Closing the Grocery Shopper Experience Gap

Mass Marketing Increases Churn While Poor Data Quality Prohibits Personalization

Mass marketing is increasing churn amongst grocery shoppers who want to be more than a shopper card to preferred grocers. Personalization is now a customer expectation and, while grocery Marketing Managers and Category Managers collect thousands of data points, they're not collecting the data required for personalization. It's time to add loyalty into the mix in order to collect the data necessary to reduce churn and deliver on customer expectations.

Challenges Impacting Personalization in Grocery

Fragmented Data

Disparate or lack of data collection creates profile inconsistencies:

- Missed opportunities to collect zero party data
- Customer is always "new"

Disconnected Systems

Lack of integration to identify individual shoppers from system to system doesn't tell the full story:

- Customer value is "stuck" in departments
- Attribution is inaccurate

Segmentation Efficacy

Lack of effective target groups increases expense of marketing high value products:

- Casting a net vs. spear fishing campaign audiences
- Lower engagement, higher cost

Get to Know Your Customers

Improve targeted marketing performance with progressive customer profiling that captures and integrates shopper data for hyper-personalization. Collect insights across channels and build a profile over time to:

Incentivize Information Exchange

Create opportunities to collect data in exchange for personalized value.

- Survey to understand preferences
- Attract churned/ at-risk shoppers

Execute Integrated Campaigns

Ingest and map data from all channels to campaign and offer systems.

- Accurately forecast offers
- Tie cross-channel behavior to individuals

Understand the Individual Shopper

Go beyond transactions and create individualized experiences with a golden record.

- Market to an audience of one
- Create brand advocates
- Optimize channel tactics

Annex Cloud & SAP Deliver a Turnkey Solution

Combining the Annex Cloud Loyalty Engagement Platform with the SAP Customer Activity Repository with Promotion Management and the SAP Emarsys Customer Engagement Platform creates an ecosystem of insights. Enable teams with Annex Cloud's capabilities:

Zero- and First-party Data Collection

Seamlessly collect unlimited valuable zero- and first-party data to uncover what's most important to individual buyers. Progressively profile high value customers to keep up with lifestyle changes, shopping locations, dietary needs and much more.
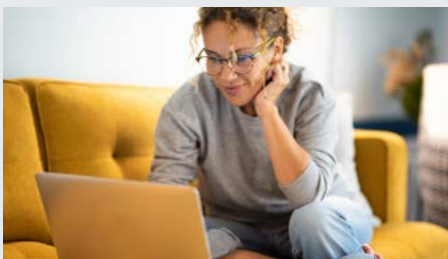
Special Offers and Personal Experiences on Preferred Channels

Create relevant offers and experiences individually focused, positively impacting marketing results with customer profiles enriched by loyalty data. Plan and execute personalized offers for 1-to-1 campaigns that incentivize same-store purchasing.

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Motivate Behaviors That Matter

The Annex Cloud Loyalty Experience Platform provides personalization with the push of a button. Encourage actions to complete the shopper profile by incorporating loyalty activities with category offers and marketing tactics:

Product-centric Loyalty Activities

- Redeeming manufacturer coupons
- Repeat purchasing
- BOGO and multiple buy offer redemption
- Multi-save and conditional offer redemption
- Product feedback

Social Loyalty Activities

- Social referring
- Social sharing
- Branded hashtag usage or @mention
- Social sign in
- Social engagement
- Social contest participation

Behavioral Loyalty Activities

- Publishing reviews
- Account creation
- Newsletter sign up
- App download
- Completing profile
- Event attendance
- Paying with points

Personalization Drives Loyalty, Loyal Shoppers Drive Business

Loyal shoppers expect personalization and reward brands that provide individualized experiences:

68%
Increased spending

8X
More value than non-loyal shoppers

4X
Store visit frequency than non-loyal shoppers

(Source: Winsight Grocery Business)

Increase Revenue Growth & Market Share Amongst High Value Customers

The ultimate benefit of this integrated solution is the ability to:

30% — Influence buying behaviors, purchase frequency, order values and LTV by up to 30%

Increase market share ↑ **5–15%**

Improve Category & Marketing Campaign Effectiveness

Personalization is critically reliant on data quality and relevance. Category Managers need consistent information to optimize product offers and Marketing Managers need timely data to deliver targeted channel messages—both reaching high value customers to impact conversion and growth.

Shoppers care more about the offer than the product brand when purchasing. 52.3% of shoppers cited promotions and discounts as actions that would improve their merchant loyalty, but only 5.8% cited product availability as a factor when deciding where to grocery shop (Source: Pymts). Identifying the right shopper, with the right product offer, at the right time, in the right channel increases offer effectiveness.

Category Managers can:

- Validate category attractiveness
- Utilize insights to motivate shoppers
- Accurately represent the customer to the supplier community
- Increase center store purchases

Marketing Managers can:

- Leverage zero- and first-party data
- Create brand loyalty and value
- Identify high value customer segments
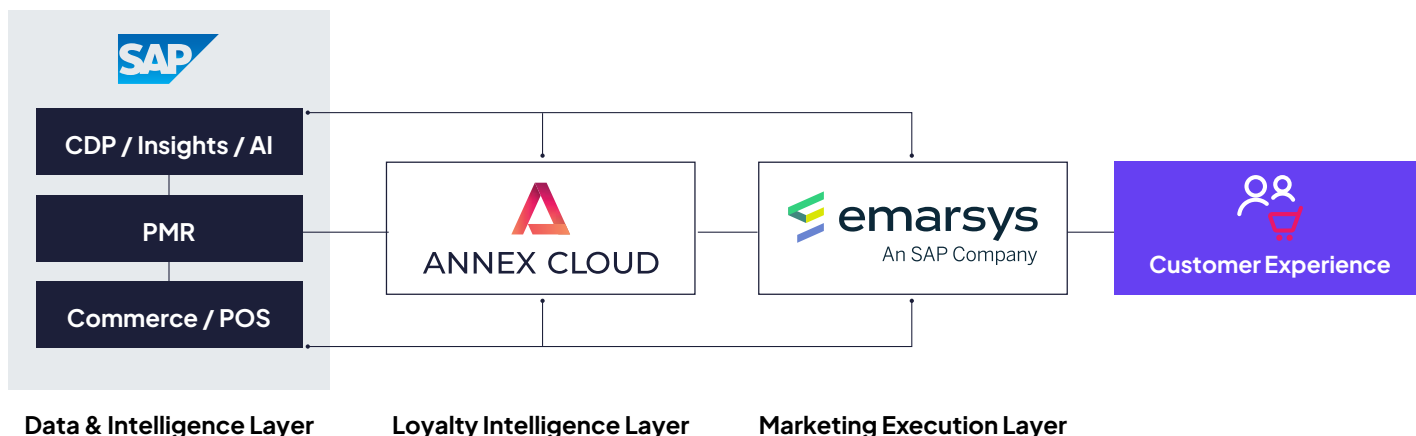- Increase brand awareness and engagement

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ANNEX CLOUD

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Seamless, Integrated Technology Solution

Data & Intelligence Layer   **Loyalty Intelligence Layer**   **Marketing Execution Layer**

Supercharge the SAP PMR Platforms

- Fully integrated with the SAP CAR/PMR platform with the Annex Cloud Open API
- Create more effective targeted and vendor-funded promotional and advertising campaigns
- Utilize vendor funds to drive more adoption
- Put the power of data traditionally reserved for marketing teams in the hands of Category Managers

Enhance the SAP Emarsys Customer Engagement Platform

- End-to-end integration with the SAP Emarsys omnichannel marketing solution
- Hit the target every time with enriched customer profiles for hyper-personalized campaigns
- Gain channel performance visibility from message to purchase
- Trigger automation across the lifecycle based on behavior, purchase history, and engagement

Built for Scalability

- Out-of-the-box capability for multi-brand, multi-currency and multi-language to deploy across multiple brands and multiple region
- Launch different experiences, in different regions of the world with this seamless multi-tenant solution
- Connect other departments with 125+ integrations
- Scalability is not just for the technologist— it also means individual shoppers or groups of like-minded shoppers are accessible to the entire company

Enabling Marketing & Merchandising With Complete Data Increases Profitability

The right technology is key to grocers achieving their growth strategy. Let's explore how to make every shopper's experience more personal and profitable.

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