



Digital Shopper MarketingSM Study

A First of its Kind Landmark Study
Conducted by Catapult Action-Biased Marketing and Forrester

November 16, 2009

Overview

Catapult Action-Biased Marketing partnered with Forrester Research to conduct a 20-minute online survey among 1,100 U.S. head of household primary grocery shoppers. The study was fielded in July-August.

Objectives

To better understand the awareness and usage of digital shopper marketing technology in the shopping process, the role these technologies play in shopping and purchase decisions, and the opportunities for marketers and retailers to reach and activate shoppers when they are planning their shopping trip, as well as, at the critical point of purchase.

Sponsors

Commissioned by Catapult's Digital Shopper Marketing team, the study represents the first of its kind to focus on the role of digital technologies in shopping and purchase decisions rather than on consumer adoption of these technologies. Catapult chose Forrester Research because of its longstanding reputation and involvement in retail understanding and analysis. Besides the U.S. Census, Forrester's Technographics studies are the most extensive and longest-running surveys of the impact of technology on consumer trends and demands. The organization fields surveys to better understand consumer use of technology, media consumption, advertising behaviors, technology preferences and demographics.

Structure

The survey was designed to assess the type and degree of technology use among shoppers and gain insights into their online behavior with respect to retail. Catapult also sought to understand shoppers' use of mobile and instore shopping technologies (IPTV, Kiosks, Self Checkout, etc.). The study aimed to identify shopper demographics, shopping habits and the extent to which shoppers used digital technology along their path to purchase.

Some Key Findings

1. The most successful innovations –the ones that are being used by shoppers and actually influencing purchase decisions - deliver one or more of the following three benefits:

a.) Provide shopper value - Offer the shopper relevant price-off coupons and promotions

- b.) Facilitate decision-making - Provide information of interest that helps the shopper make or validate a decision about what to buy and where to buy it. This comes in two forms:
- Basic information– e.g., product reviews, brand/retailer emails (This level of information exchange is a must have)
 - Contextual information - e.g., past purchases, personal information, even current shopper location (This type of interactive one-to-one information exchange will drive the greatest impact)
- c.) Improve ease of shopping - Make the shopper experience faster, more efficient and effective across the whole purchase decision continuum -in the store and beyond

2.) DSM has made the greatest inroads with at-home technologies, with which shoppers are both familiar and comfortable. In fact over 60% of Gen X, Gen Y– shoppers go online before they shop, many the same day of their trip. This gives marketers the opportunity to impact shopper decision-making before they reach the store.

3.) While on-the-go DSM technologies using smartphones are not yet widely used; GPS Location Services, mobile coupons, shopping lists and iPhone apps are up-and-comers; scoring high on interest, helpfulness and impact on purchase;

4.) Consumers tend to visit retailer web sites for best prices and product reviews while brand sites attract more traffic for promotions and product use ideas;

5.) The highest adoption of In-Store DSM technology is Self Checkout, which, although not influential on purchase decisions, eases the shopping experience. However, time saving or value-producing technologies are also showing promise. Interest is highest with: Hand-held Scanners, Kiosks for swiping loyalty cards to receive personalized coupons, Touch Screen Signage, and On-pack/On-line and On-pack/Text promotions.

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