



NACDS Retail Advisory Board

Winning the mobile shopper

May 14, 2013

CROSSMARK Operates in a Physical World



P&G

Johnson & Johnson

L'ORÉAL



Kimberly-Clark



GENERAL MILLS



Nestlé



Reckitt Benckiser

PERFETTI



3M



PEPSICO

REVLON

CHOBANI
GREEK YOGURT



MeadJohnson
Nutrition

Nutrisystem

SAMSUNG

Beech Nut

Glidden



WAGNER

The Best Tuna
Chicken of the Sea



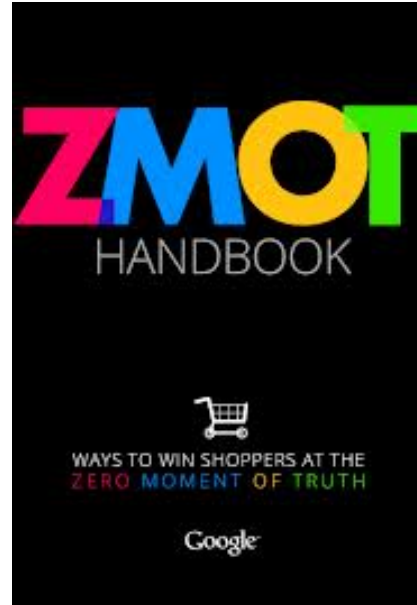
Why does CROSSMARK Care about Mobile?

Google

CROSSMARK®
The Way To Market



June 2010 CMO Forum



The dawn of mobile influence

Discovering the value of mobile in retail

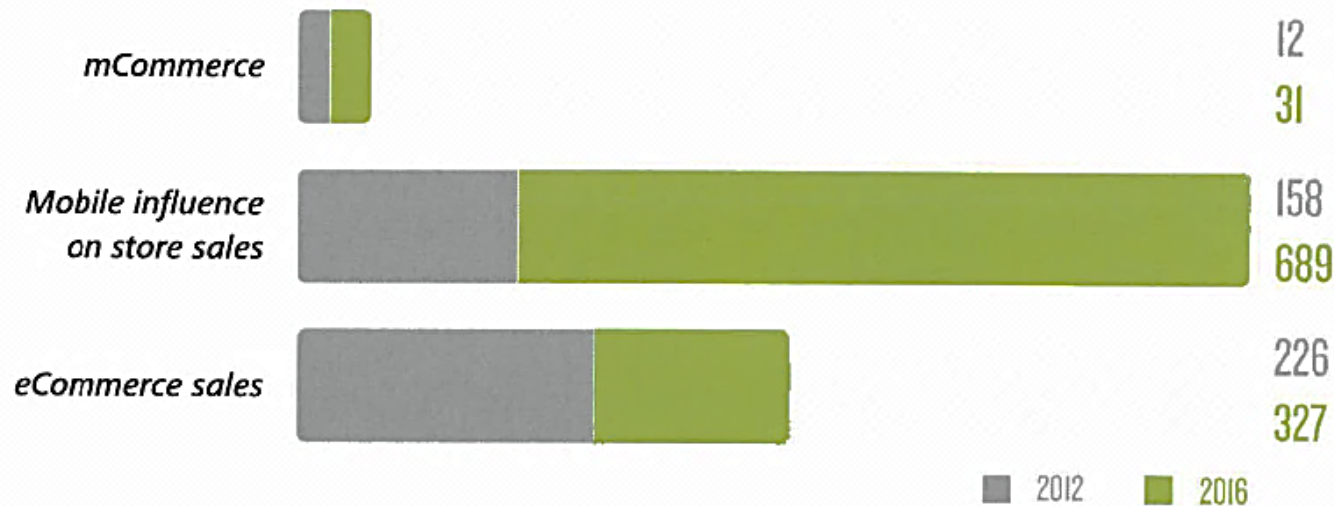


2012 Deloitte Study

- Today Mobile influences 5% of store sales, \$158 billion
- 2016 estimated 19% of store sales, \$689 billion

Mobile-Influenced store sales vs mCommerce and eCommerce sales

Sales (\$ in Billion)



Sources: Row 1: eMarketer — US Mobile Commerce Forecast: Capitalizing on Consumers' Urgent Needs; Row 2: Deloitte analysis; Row 3: Forrester — U.S. Online Retail Forecast, 2011–2016



It's All About the App...

....The retailer's App



Personalized Offers

- Integration of:
 - Search history
 - Loyalty card data
 - Shopping list
 - Location
 - Clip-to-card coupons
 - Impulse offers



Agenda:

1

The success of online advertising

2

Big picture trends

3

Challenges and opportunities

4

Planning for the Future

The success of online advertising

[Web](#)[Images](#)[Maps](#)[Shopping](#)[More ▾](#)[Search tools](#)

About 3,140,000 results (0.28 seconds)

Ads related to **bose headsets** ⓘ**[Bose® Headphones - Bose.com](#)**[www.bose.com/](#)

★★★★★ 5,244 reviews for bose.com

Enjoy Crisp & Clear Sound with Acclaimed **Headphones** from **Bose****Bose QuietComfort 15 Acoustic Noise Cancelling ...** \$299.95**Bose QuietComfort 3 Acoustic Noise Cancelling ...** \$349.95**Bose SIE2i sport headphones - Green** \$149.95**[Bose Headsets at Amazon - Big Savings on Bose headsets](#)**[www.amazon.com/Electronics-Accessories](#)

★★★★★ 965 reviews for amazon.com

Free 2-Day Shipping w/Amazon Prime!

[Bose A20 Aviation Headset - Try the A20 for 60 days. No risk](#)[www.mypilotstore.com/BOSE](#)

Free shipping, Free Returns.

[Bose | Headphones and headsets](#)[www.bose.com/controller?url=/shop_online/headphones/...](#)**Bose headphones** and headsets deliver high quality audio performance and a comfortable fit in a variety of designs. Product line includes audio headphones for ...

Noise cancelling headphones - SIE2 sport headphones - Bose products

[Bose | Headphones and headsets | Audio and mobile headphones](#)[www.bose.com/controller?url=/ /headphones/ headphones/](#)**[Shop for bose head](#)****[Bose® A20® Aviation Hea...](#)****\$1095.00**

Sporty's Pilot...

**[Bose QuietComf...](#)****\$299.95**

B&H Photo

**[Bose Around-Ear H...](#)****\$89.94**

Sam's Club

**[Bose Heads...](#)****\$164.99**

pilots

Ads ⓘ

[Headphone](#)[www.sony.com/X-Head](#)

Make a Statement with t

Why not for CPG?

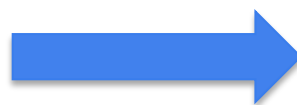
Google anti frizz shampoo

Web Images Maps Shopping More Search tools

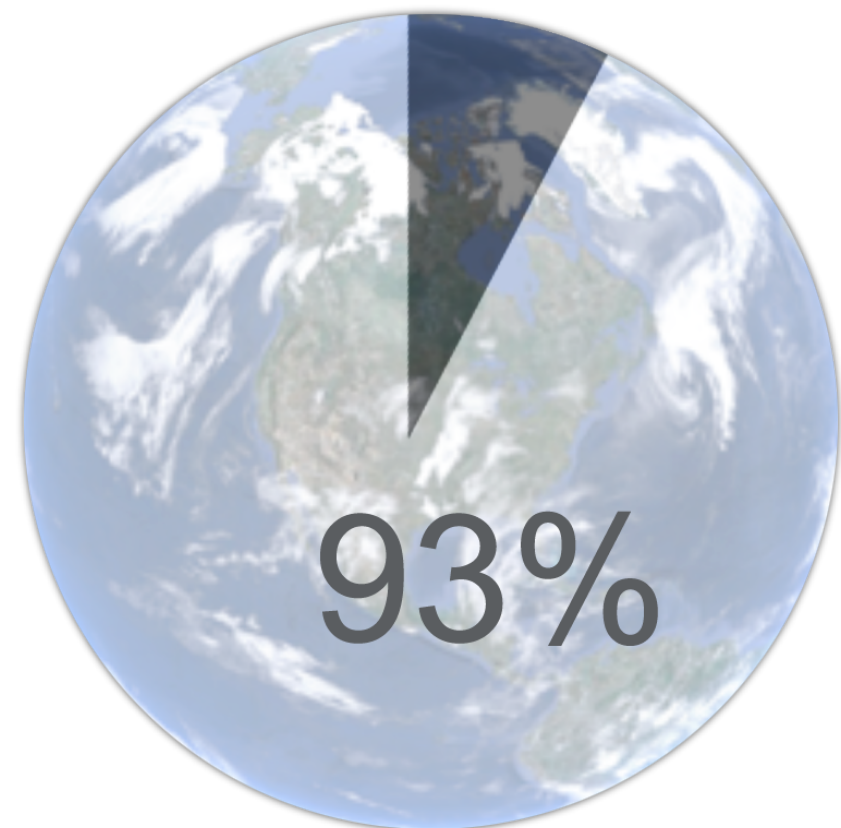
About 1,940,000 results (0.21 seconds)

Ads related to anti frizz shampoo ⓘ

Anti-Frizz Shampoo - HerbalEssences.com
www.herbalessences.com/FrizzyHair
Defeat Hair **Frizz** and Flyaways with Herbal Essences® **Frizzy Shampoo!**



Most of the world's commerce is still offline



- Online commerce represents just 7% of all retail sales
 - We've helped clients drive sales and positive ROI here
- Now, we're focused on the 93%
 - We want to create similar ROI for grocers & CPG manufacturers

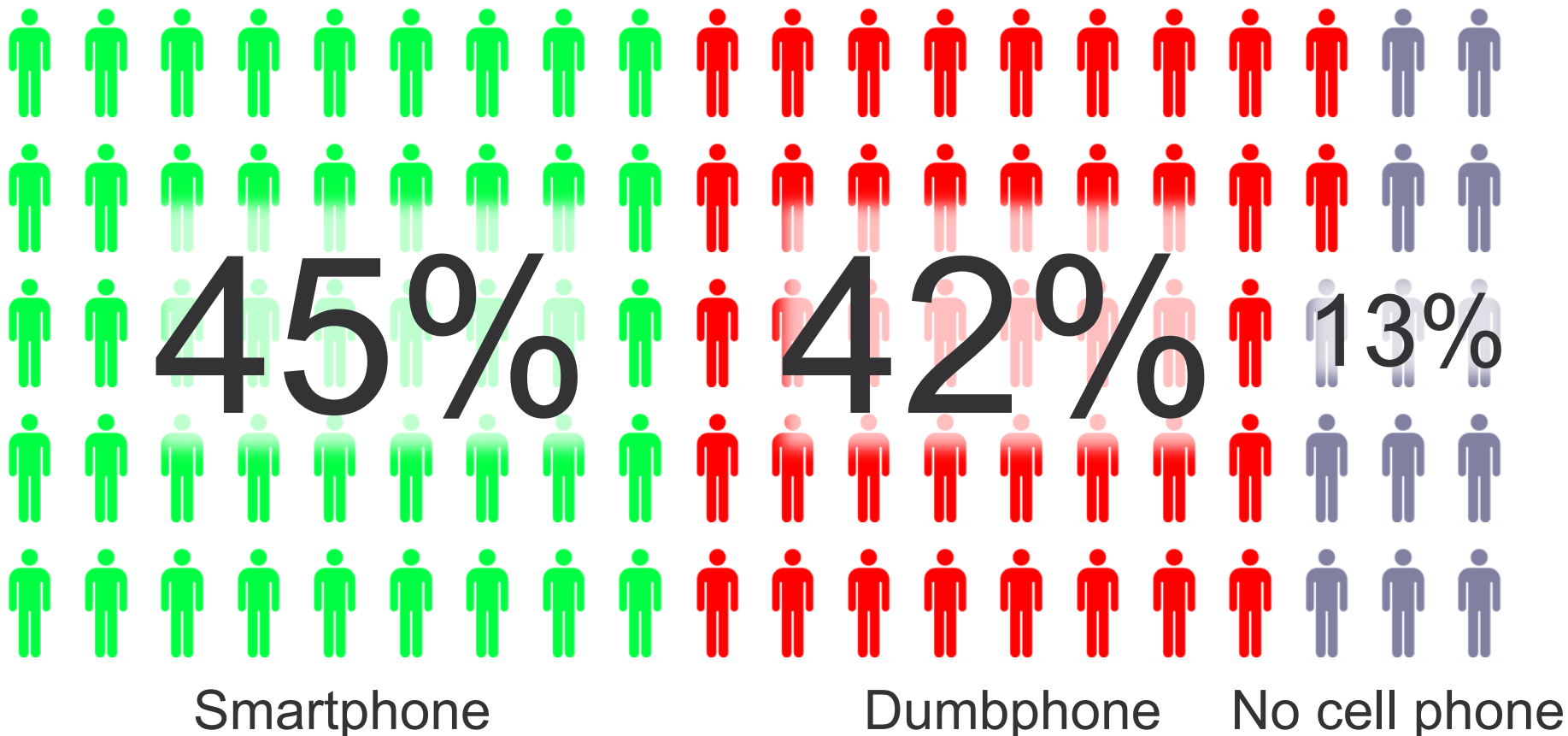
Big picture trends

A photograph of a crowd of people with their hands raised, indicating a show of hands. The image is slightly blurred, focusing on the hands in the foreground. A semi-transparent grey box is overlaid on the image, containing text and a list of questions.

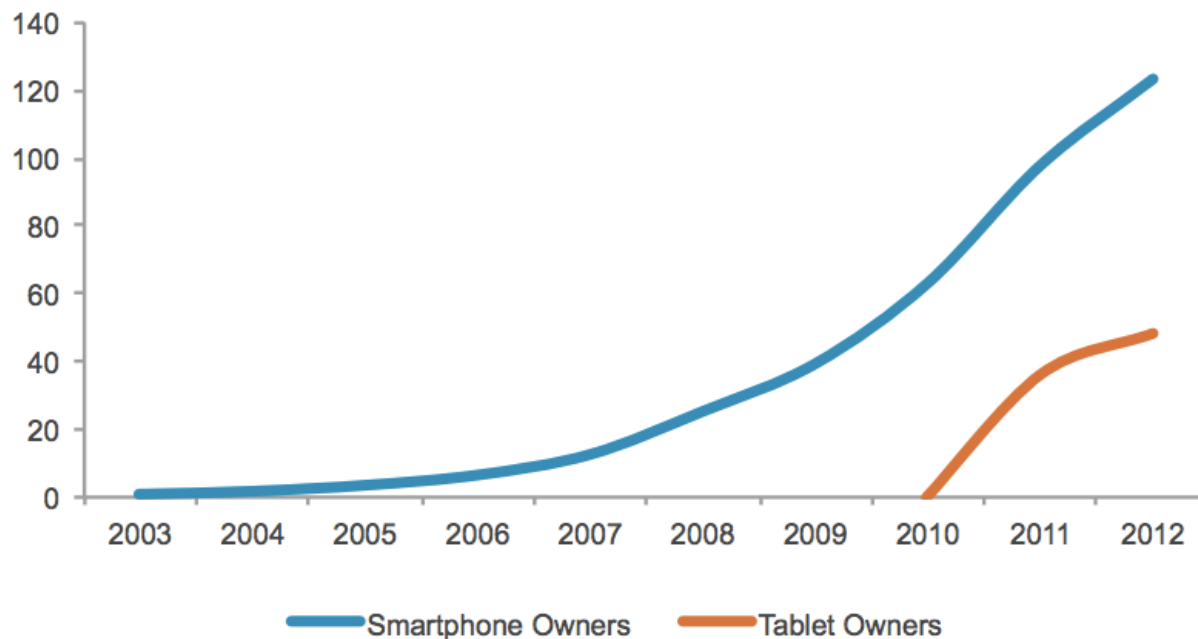
Show of hands...

- Do you get the Sunday newspaper?
- Do you own a smartphone?
- Do you own a regular cell phone?
- No cellphone?

Dec 2012 – cell phone ownership among US adults



US smartphone ownership up 30% to 125 million; tablets reach 50 million



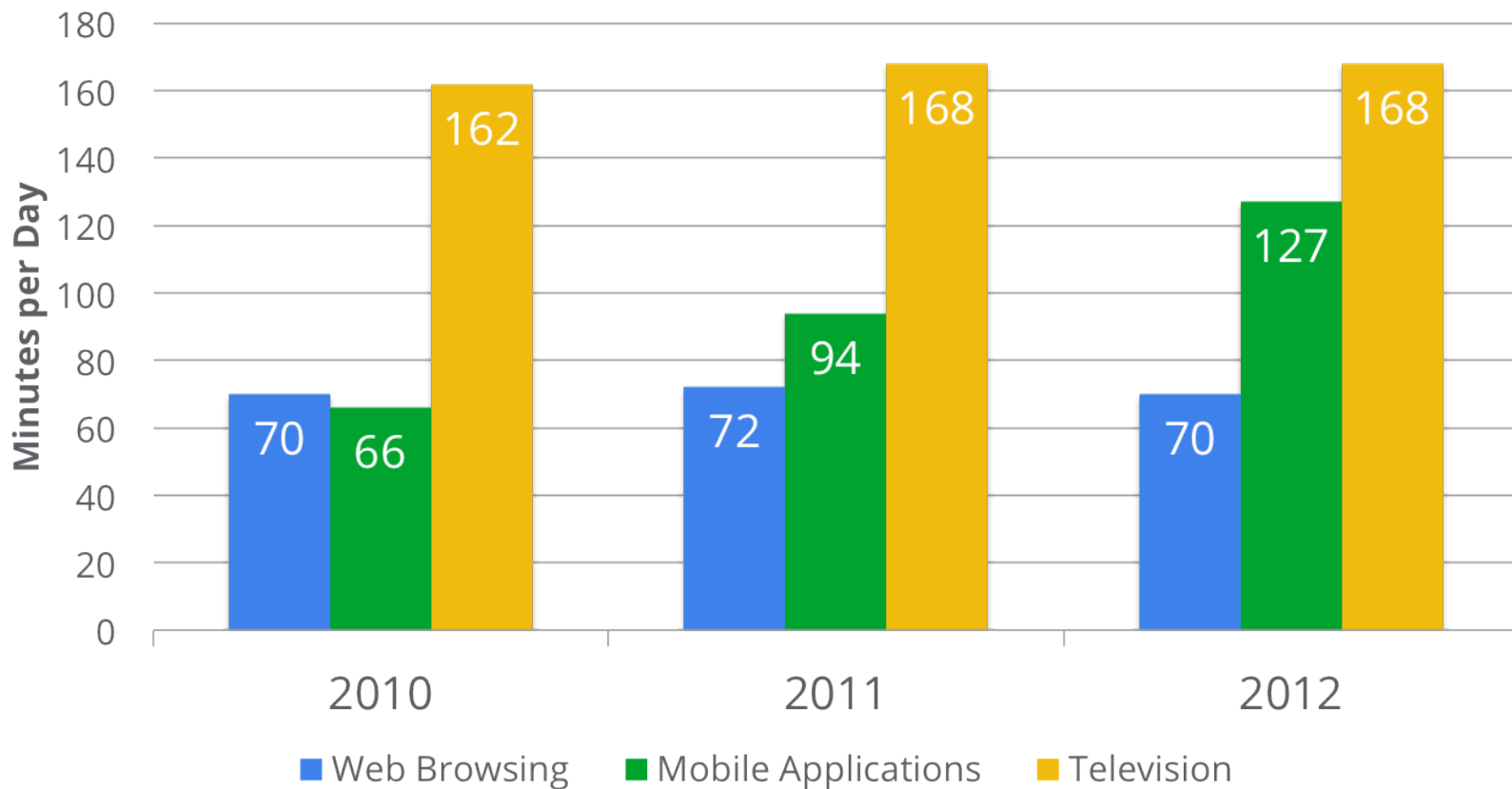
The device shift to mobile



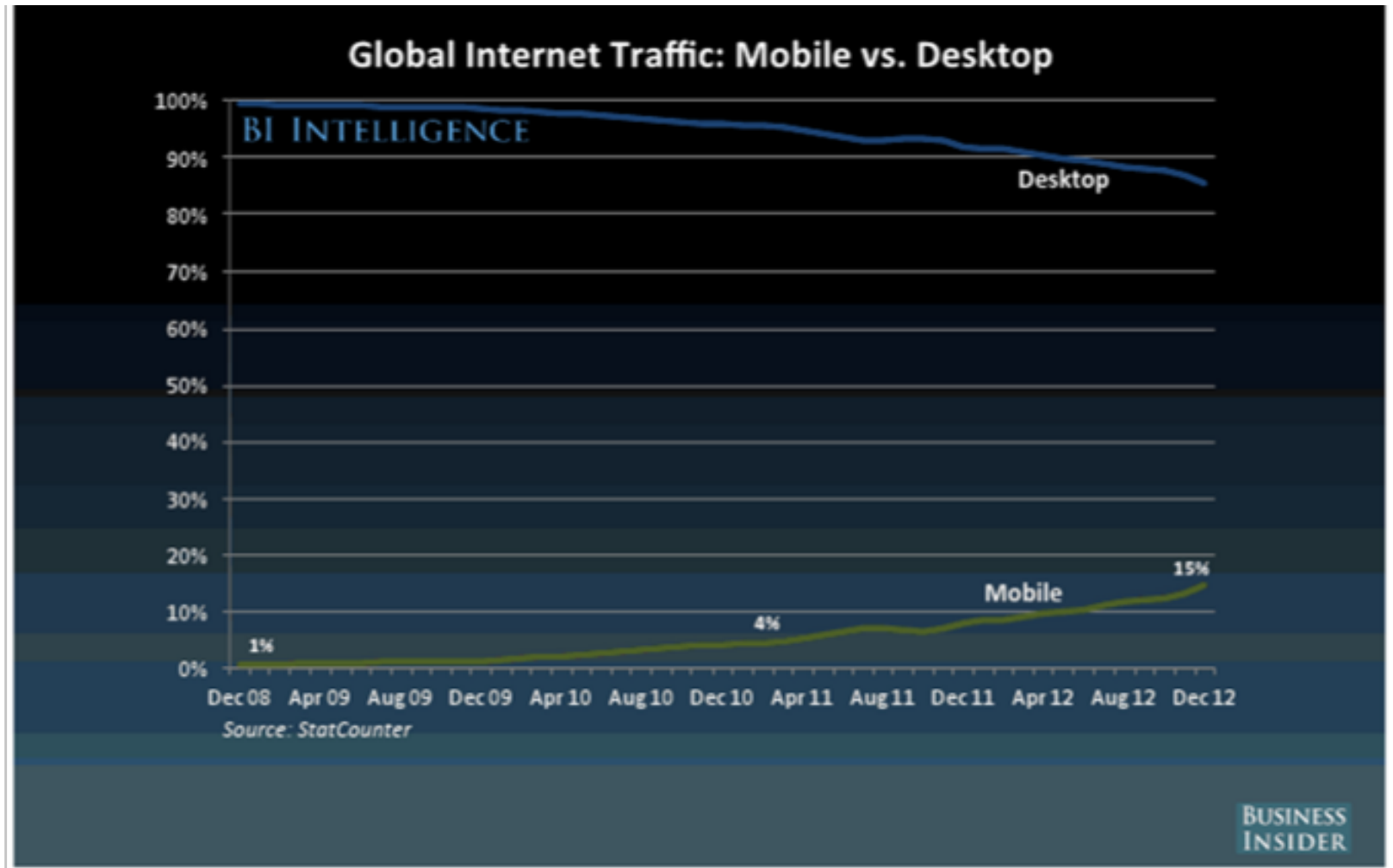
In 2011, for the first time, smartphone and tablet shipments exceed those of desktop and notebook shipments. - KPCB

The time shift to mobile

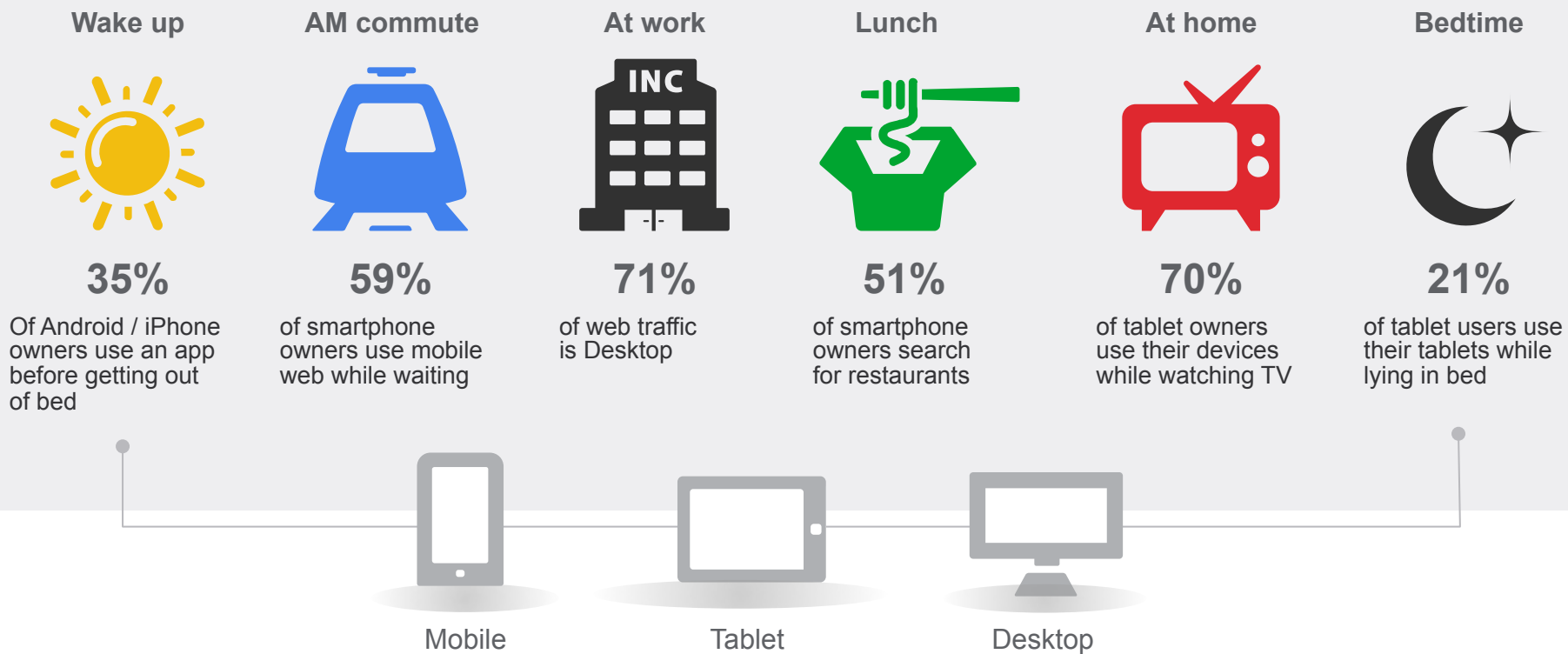
US Mobile Apps vs. Web Consumption vs. TV
Smartphone owners



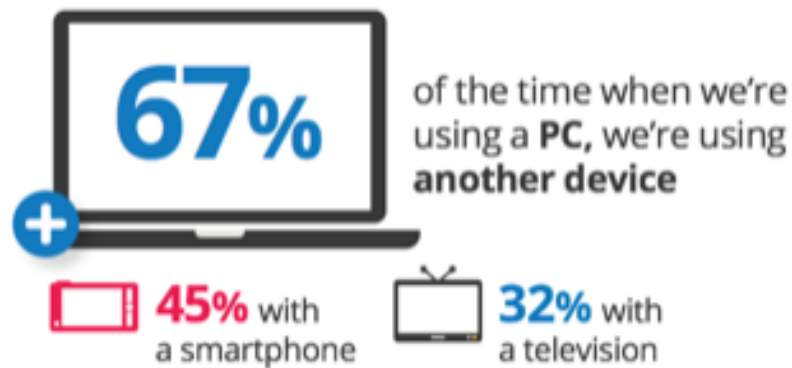
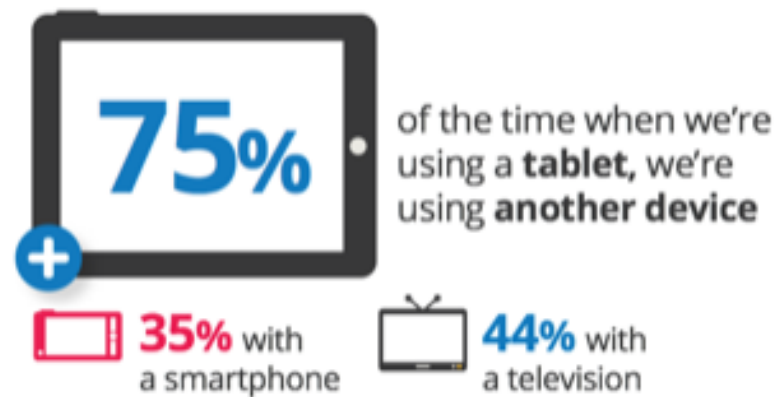
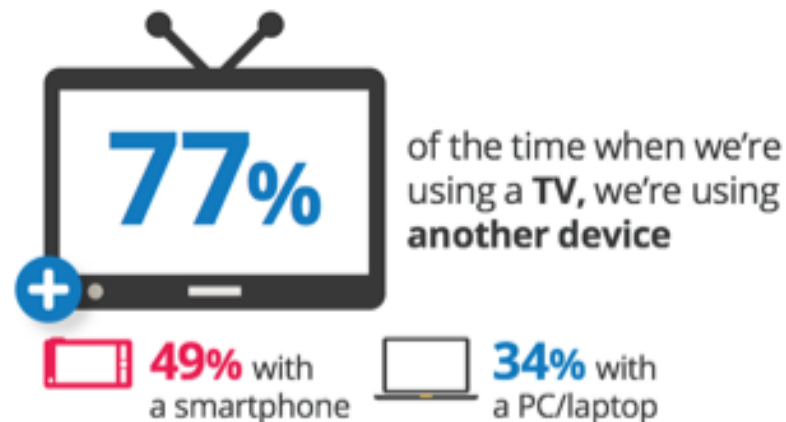
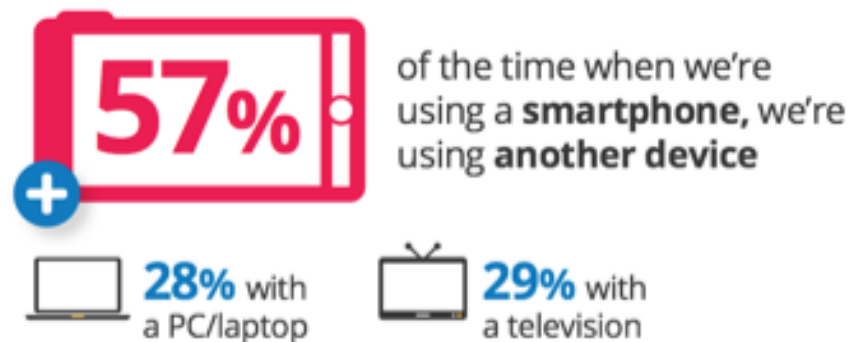
Mobile is 15% of internet traffic and on pace to exceed 25% in 2013.



Everyone, everywhere, always connected

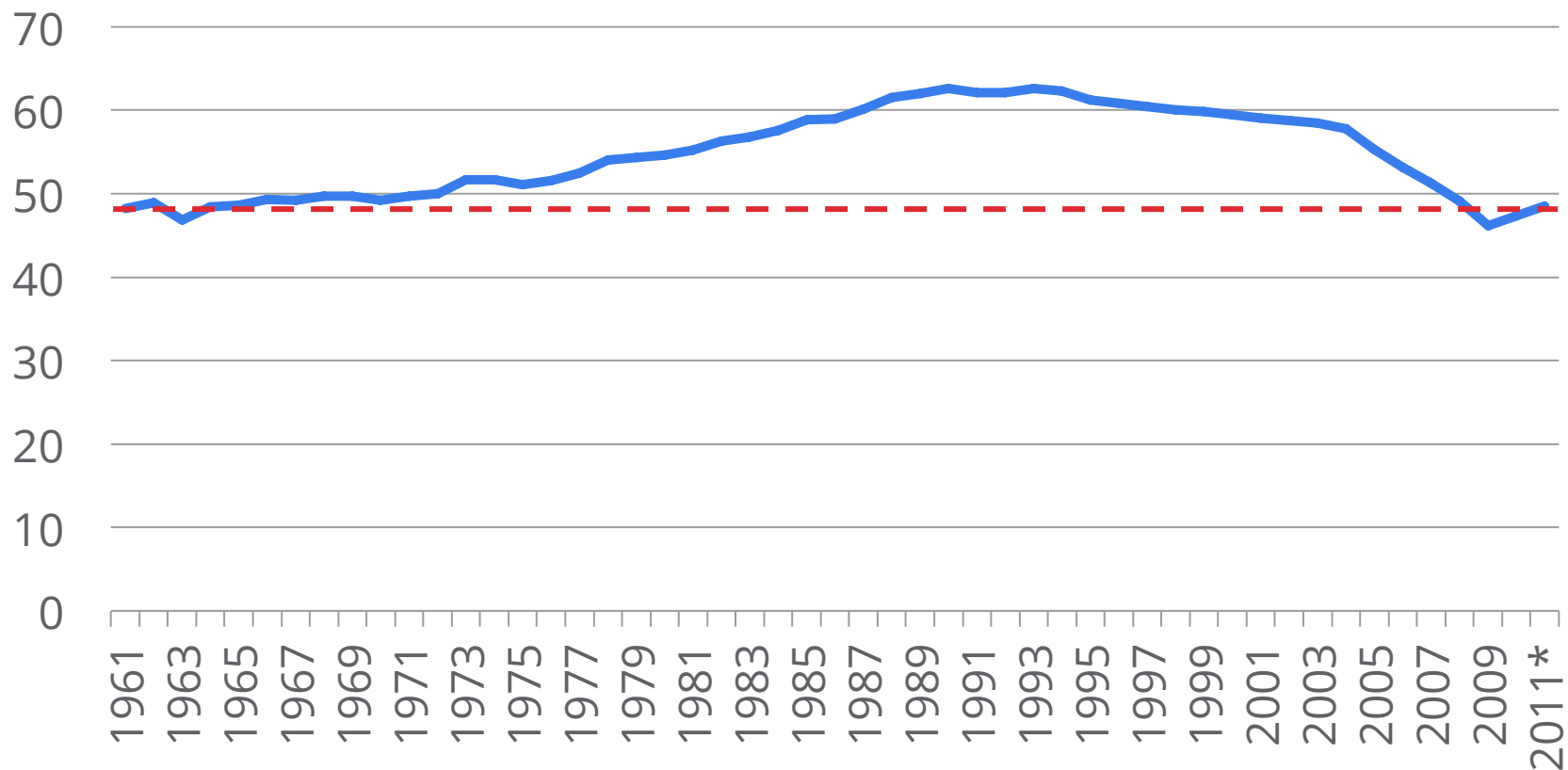


We use different screens together each day and seem to be on our smartphones all the time.



Old influencers are waning

Sunday Newspaper Distribution (millions)



* Includes paid digital circulation

The traditional Shopper Marketing mental model

Pre-Store



Stimulus

In-Store



First Moment
of Truth
(FMOT)

Post-Store



Second Moment
of Truth
(SMOT)



PORTLANDIA

YouTube interface showing a video player and a list of recommended videos.

Smartphone displaying a social media or messaging app interface.

Tablet displaying a social media or messaging app interface.

Digital technologies changed the shopper's path-to-purchase forever

90%

of all media interactions are screen based

50%

of shoppers used a search engine in the path to purchase decision

25%

Of Food and Beverage sales are online or web influenced

22%

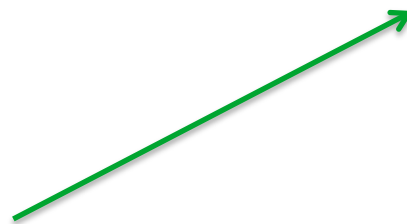
of shoppers sought info from a retailer website in the path to purchase



Shoppers Are Already Digitally Engaged

25%

of all CPG purchases influenced
by some online or mobile activity



67%

for consumer
electronics &
technology

food categories

34% non-alc beverages

19% packaged food

18% fresh food

non-food categories

38% baby & child care

26% beauty & personal care

18% cleaning & detergents

Digital Is Becoming a Primary Driver of In-Store Sales

What percentage of sales will be online or web-influenced by 2015?



Personal Care

75%



Medical Supplies

71%



Grocery

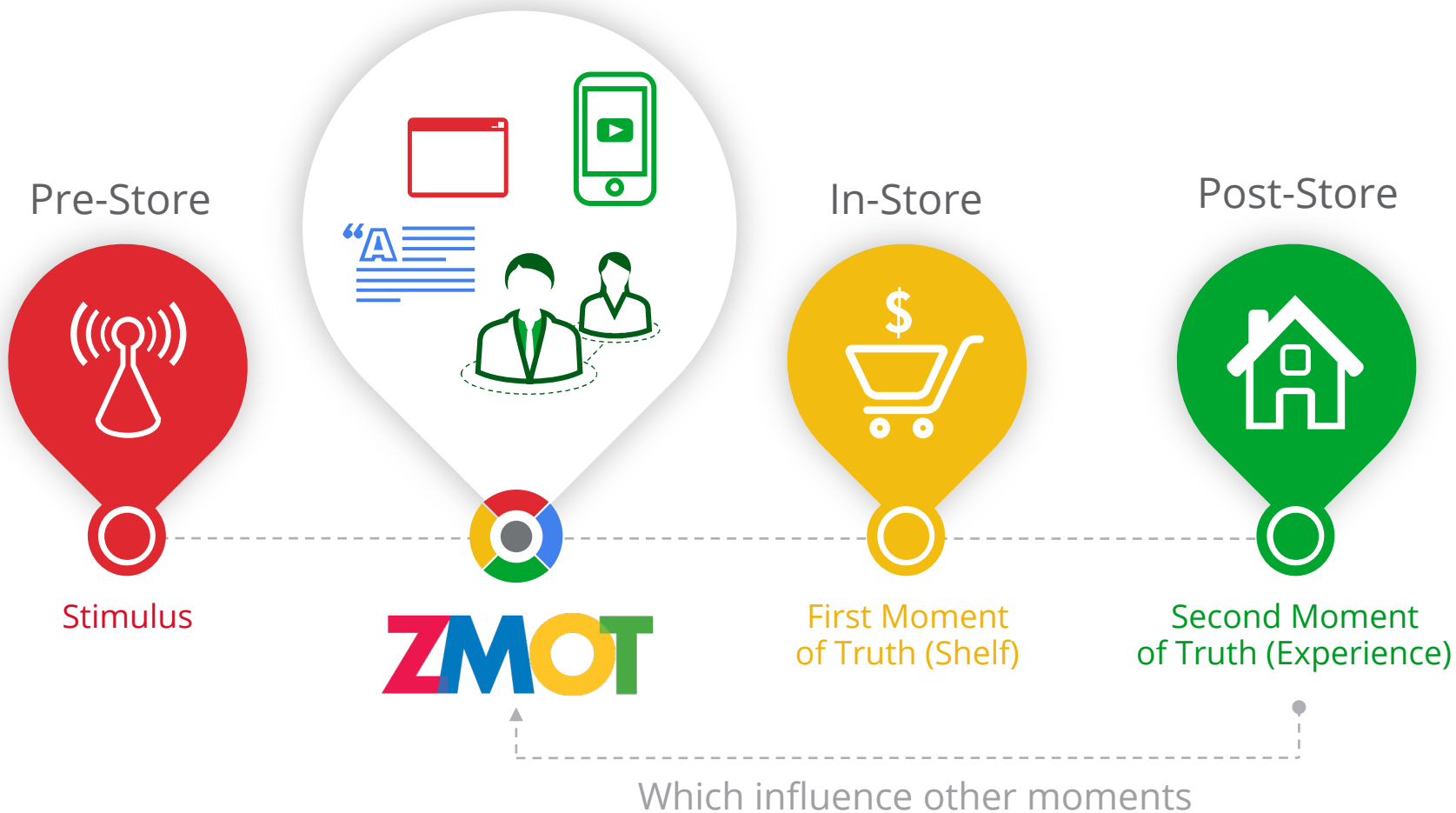
51%



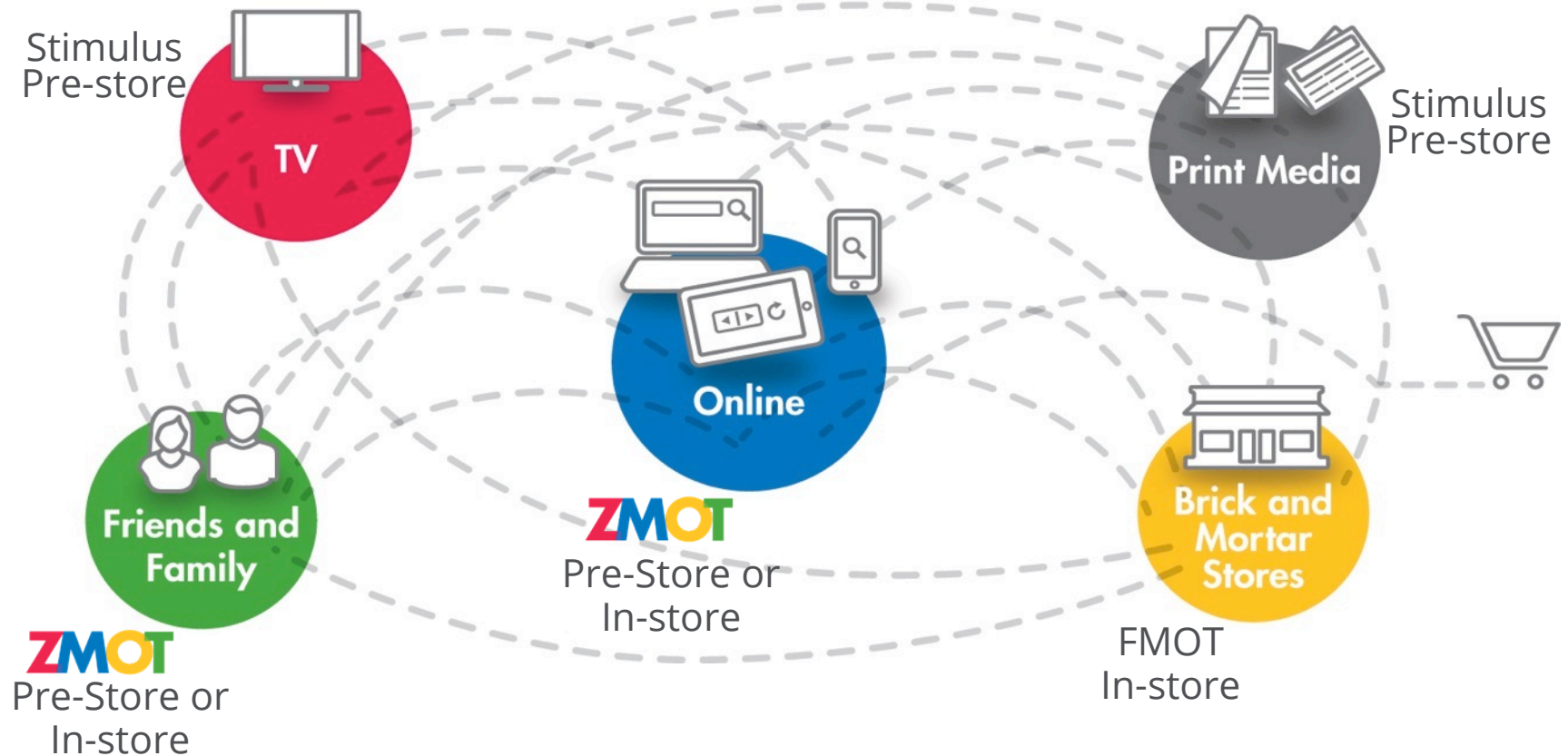
OTC Drugs

41%

Introducing the Zero Moment of Truth



The New “Many Moments” Mental Model looks like a Flight Map



People want relevant, digital coupons

65%

- “I want coupons loaded to my **store loyalty card** for products that I normally buy.”

65%

- “I want **stores to email** me with coupons for products that I normally buy.”

66%

- “I would use coupons more if they were more available online.”

Challenges and opportunities

Challenge: channel conflict

Today's average shopper shops 5 channels *each week*



How can you increase spend from your best shoppers?

Opportunity: online engagement

Top shoppers
spend an hour
per week in
their grocery
store...



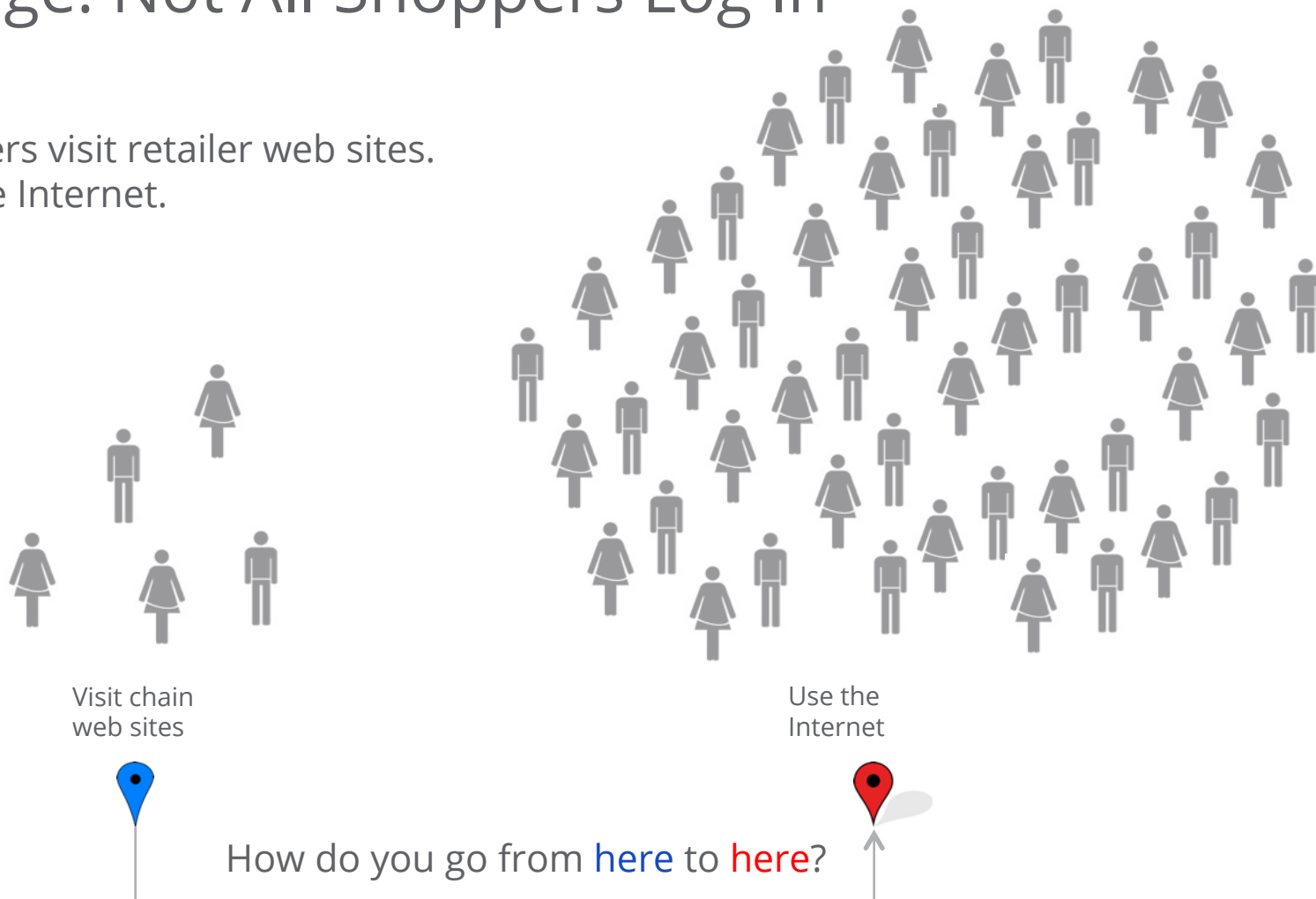
...but about 30
hours per
week online.



Can you influence them when they aren't shopping?

Challenge: Not All Shoppers Log In

Few shoppers visit retailer web sites.
Lots use the Internet.



Opportunity: mobile engagement



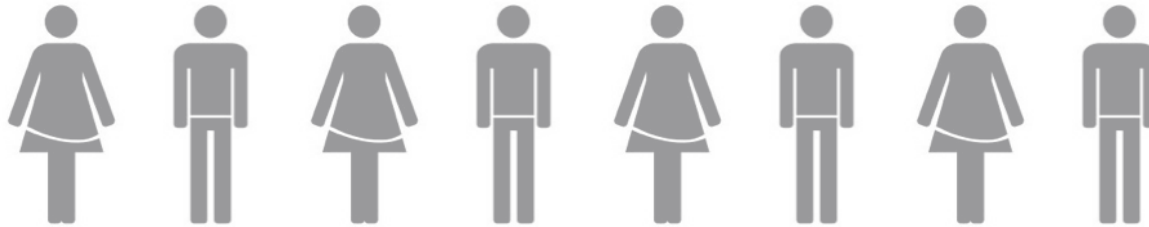
48M
Sunday
papers



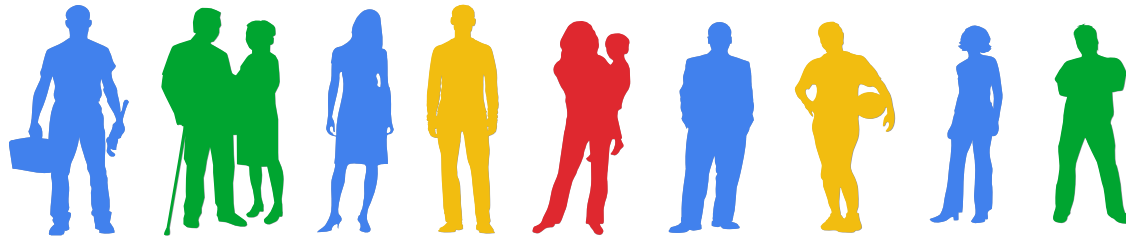
125M
Smartphones

Can you influence them when they aren't shopping?

If Shoppers Were Only Created Equal...



...But They Aren't



Top shoppers. Never buy paper.

Buys diapers but not formula

Buy private label cereal but not ice cream

Reduced spend last 3 months

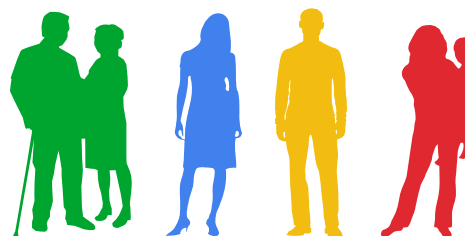
Deal Seekers Aren't Always the Best Shoppers

Deal Seekers



- ✗ Going shopping anyway
- ✗ Want deals on things they are planning to buy

Best Shoppers



- ✓ Not yet planning a trip
- ✓ Not shopping all departments
- ✓ Internet user with known interests

Closing the loop offline

Z Zavers

by Google

100% digital, measurable marketing platform for CPG products.

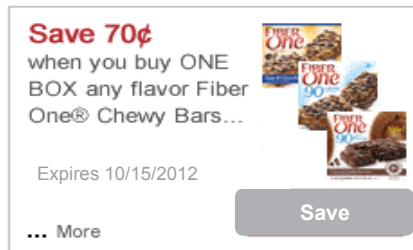
Discover

Users search for merchant promotions and manufacturer coupons



Clip & Save

Users save coupons to their account, which stores loyalty credentials



Redeem

Redeem coupons automatically when loyalty credentials* pass through to POS at checkout



*Or unique identifier

Use the entire web as your influencer

Engage millions of users, where they are spending time, every day. Precisely measure impressions, saves, redeems and sales.

Google Search

1.7B coupon-related queries in the US in 2011 (2.1B WW)

Bounty® Coupons

Get Bounty coupons with your Superb Market Rewards card.
www.superbmarket.com/bountycoupons



Google Display Network

Millions of websites – the largest display network



Google Mobile Maps

200M+ Mobile Maps users



~600 million daily impressions across Beauty/Fitness, Health, Food & Drink, Shopping, Home & Garden

Migraines & Headaches Health Home

- News
- Reference
- Videos
- Community
- Questions and Answers
- Glossary
- Medications

Migraines & Headaches Guide

- Overview & Facts
- Symptoms & Types
- Diagnosis & Tests
- Treatment & Care
- Living & Managing
- Support & Resources

WebMD **answers**

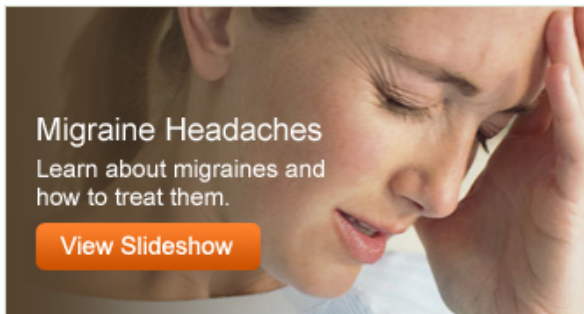
- Most Recent
- Most Popular

Q. What are the symptoms of migraine headaches?
2 answers

Q. What are the symptoms of migraine headaches?
2 answers

View All

Migraines & Headaches Health Center



Migraine Headaches

Learn about migraines and how to treat them.

View Slideshow

Migraine Phases

Get to know them.

Migraines & Sex

Tips to help.

Parenting With a Migraine

Try these 6 tips.

Migraine Overview

Migraines and other types of headache -- such as tension headache and sinus headache -- are painful and can rob you of quality of life. Migraine symptoms include a pounding headache, nausea, vomiting, and light sensitivity. Headache remedies include various types of pain relievers. Migraine treatments may also include anti-nausea drugs and medications to prevent or stop headaches.

Select a Chapter Overview & Facts

Latest Headlines

GET NEWS UPDATES | RSS HELP



More Sleep May Help Some People Feel Less Pain
Not getting enough sleep? Some extra zzzs each night may improve more than just your daytime alertness. New research shows more sleep may also improve your ability to withstand pain.

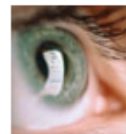
Read Full Article

Top Stories

More Articles

- Migraines' Brain Changes Not Linked to Mental Harm
- Spine Infections Hit Fungal Meningitis Survivors
- More Drug Shortages in Fungal Meningitis Aftermath
- FDA: 2 More NECC Drugs Contaminated
- Caffeine Can Affect Headache Pain

Today in Migraines & Headaches



SLIDESHOW
Eye Problems: What They Look Like



ARTICLE
Migraines With Auras



SLIDESHOW
See What Migraines Look Like



SLIDESHOW
Surprising Headache Triggers



SUPERB MARKET

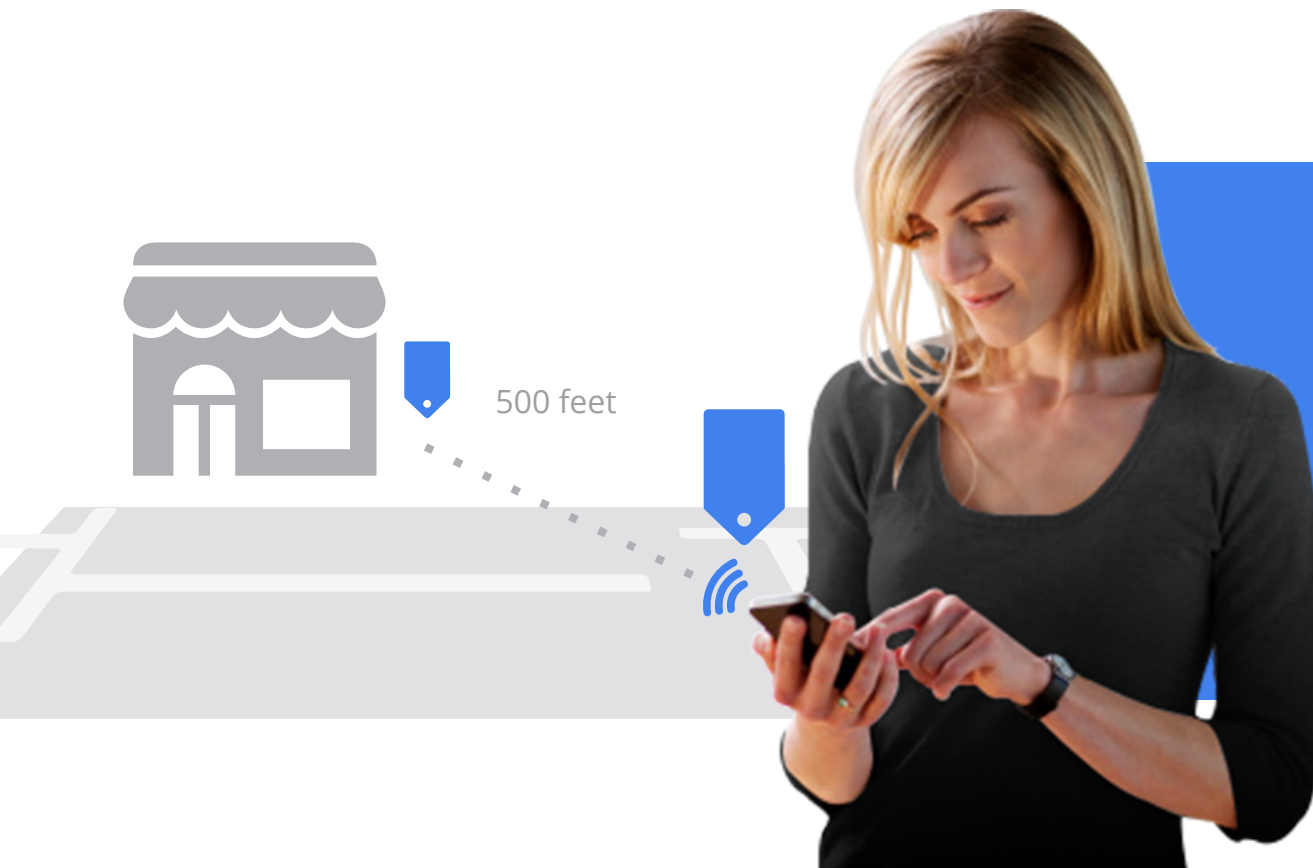
Save \$1 on any Advil or Advil Migraine 20ct or larger

View offer



Offer reminders on a mobile device

A seamless on-the-go experience for consumers



Real-time reminders of saved offers when consumers are near your store location

Automatic reminders when offers are close to expiring.

Planning for the future

Reach



Relevance

VANDE ROSE FARMS
made in U.S.A.
Nutrition Facts
Serving Size 3 Ounces (85g)
Amount Per Serving
% Daily Value
Total Fat 10g 20%
Protein 10g 20%



Delicious for
Chanukah

Boneless Smoked Ham

\$6.29 /LB

Does relevance matter?

Users are up to

85x

more likely to click on an ad sent to them in-store versus a typical banner ad.

Trust

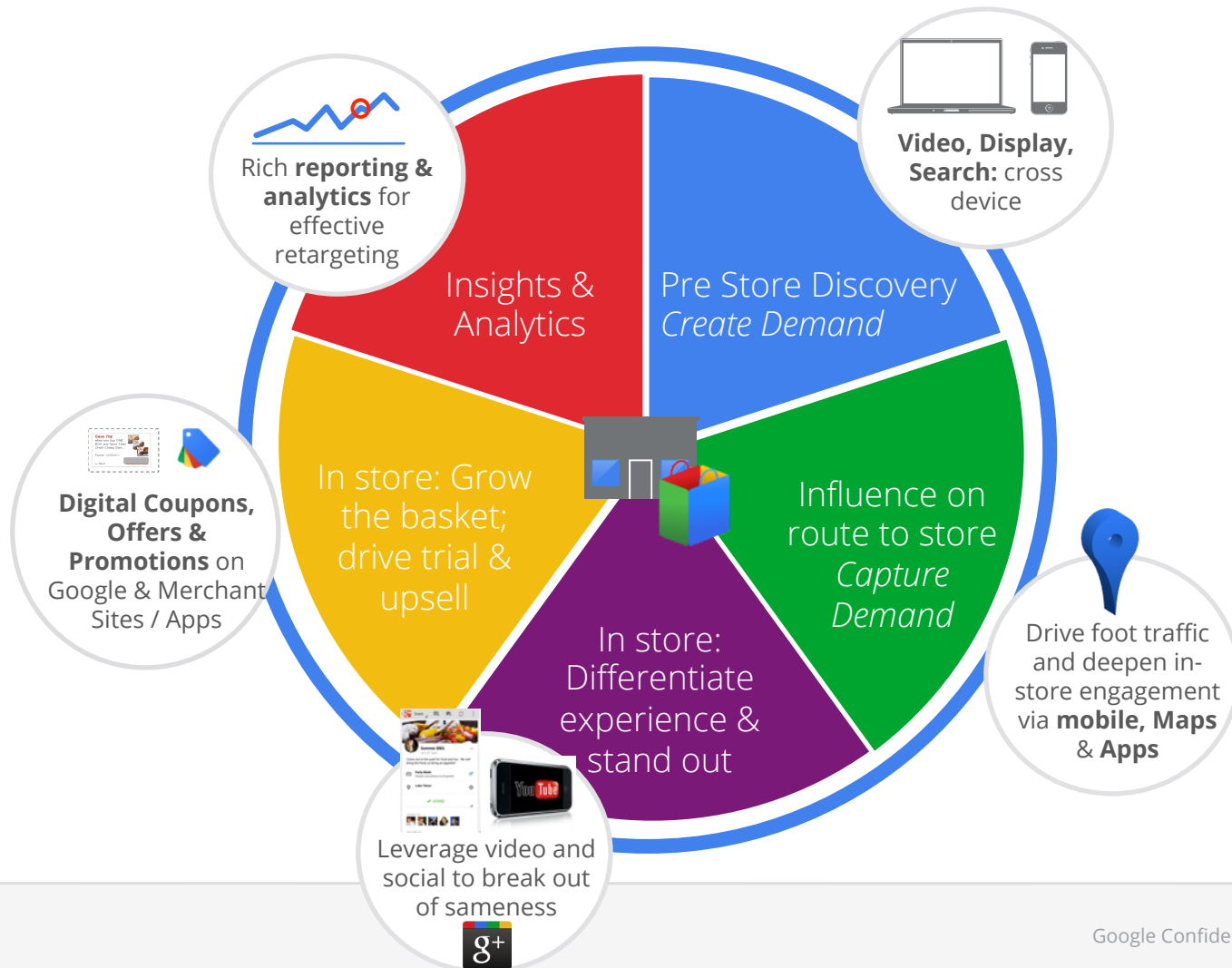


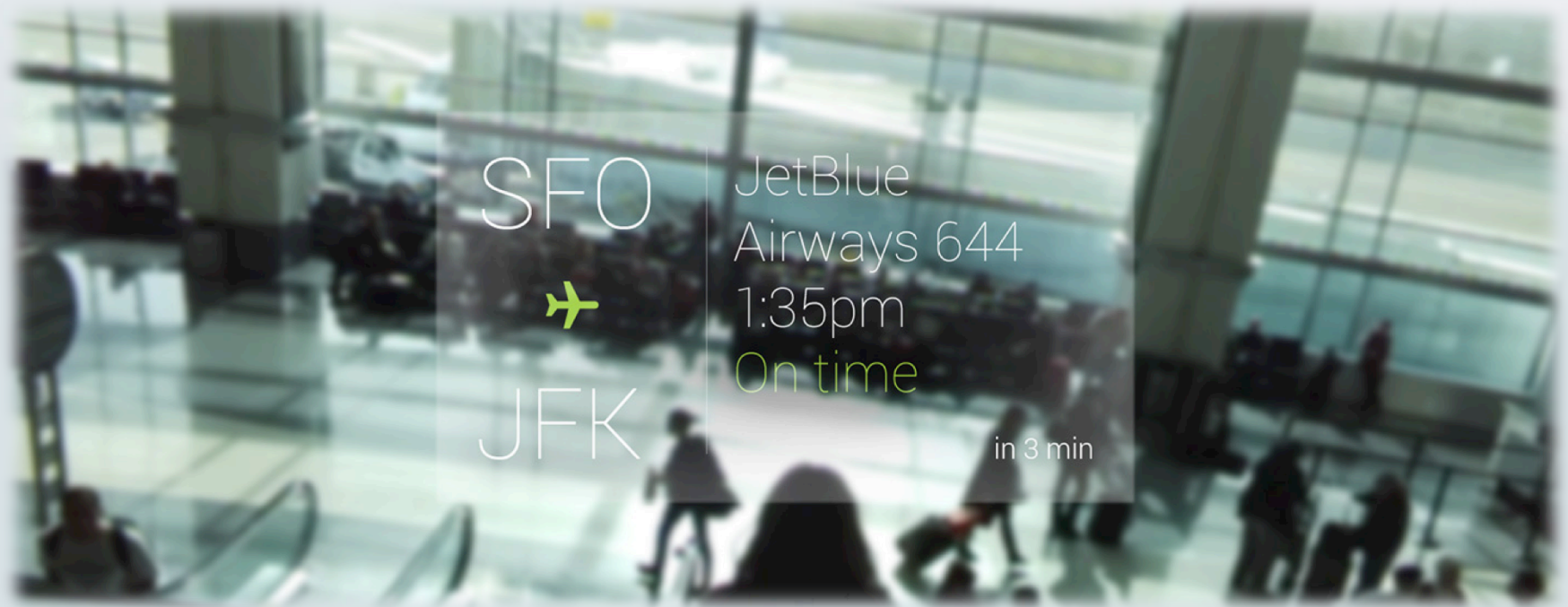
Simplicity



Measurability

Partnering to Win Moments that Matter on Your Shoppers' Path to Purchase...





SFO



JFK

JetBlue Airways 644

1:35pm

On time

in 3 min

Next steps

- Educate yourself- be “App-curious”
- Set a great example
- Demand your teams participate
- Engage with Retailers and Suppliers

Management Trainee Program

- Fifty seven future leaders



Mobile Payments



Spots Brand Promise to Shoppers



Relevant, trustworthy and simple.



*All parts that come into contact with



KEURIG K-CUP™



MINI Plus

GOURMET SINGLE CUP HOME BREWING SYSTEM

PERSONAL BREWER

Brews in under 2 minutes
Compact size
Choice of 3 cup sizes
Simply add fresh water for each cup

Enjoy beverages hot or brew them over ice
BPA free*
Includes a bonus variety of 12 K-Cup® packs

Always look for the Keurig Brewed® seal on over 200 varieties of gourmet coffee, tea & hot cocoa



*All parts that come into contact with water or K-Cup® pack contents are BPA Free

KEURIG 831 MINI SINGLE SERVE RED
\$99.99



KEURIG K-CUP™





Ready to Use Do Not Add Water

6 NEW!
Plastic Bottles

Natural Defense
Dual Prebiotics
Blend

Clinically Proven
Triple Health
Guard

Growth

Brain & Eye

Immune
System

Enfamil
PREMIUM
Infant



1 Infant Formula
Milk-Based with Iron
0-12 months

6-8 FL OZ (237 mL) BOTTLES
(1.5 QT • 1.42 L)



12/09/2012 340875-10242
215 50565099A

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8/8 OZ

9.97

sale

15%
Off

EXQUIRES CLEARANCE
ENFAMIL
INFANT FORMULA
• MILK-BASED
• PREBIOTIC BLEND
• 6 8 FL OZ

0201-02

6 - 12.9 OZ (366 g) CANS





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1798240 **189.99**

189⁹⁹
GRACO NAUTILUS 3-IN-1 BOOSTER

GRACO
Nautilus 3-in-1 Booster

- 30-100 lbs, 40"-57" tall as high back
- 5 point harness as high back
- Cup holder and storage in arm rests

  
shop for more
www.graco.com



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50.99
price drop
36⁹⁹
SAVE 14.00
DUCKHORN
MERLOT
2009



FLORA SPRINGS V. ALST
47.49
price drop
39⁹⁹
SAVE 7.50
FLORA SPRINGS
TRILOGY
2009

2
SAVE 5
WESTERN
COUNTRY



Thank you!

Ben Sprecher
sprecher@google.com