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Digital Shopper Marketing Poised for Explosive Growth, Yet Few Technologies Are Winners, Reports Catapult

WESTPORT, Conn., November 7, 2011 – Today's shoppers have an abundance of tools at their fingertips, but most rate only a select handful as clear winners, reports the third annual comprehensive study of Digital Shopper Marketing (DSM) from Catapult Action-Biased Marketing. The groundbreaking study, designed to better understand consumer perceptions and behaviors around more than 30 DSM tools, was conducted with research firm IPSOS-OTX, offering the most thorough assessment available of the current state of Digital Shopper Marketing.

"The rapid growth of DSM tools has forced brands and retailers to shift their focus and budgets along the path-to-purchase, away from above the line spending," says Brian Cohen, Director of Digital Shopper Marketing at Catapult. "But while technology has changed shopper behaviors, it has yet to catch up with the wide array of shopper need states."

Catapult's online study of more than 1,200 consumers, which builds on its prior DSM studies in 2009 and 2010, features the following key findings:

DSM is Clearly on the Shopper's Radar – More than three-quarters of the 34 tools surveyed topped 50 percent awareness among shoppers, while 58 percent who are using DSM technology experience "positive satisfaction". Who is the biggest gainer among DSM tools since last year? Redbox, which rose to fifth most popular in usage among all tools.

Technology is Driving Behavioral Change – A solid majority (68 percent) of consumers who have used digital technology have altered their shopping habits as a result, whether it's more time spent shopping, faster decision making or interest in featured products. This is up from 58 percent in the 2010 study.

Many Media Darlings Not Proving Helpful – Scanable QR codes, location-based check-ins, and other media-hyped tools have yet to provide a significant impact at retail, as shoppers do not find them helpful, and use them infrequently. "These tools are engaging and exciting on the surface, but they're flunking the ultimate litmus test in being helpful for shoppers," adds Seth Diamond, Catapult's VP of Insights.

Social Media a Non-Factor for Shoppers – Shoppers are not turning to Facebook, Twitter or other social media to help research, plan or influence their trips. "While these tools are assuming a more relevant place in many marketing budgets, social media hasn't played an appreciable role in influencing shopper behavior," Diamond explains. "Brands and retailers need to re-examine how social media fits within their overall shopper mix, and re-invent its place and desired usage."

Privacy Biggest Roadblock – 74 percent of shoppers surveyed have expressed concern about privacy when leveraging DSM tools, with nearly one-quarter of those limiting their use as a result. “As technology becomes more personal, it’s not surprising to find shoppers expressing unease with how much access and information they’re sharing,” explains Cohen. “This presents an opportunity for brands and retailers to capitalize on the heritage and trust they’ve established with shoppers to create new pathways for DSM adoption.”

“This is an exciting time for shopper marketing,” notes Diamond. “There’s a steady stream of DSM innovation that continues to redefine the rules of engagement between shoppers, brands and retailers, providing an opportunity to deliver breakthrough experiences at each step along the path-to-purchase. We’re thrilled to be at the forefront, contributing our insights and experience to shopper marketers in this dynamic environment.”

About Catapult Action-Biased Marketing

Catapult is an action-biased marketing solutions agency. Catapult focuses on creative strategies that prompt consumers into action and drive consumer trial, repeat purchase, and loyalty for client brands. Catapult brings a deep understanding of the brand, consumer/shopper, and retailer to every client assignment. Catapult’s retail insight and genuine depth of shopper marketing knowledge is a core differentiator that sets it apart.

Founded in 2005, Catapult is a full-service agency providing consumer and shopper strategic insights, consumer promotions, shopper marketing, interactive (Web, mobile, CRM), direct, experiential, sales analytics, and merchandising, all through an integrated team approach. Its in-house analytics team tracks ROI and post-performance metrics for every program.

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