holds an item in their hands.
- Trusting that your brand representation is accurate and that a consumer’s experience across multiple platforms is consistent.
- Assuming that the status quo will be good enough for the dynamics of tomorrow.
- Attempting to go it alone rather than partnering to ensure consistency of visual and data assets.

Common Pitfalls

- Not recognizing that shoppers want retailers and brand manufacturers to know who they are and what they want.
- Losing control of the relationship and conversation putting at risk years of brand equity and loyalty with their customer.

Source: "Grocery Shifts to Digital As Customers Demand Online Experience," Forbes, January 25, 2017



98% of shoppers have decided against buying from a retailer at least once due to incorrect or incomplete content.

Source: "Why incomplete website content leads to lost sales;" January 20, 2017

Focus on Consistency

Delivery of **consistent** brand messages and images across traditional media platforms as well as digital media platforms to achieve client objectives.

Successful implementation requires professionals from a variety of disciplines – from marketing strategists and creative professionals to digital media campaign managers, content developers, web marketing specialists, and the right outside partners – working seamlessly together while maximizing the customer experience.

Know Your Strengths

- What are your core competencies and available assets?
- Do you have the resources, teams, and experience to manage the *new* marketplace?
- How will you ensure that the right message is reaching the right consumers at the right time?
- Are you truly prepared to audit content, analyze data effectively, and keep up to date on the latest technologies?

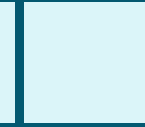


The smartest and longest-lasting brands will be those that have mastered the art of communicating with consumers via the channel they prefer.

Key Insight

75% of millennials would rather lose the ability to talk on their phone versus text.

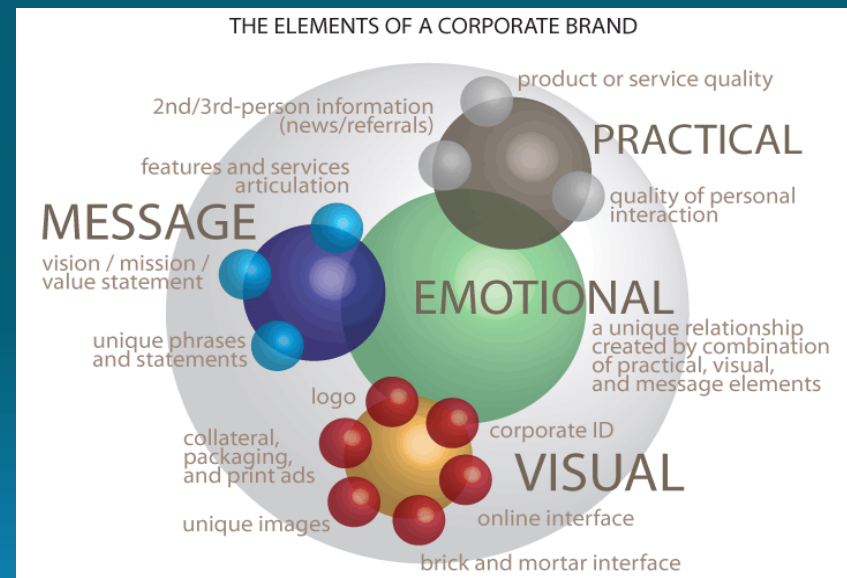
Source: Survey fielded by 500 US millennials via SurveyMonkey on behalf of OpenMarket.



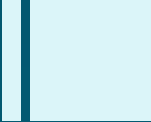
What's a great brand? They are more than logos, colors and slogans. A brand is a promise. An authentic brand generates trust and loyalty from consumers. A forward-thinking brand helps customers make decisions.

Elements of a Brand

- Logo
- Positioning statement
- Brand “identity”
- Description
- Colors
- Typeface
- Tone and personality

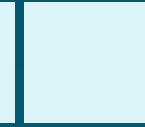


Source: Darren Leet, Inc.



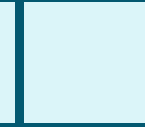
Today, a consumer wants a seamless experience. Consumers want to use their smart phone in the store to learn more about your product, and engage with your brand while they're buying it. They want to be on Facebook seeing pictures of new products and be invited to join a great brand community where they can share their opinions and ideas. Brands need to spend the time and resources to design and fulfill their brand promise via their communities (including the customer-facing technology and tools) so that every opportunity consumers have to support your brand message is taken. It is one of the most cost-effective ways to fully engage consumers, or your brand participants.

Source: Yvon Chouinard, Founder Patagonia



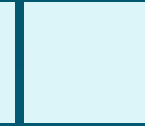
Companies with strong and consistent branding are **20 percent** more successful than those that are weak or inconsistent.

Source: "Why B-to-B branding matters more than you think," McKinsey & Company study cited in Forbes, June 24, 2013



What are we going to do about it?

Discussion



Thank you.

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