2012 LEAD Marketing Conference:
Engaging Shoppers in a World of Convergence

Executive Summary – *sponsored by*

Overview

Shoppers are on the move with their handheld devices, and are taking control of their shopping experiences.

"Shoppers really are in control of their own destiny," says Steve Cole, chief marketing officer, **Gladson**. "We've all learned over the last five years that with an iPhone in our pocket, we have access to the World Wide Web and a vast number of applications all at the same time that allow us to decide what we are going to buy, when we are going to buy it and how much we are going to pay for it."

The in-store experience is going to be supplemented in large measure by mobile as more and more shoppers have smart phones and are using them in the store, says Gary Hawkins, president, **Hawkins Strategic** and **CART** (**Center for Advancing Retail Technology**). "But the challenge is really up to the retailers and the brands to create the value proposition for shoppers to engage on that mobile device with the retailer or brand as opposed to looking at where they can buy products cheaper elsewhere. It's providing relevant information, promotions and content to each individual shopper."

Although much more was discussed, mobile devices were the direct and indirect reference point of many presentations at the 2012 LEAD Marketing Conference in Chicago, October 1-3, which was themed, "Engaging Shoppers in a World of Convergence." LEAD, produced by the Shopper Technology Institute, stands for Loyalty, Engagement, Analytics and Digital.

Among the many topics covered at the conference:

- **Mobile** is the big driver of most new things in the retail and CPG technology environment, from engaging with customers to new kinds of promotions to company operations.
- **Loyalty**: Shoppers have taken control and retailers need to connect and respond to this changing behavior to maintain loyalty.

- **Engagement:** Much of the mobility discussion is framed by the engagement topic, but new tools in video monitoring of shopping patterns and category management are also top of mind for retailers and consumer packaged goods companies
- **Analytics:** Mobility and social media has resulted in a tsunami of information that has been referred to as "Big Data." Effective use of this is the key to future sales, profits and shopper relationships.
- **Digital:** Many interactive technologies, like social media, are changing the CPG/retail landscape, but digital coupons are on the cusp of breaking through to the mainstream.

The following Executive Summary contains a wrap-up of many of the key speakers and presentations at the 2012 LEAD Marketing Conference.

Mobility

This year, mobility was the hot topic at the LEAD Marketing Conference. Many presentations directly addressed the trend, while others referred to it.

In the Northeast, retailer customers of wholesaler **Bozzuto's** are seeing strong sales results from reaching out to their customers via mobile devices, says Steve Methvin, vice president, retail technology and e-commerce. "Most of our retailers that have explored mobile are seeing a 10% increase in sales, whereas paper just seems to be more of the same."

The average sales increase in all Bozzuto's stores is 5% — "our retailers are sharp" — but "our customers who have focused on developing mobile media and are reaching out to their customers each week through mobile media, are experiencing double-digit growth in transaction count. The average for those stores is about 8% over last year. So we are really excited with the results," he says.

Meanwhile the analytics from mobile are real-time, and they help Bozzuto's make quick decisions. Methvin notes that in the retail supermarket business, planning begins nine weeks in advance, "but often times the weather of that day can have more impact than all that planning. So having the ability to interact with your customer through a mobile device helps you to not only act like you knew it was going to snow 12 inches that day, but you are prepared with the right products."

On the CPG side, **Enjoy Life Foods** is seeing a big sales bump by using mobile, says Joel Warady, chief sales and marketing officer. The company also uses social media and shopper marketing tactics to drive traffic, but uses mobile by combining analog thinking with the mobile technology, and not getting involved too deeply with advanced concepts like QR codes. "We think the power of the smart phone is less about what the retailer does with it

and it is more about what the consumer does with it, connecting with other consumers," he says.

"We started this program about 18 months ago and our sales this year are up 43% as a direct result of the work that we've been doing in social. Fifty-three percent of our shoppers tell us that they are using smart phones in the store while they are shopping. To us, that's a big number and that's why we are utilizing this technology so much," Warady says.

Cassidy Hamilton, marketing brand specialist, **Chiquita Brands**, reported on the results of a successful mobile program the company ran last summer with Little League Baseball using the Chiquita Fan Fun App. "Going into the promotion, we knew that bananas have a 96% household penetration, about 30% of regular shopping visits do not include a produce purchase, and in the U.S. 80% of bananas are consumed at breakfast. So we wanted to focus on the incremental consumption occasions that we could use to drive traffic and volume to the stores," she says.

"We defined the mobile campaign objectives to leverage the Little League partnership, to drive emotional engagement, to differentiate Chiquita, to drive preference for the Chiquita brand and Chiquita retailers, to drive traffic to Chiquita banana retail partner locations, and to leverage our social media and the retailers' social media and Little League Properties' to drive awareness of the app," Hamilton says.

"Through all this we wanted to keep Chiquita bananas top of mind through a series of interactive games, prizes and promotions that link to the retailers." The app included capabilities for consumers to check in at their favorite supermarkets, to participate in a sweepstakes, and to create Little League cards.

One result of the promotion was that 20% of the people who had downloaded and were engaging with the app checked into retail locations, she says. "There were over 4,000 retail locations that displayed POS for the campaign. We had over 45,000 entries, 159,000 unique visits to the landing page, 31 opt-in signups to receive future communications from Chiquita, and 40% created Chiquita Little League cards and shared them on a social network," Hamilton says.

This is the first time that Chiquita has played in the mobile space, she adds. "I think it is just the beginning for us to see how we can continue to drive consumer engagement and loyalty from the fans that we already have who are passionate about our brand."

FunMobility designed the app for Chiquita. "Forty percent of shoppers walk into retail stores with smart phones, and you need to engage them at retail and find ways to leverage the mobile device to push your sales forward," says Adam Lavine, chief executive officer. "The mobile device can be a great tool to engage and build long-term relationships with your shoppers."

Looking at a broader picture, Ben Sprecher, founder and vice president of marketing, **Incentive Targeting**, notes that mobile adoption is skyrocketing. About 88% of U.S. adults have a mobile phone of some sort, and about 46% have a smart phone. There's 50% year-over-year growth in smart phone adoption. There is a big shift in terms of consumer use of Internet data from the world of desktops and laptops to the world of smart phones and tablets. "In fact, smart phones and tablets for the first time in 2011 had higher unit shipments than desktops and laptops," he says.

"Mobile in general and smart phones in particular are a tidal wave change affecting us all, and the retailers that win in the future are the ones who will best figure out how to integrate many different disciplines and practices into that single platform," Sprecher says.

Smart phones have also brought us a practice called "showrooming," where shoppers use their mobile devices in the aisles of one store where they are considering a purchase. They check prices or do other product research, and then perhaps buy the same product elsewhere or online for a lower price.

"It really is not about what we want people to be doing when they are in our stores or in our aisles. They are equipped to do anything they want," says Larry Burns, president and chief executive officer, **StartSampling.** But like social media, most people don't really know it or understand how to use it yet, he adds.

Shoppers using their mobile devices in-aisle are not necessarily checking prices. Often they may be checking on specifications, or in the case of grocery stores, nutritional information. They simply want to make better purchase decisions. "You don't want to be dumb," Burns says. "So showrooming is just one piece of mobile. You have to recognize that it's here to stay. You can either embrace it and figure out how to turn it to your advantage, or fret. I don't see any reason to fret. It all comes down to the individual and helping them accomplish what they set out to do on their trip mission, which is the reason they came in the store in the first place," Burns says.

"Mobile isn't coming, it is here. The retailers who find out the ways to help individual people make the best decisions, give them the information they need when they want it, are the ones who will eventually succeed," he notes.

David Slavick, vice president, retail consulting and business development, **Customer Communications Group**, stresses that "the customer is always in control. The customer who buys on deals is always going to be shopping on deal. If they are price conscious, you want to take care of them and you want to convert the sale."

One solution is to offer price matching and price match guarantees. "More companies should do that. Tell them that 'we encourage showrooming, so go ahead and come into our

store.' Showrooming is really just a buzz word for price shopping and that is never going to go away," Slavick says.

The concept of showrooming is overemphasized right now, reports Edward Chenard, strategy manager, **Best Buy**. "There are a lot of reasons – such as the economy – why somebody would come into a store and then buy online. But also there are people who really love looking for a deal. Technology makes it easier for them to do that. They have always been there, and they always will be around."

One approach is to wait until the economy improves and then see if showrooming continues. But overall, he says, "improved customer service is the way to go on showrooming."

When it comes to technology, "there is no single solution. There is no single point of view. It's much more a learn-as-you-go process. Just be mindful of the process and understand that there are going to be risks. but make sure they are well though-out calculated risks," Chenard says.

Loyalty

As technology rapidly advances and consumer attitudes toward retail and CPG products change with it, companies are challenged to keep their loyalty strategies and programs updated.

"The premise around the loyalty and engagement track is the question of the changing shopper behavior that retailers are dealing with," says Steve Cole, chief marketing officer, **Gladson**, which chaired the Loyalty track at the LEAD conference.

"How in this changing world we can maintain loyalty and maintain engagement with the shoppers? Shoppers have a tremendous number of choices in the channels they can buy from, but more importantly, also in the media they can use to understand what products are for sale, where to buy them, and to make choices before they leave home — where they are going to shop, how they are going to shop, and how much they are going to pay?"

Cole summarizes: "Shoppers are in control and we have to respond to what they are doing and engage them on their terms."

The companies that will win will be the companies that best satisfy the needs of consumers, says Graeme McVie, general manager, business development and client services, **Precima.** "To that, you need to understand those consumers really well at the individual level and you have to identify what actions to take to satisfy their needs. Those can be

marketing, merchandising, or store operations actions. If those things are all put together, you will drive the maximum value for their company," he says.

"You need to understand customers at an individual level in order to earn their loyalty. And by earning their loyalty, you will drive your business forward," McVie says.

Bryan Pearson, president and chief executive officer, **Loyalty One**, and author of the book, "The Loyalty Leap," says an important tactic is to turn voluminous data into customer intimacy.

"'The Loyalty Leap', foundationally, is about companies recognizing that they are missing a significant opportunity. There's an incredible amount of data that is being gathered by companies today. I think that most companies are underutilizing that in their businesses to create meaningful change," he says.

Most companies think of three ways to compete: on price, on product leadership, or on customer intimacy. "The issue you have is that there is really going to be only one price leader, or one company that is going to lead being a product innovator in any market. Everybody else needs to be competitive on that at some level, but every company can win on the basis of customer intimacy. That is fundamentally about thinking and looking at your business, and thinking about how you are going to drive the experience for the customer. How are you going to differentiate and how you bring your products and services to market, because everybody does that a little bit differently?" Pearson notes.

The opportunity for organizations is to look to the customer information that they have. "It's for them to think about how they can begin to transform how they communicate, and how they interact and shape their products and services. That concept is called enterprise loyalty. It is about freeing up the information that exists in your business so that you can understand your best customers, serve them better, and in the course of doing that, identify and really extend the value proposition that you have in your business so that you can identify and reach out to more of those customers over time," he says.

SmartRevenue has researched the drivers of loyalty across different retail channels, says Candace Adams, president, global retail strategy. The researcher was surprised by the results. For example, convenience was only the fifth most important factor driving loyalty to convenience stores, she notes.

"Most CPG companies work across different classes of trade. So what this research shows is if you are trying to use the same strategy to get products on the shelves of a convenience, mass, or dollar store, you are making a great mistake. The things that help the retailer drive loyalty are different for each channel, for each class of trade. It is important that CPG companies are aware of that so they can help support the mission of the retailer," Adams says.

Engagement

While mobility is a hot topic deserving a separate heading, most of the ways mobile devices at retail are used fall under the "engagement" umbrella. New concepts in engagement were discussed at LEAD this year.

"The development of new tools of video monitoring and mobile monitoring give us a whole new set of measures for understanding how shoppers really shop a store, how they behave in the store. They give us an entirely new set of metrics we can work against to optimize shopper engagement in the store, and, at the end of the day, to drive business," says Gary Hawkins, president, **Hawkins Strategic** and **CART (Center for Advancing Retail and Technology**). "It's all about getting one more shopper who walks in the front door to make a purchase on their way out, or adding one more product to their shopping basket," he adds

"With these tools, we can create these types of measures and then begin to understand the impact of displays, signage, brands, products, how they influence aisle conversion rates, purchase conversion, and to begin to leverage those learnings to drive business," he says.

Hawkins sees the whole in-store experience as being greatly supplemented by mobile as more shoppers have smart phones and are using them in the store. "But the challenge is really up to the retailers and the brands to create the value proposition for shoppers to engage on that mobile device with the retailer or brand as opposed to looking at where they can buy products cheaper elsewhere. It's providing relevant information, promotions and content to each individual shopper," he says.

Michael Sansolo, president, **Sansolo Solutions**, and director of the **Coca-Cola Retailing Research Council**, also discussed the importance of mobile, which he said is "coming like a freight train."

He also discussed how the social web has become a big part of people's lives, and why it is becoming a bigger piece of the business environment. This point was explored by a study from the Coca-Cola Retailing Research Council. The challenge is: "How to understand what this world is in simple terms so that business people who don't understand it can use it. Understand why people are using it and then figure out how to turn it into a business story. It gives us the ability to communicate and to build community like nothing we've ever done before. But we have to recognize it is a lot of old-time marketing skills really jazzed up with new technology and new connection devices," Sansolo notes.

"So our goal is to make it simple, demystify it, and help people walk the path toward having a good social media strategy. The social web is here. Use it to advantage; ignore it at your peril," he says.

Using the video monitoring technology of **VideoMining**, **Sara Lee** obtained a better understanding of shopping patterns. As a result, the company was able to refine its bread category shelf sets, and boost sales and profits, while greatly enhancing its reputation for providing shopper insights and effective category management, says Kyle Reynolds, former director, category management and insights, Sara Lee. The company also added end-caps, which were previously used rarely for the bread and roll category, and in doing so, did not cannibalize sales from its in-aisle sets.

Reynolds emphasized that he is not connected in any way to VideoMining, and then credited the technology company for much of Sara Lee's success in this area. "I believe that VideoMining is the biggest breakthrough in in-store research since dunnhumby introduced its loyalty card service."

VideoMining tracks customers throughout their in-store journeys with as many as 150 cameras discretely positioned in the ceiling, and then analyzes the data for shopping patterns and product insights, comparing it with point-of-sale data.

One of the most significant insights for Sara Lee came when it discovered that 71% of shoppers enter the bread aisle from the back of the store, make their selection, and then 69% turn around and exit the back of the store. "You really have to understand how you are flowing your different products in that aisle to optimize your sales and profits," Reynolds notes.

Tom Sullivan, president, VideoMining, notes that 75% of all supermarket sales and 79% of all gross profits come from Center Store. "Yet 27% of those who enter a store *shop*, but do not *buy* from Center Store. Therefore, Center Store sales have been lagging because shoppers have been buying those products in other channels. It becomes very critical for them to address and try to fix this shopper leakage." The measurement of shopper leakage by VideoMining is a "new metric of shopper marketing," he adds.

"In shopper leakage, these folks have chosen the store that we are looking at, have self-selected themselves as being interested in buying in the category — they went to the category, they shopped the category, they spent time in the category, but they decided not to buy a product from the category. That's shopper leakage," he says.

"The retailers that we deal with have identified this as being the single biggest opportunity for them to grow their Center Store sales." This becomes more critical because the average shopping trip is 13 minutes, yet the shoppers only spend two minutes and 15 seconds shopping the Center Store, according to VideoMining's research.

"Time is money in the store," Sullivan adds. "You have to get it right with such a short time. Two minutes 15 seconds, to shop the Center Store; you had better get it right and the only way you can do that is by observing shoppers in the vast numbers that we do."

Analytics

Analytics is where raw data is turned into usable information for loyalty, engagement and digital strategies.

"Brand owners are challenged by creating all that information and delivering it to all of the folks who are communicating directly with shoppers, whether that is through a mobile app, through a retailers' website, or in a brick-and-mortar store," says Steve Cole, chief marketing officer, **Gladson.**

For example, analytics can help brand owners deliver the consistency consumers look for in the different media they encounter. "They expect that when they look at a brand on their mobile phone. It's the same brand image and information for the product they see on the shelf, and the same brand information for the product they see advertised in their Sunday paper," he says.

"Shoppers are in charge. We have to respond to their needs and make sure that the brand is represented consistently everywhere the shopper looks," Cole notes.

Adds Timothy Fives, director, partnership and strategy, **1WorldSync**, subsidiary of **GS1 US**: "The behavior of the consumer is driven by trust. What we are talking about today is how to get the brands to engender trust back into the digital age," says

Everything is on the table from the data perspective in order to target consumers and ensure that actually works. "If it doesn't work, optimize, make changes, and go out and do it again," advises J.P. Beauchamp, principal, New Media Solutions Group of **Symphony IRI.** "The digital world is the wild west. Give yourself an opportunity to experiment, modify, optimize and then re-engage with those same consumers, because if it doesn't work today, hopefully it will work tomorrow."

Sooner or later, retailer and CPG companies have to confront the reality of Big Data.

"We live in a digital world where consumers have not just one device, but many different devices," observes Chris Lobdell, director of sales, **DataXu**. "They are using those devices to engage in behaviors online. Because of the confluence of digital devices, and the fact that consumers are living a digital lifestyle, all these devices give off massive amounts of data. Look at the amount of data that is currently being generated. This year there is roughly 1.8 zeta bytes of data being created." This is approximately equal to a 10, followed by 21 zeros.

"Big Data means the ability to take these massive data sets and analyze them. It requires a substantial amount of computing power to do it. So you have seen the advent of these technology companies that are focused on solving 'the Big Data problem.' In the media

world, this allows advertisers to respond to dynamic consumer demand with real-time marketing decisions.

"The advertisers that leverage Big Data to derive unique consumer insights and then act upon those insights will be the most successful," Lobdell predicts.

Analytics also is a major part of trade spending, which was discussed in a pre-conference workshop sponsored by Acosta's **AMG Strategic Advisers.**

"A big dollar amount is spent every year — $100 million — on trade spend," says Colin Stewart, senior vice president, insights, AMG, Jacksonville, Fla. "As the market changes, manufacturers are starting to look at digital and other ways of allocating trade spending. So market mix is a big part of what we talked about in the session today, and new ways of thinking about market mix, and building it up from the consumer base and starting to rethink the way that market mix is looked at. And also looking at it on an ongoing basis. Not doing market mix at a point in time, but looking at and being able to optimize every time what was a key part of it."

The workshop also addressed building trade promotion strategy, and the execution of the promotions, to make sure that you are allocating those funds in a way that is proactive.

"We also talked about trade promotion systems. There has been a big evolution from Excel spreadsheets, and there are a lot of different systems out there today. Systems have come a long way and they are becoming a lot more affordable, and becoming a necessity for managing trade funds," Stewart notes.

Optimizing was also covered. "There's a lot of waste in the execution of trade spending, where manufacturers are paying for things that they perhaps don't need to be paying for. There ways that you can optimize that and make sure that you are only paying for the right performance on the right promotional events," he says.

"Things have evolved to the point today where we've got more data than we've ever had in the past to look at trade promotion. The systems are to the point where they can be leveraged by all size manufacturers. For the $100 billion being spent on trade funds every year, there are a lot of inefficiencies. There is still a lot of upside and opportunity to get smarter about how those funds are being spent," Stewart says.

In a session on virtual shopping technologies, Rich Rizzo, vice president, consumer insights, **Vision Critical**, explains how "manufacturers have embraced it. Retailers have accepted the results, and companies have taken it to the next level. It is everything from going over adjacencies to category reinventions, to — from a brand perspective — figuring out how inputs such as variations in cost of goods are affecting the size of a package, the price of a package, and how that is all going to play out on the shelf."

Rizzo adds: "Consumers now have a bigger voice than ever, and that includes them in the research. Brands don't know everything and retailers don't know everything. They need to take this research into account from the shopper perspective, which they are doing in all other disciplines as well."

In another session involving **Acosta Sales & Marketing**, Paul Price, executive vice president, talked about the future of category analytics. "Focus on the shopper, not the consumer, when you are trying to sell. A lot of people don't understand the difference between the shopper and the consumer. Only about 35% of consumers ever shop. So you need to understand how that shopper is making buying decisions for brands and categories, and how you message to them. Brands have traditionally been focused on consumers. In today's world, what we need to do is focus on the shopper and how they are making that buying decision," he says.

"Category management isn't just a standalone entity," notes Bret Thurston, senior manager for category leadership, Hillshire Brands. "It needs to go along with shopper insights as well as category management, shopper marketing, and then result tracking to understand how we are doing." The goal is: "to make sure that you are completely aware of what the strategies and specific barriers there are for your retail partners, so that you can operationalize the insights and data to drive down to a tactical platform that can be executed."

Digital

Digital tools and strategies continue to be the underlying force driving CPG marketing and merchandising into the future. Many brands are looking to digital coupons to drive sampling and sales, while helping to address some of the waste and fraud involved in paper coupons.

Tanya Bhothinard, senior director of client service, **Partners in Loyalty Marketing**, reported on the results of a new national study on digital coupons conducted by PILM for the **Shopper Technology Institute**.

"The key to the future of digital coupons is tracking and evaluating them and seeing what are the coupon guidelines for each individual brands," Bhothinard says. What is the right vehicle, what is the right timing, what is the right discount offer, what are the right purchase requirements? And tracking those. Even something as simple as tracking the number of downloads and redemptions is going to give you some insights into how people are using your coupons."

The study found that 84% of CPGs are now using digital coupons, but 45% reported using them in a "supporting" role because of their limited scale. Forty-two percent said using digital coupons is a "toe in the water" effort. "Since this is a new and upcoming tactic, I am

expecting it to grow as the technology advances," Bhothinard says. Thirteen percent said digital coupons play a "core role" in their product promotional activities to "amplify an integrated marketing campaign" or "secure incremental merchandising at key retailers," she notes.

When asked about digital couponing success, two-thirds (68%), said it was too early to tell, selecting "neither successful nor unsuccessful." None said digital coupons were very successful, 6% said moderately successful, 16% said moderately unsuccessful, and 10% reported their efforts have been very unsuccessful.

The study showed that digital coupons have significant benefits over paper coupons. While 34% of FSI-delivered coupons result in new buyers, 46% of digital coupons attract new shoppers. And while 68% of FSI coupons result in incremental sales, 77% of digital coupons provide additional revenues.

Looking at digital coupon users, "the buying power of this target is extremely valuable to CPG manufacturers, as well as retailers," says Neal Heffernan, senior vice president/general manager, behavioral research, **GfK**. "They buy 50% more over the course of a year than all shoppers combined. They also have shown that they have the ability to over-index in quite a few categories. They buy across the store."

From a strategy standpoint, he adds, digital is definitely something that should be in the mix. It has grown considerably, but should be complemented by a traditional strategy.

"Every year, digital is going to become more important in our lives, and consumers are always going to use coupons in some form or fashion. If digital coupons are easy, we are going to use more digital than paper over the years," Heffernan predicts.

Tim Kane, chief executive officer, **CouponFactory,** and Silvia Sartori, digital marketing manager, **Barilla America**, presented a session on: "Using Digital Coupons to Monetize Earned, Owned and Paid Media." This presentation was about how brands are able to utilize a digital coupon to take advantage of their own earned and paid media. "To utilize digital coupons to not only track and measure that, but to look at the effectiveness of a campaign," Kane says.

"Digital coupons are here and they are growing. Brand owners ought to utilize those in the mix of their internal assets, to coupon-enable their websites, their emails and their social media platforms, he notes.

 "As brands, we need to find relevant ways to connect with our consumers," Sartori says, and digital coupons can deliver that kind of relevance. "Even though we know that the numbers are still small for digital coupons, it's a great way to start learning more about our

consumers, our audience, and to learn how to manage the future where the numbers will become bigger."

Eric Williams, the recently retired executive vice president and chief information officer of **Catalina Marketing**, spoke about the opportunity that is available to the industry with regard to the GS1 code becoming the standard and accepted by major retailers. "For the first time in the history of couponing, electronic validation and redemption is possible between retailer and manufacturer. Coupons can be completely validated, and monies transferred right at the point of sale, he says.

With digital coupons, and especially with load-to-card digital coupons, "stacking," or when shoppers present more than one coupon for an item, sometimes inadvertently, has become a problem, he notes. While retailers don't want to alienate a good grocery customer, they also want to cooperate with the brand manufacturers. "So they are looking for technology to help them overcome that limitation. We are finally at a point with GS1 and software services that allow us to truly validate both paper and electronic concurrently." They can even help customers choose the highest value coupon to use if there is stacking, he adds.

"The retailer now has the ability to collect information (about coupons) right at the point of sale and, in reality, that piece of paper can be thrown in the trash. Monies can be transferred from the brands' account to the retailer, the consumer gets the discount instantly, and no longer does the retailer need to capture pieces of paper and send them to some other place to be counted and processed," Williams says.

Jill Cataldo, a blogger at **Super-Couponing.com**, gave the consumers' side of the "Extreme Couponing" trend created by a TV reality show promoting the aggressive, and sometimes improper, use of coupons. "Most couponers do not fall in the category of extremists. We use about 100 coupons or more every six months, but we are not doing things the wrong way. We don't want to be painted with the same brush that the extremists are." Less than 2/10ths of 1% of people are extreme coupon users, she said, citing a number from Valassis.

At the same time, she had a message for manufacturers: don't cut back on coupons because of the extreme couponers. "We don't want to slay the golden goose. As a consumer, those coupons help us reduce our bills and household expenses. We want to get the best prices we can on the products we like," Cataldo says.

In terms of the rapid changes in digital media, websites are almost old fashioned. But more concerning is the lack of people visiting brand websites, says John LaRocca, vice president, strategic partnerships, **dunnhumby USA**, referring to a study his company did with **Accenture** and **ComScore**, and jointly sponsored by the Food Marketing Institute and Grocery Manufacturers Association.

"About 64% of the brand websites of the top 25 CPG brands had less than 100,000 visits per month. And 90% had less than 200,000. So it was very few that actually get a lot of eyeballs. We've got to get CPG brands to make the online experience to be more engaging," he said.

"There is a lot of money being left on the table because we aren't getting a lot of people visiting brand websites and CPGs are missing an opportunity to really leverage this property that they own," La Rocca adds.

Digital kiosks, while not new, also still play a role in the technology mix of supermarkets. Bozzuto's uses a recipe kiosk from **ShoptoCook** to give customers cooking and shopping ideas, and locates it near the meat and seafood departments, says Steve Methvin, vice president, retail technology and e-commerce for Bozzuto's.

"We were excited to show how engagement in our stores has increased sales. The engagement process begins with the website. Then it moves to email. Email has become the primary way to engage with the shopper. She wants to be informed," he says.

"But you have to take it past email or mobile messaging. You also have to take it to a kiosk level. We believe an important touchpoint in every supermarket needs to be a touch screen kiosk in the store with interactive recipe data. We believe it needs to be placed in the meat department-seafood area. Once the shopper is engaged, they are going to buy more products. What we are seeing is about a 17% lift — the engaged shopper will leave the store with 17% more than the shopper who just walks in, picks up what they see, and leaves," Methvin says.

"An engaged consumer buys more than an unengaged consumer," says Frank Beurskens, president, ShoptoCook. "If you can put content together that is relevant to a consumer and can influence their decision making process, they buy more. Period."

Beurskens uses caution when talking up new technologies. "There's been an abundance of conversation about iPhone apps, about Facebook, about specific applications that you can use with the technology. But anybody who has been around technology for very long knows, if you haven't been humbled, it's just a matter of time."

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