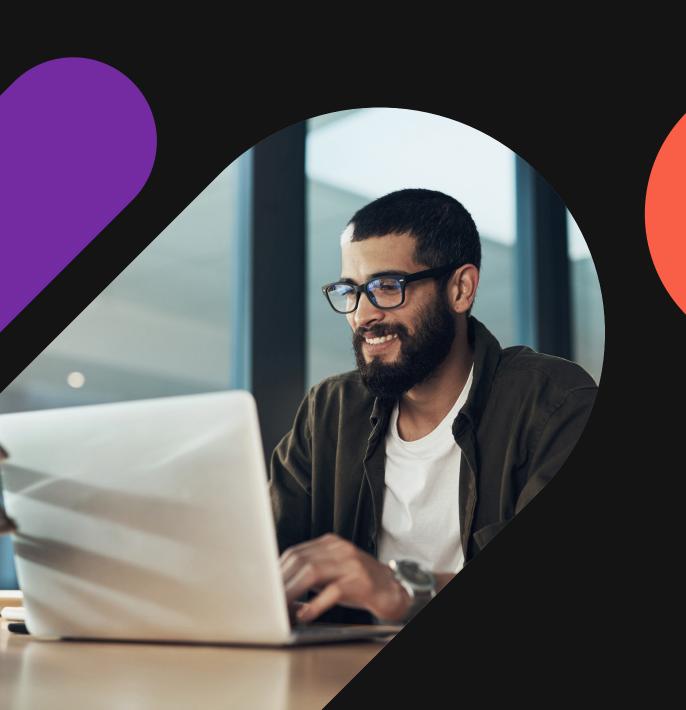


eBook

Future Proofing Your Digital Marketing Strategy in the Era of Constant Change



Retail Media & Social Commerce Are on the Rise

With the explosion of retail media spend and social innovation in recent years, advertisers must consider and assess every part of their online advertising strategy with tactics ranging from more intentional Amazon placement to harnessing social media's impact on trends and purchases. To win, brands must know their audience better than ever through data, engage them with relevant creative and continually adapt to meet their ever-changing needs.

In this eBook, we'll uncover:

- Why retail media and social media marketing will continue to represent a significant part of the overall digital ad market
- How to build a future-proof digital marketing strategy for the short, medium and long term
- Where to double down in retail and social advertising to win against competitors





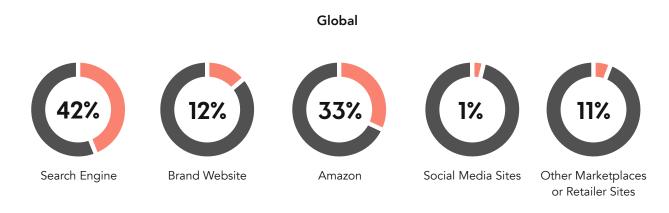
Channels, Channels

Consumers now have myriad channels at their disposal, from search engines to websites to social media to marketplaces. Yet, the majority of shoppers can be considered "channel agnostic," as <u>72%</u> use two to four channels during their shopping journey.

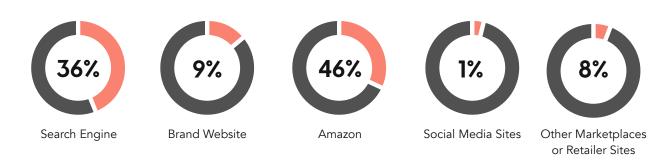
Our research shows that most consumers turn to search engines first, especially when their product needs are less defined. But when there's already an intent to purchase, they head to Amazon first ahead of a search engine or even the brand's website. Beyond research and purchasing, consumers also look to Amazon for inspiration, as 68% of them admit to purely "window shopping."

Together, search engines and marketplaces account for more than 80% of a consumer's initial research and purchase. To win, marketers must meet them there to inform, entice and guide.

When you go online to buy products, where do you begin your product search?



US, UK, France, Germany



When you go online to research products, where do you begin your product search?

Australia



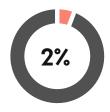
Search Engine



Brand Website



Amazon



Social Media Sites



Other Marketplaces or Retailer Sites

US, UK, France, Germany



Search Engine



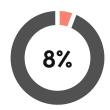
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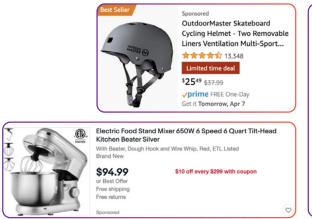
The Lay of the Land: Retail Media

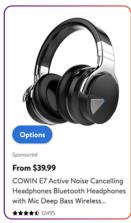
Retail media includes any advertising across e-commerce websites and apps — and it's growing so fast, <u>eMarketer says</u> retail media may be on track to eclipse TV advertising by 2028.

To stand out, brands must cut through the noise with a targeted advertising strategy.

Even among the ads themselves, competition is fierce. Ads are no longer limited to top-of-page results, but span the entire page with carousels and other marketing.

While Amazon dominates the retail media landscape with <u>over 75%</u> of U.S. digital retail media spend, others continue to sprout up. Nearly every major retailer now has a retail media network: Amazon, Best Buy, Costco, eBay, The Home Depot, Instacart, Kroger, Macy's, Target, Walmart and Wayfair. New entrants like Albertsons, Sam's Club and Dollar General are coming every year. Though they rank much lower than the giants, they are by no means poor performers.





We expect even more retailers to start developing their own advertising platforms in the coming years. Luckily, this gives marketers even more options to gain visibility around the globe through these channels.

All of this contributes to the rise of retail media. In the U.S., <u>eMarketer</u> predicts retail media ad spend will more than double by 2027. Like other retail trends we've seen, this trajectory is expected to follow in the U.K. and across Europe, where retail media is expected to grow <u>33.9%</u> in 2023.

"Retail media is just beginning to realize its considerable potential, and it's about to get a lot more interesting— and profitable—for retailers and brands alike."

Insider Intelligence | eMarketer



Strategies for Retail Media Success

To stand out, brands must cut through the noise with a targeted advertising strategy.

1. Explore Different Options

With so many channel options and other brands shouting for attention, a standard listing strategy is no longer enough to give your brand visibility. Have an investment plan in the short-term and explore different options for all retail channels you sell on. If the majority of your advertising budget currently goes to Amazon, develop strategies to test other marketplaces like Zalando or eBay where you could gain greater traction and revenue with a smaller investment. You may even explore local or niche options as well.

2. Control How Your Brand is Showcased

Individual product listings on Amazon don't allow for much customisation. Instead, launching an Amazon Store helps you control how Amazon showcases your brand. It establishes your "brand home" within Amazon, allowing you to extend your website, customize your presence across the marketplace and share your brand story and offerings. Stores with three or more pages enjoy 32% higher attributed sales per visitor and 83% higher shopper dwell time.

An Amazon Store also helps you:

- Improve your organic product ranking and Sponsored Brand Campaign performance
- Expand coverage across Amazon with keyword and product targeting for Sponsored Brands
- Gain organic sales from users coming from the byline in Amazon product detail pages

Yet, simply having an Amazon Store isn't enough. To win in the long term, continually update your store pages so Amazon can increase its relevance in customer searches. According to Amazon, stores updated in the past 90 days report 21% more repeat visits and 35% higher attributed sales per visitor.

Tips to Improve Your Amazon Store

- Curate your catalog and identify an optimal collection (home, clothing, etc.)
- Leverage menus to segment the store
- Include lifestyle content and creative (and use video where possible)
- Insert product titles or categories where possible
- Drive traffic using Sponsored Brands
- Add only the descriptive keywords for which you'd like to improve your rankings

Stores updated in the past 90 days report 21% more repeat visits

+21%



3. Ensure Placements are Not a Blind Spot

Marketers tend to overlook ad placement position, but defining your preferences can fine tune your performance on Amazon. Where you choose to place your ad lets the system know how aggressive you want to be. Choose from:

- **Top of search** Ad appears at the top of the first page of search results
- **Rest of search** Ad appears in search results below the first fold/page
- Product pages on Amazon Ad appears on product detail pages

But don't discriminate. Sometimes, top of search works, but other times it doesn't. Test your placements and adjust your bids regularly based on the data you collect.

4. Automate Ad Management

If you're managing ads manually, you're most likely missing out on sales opportunities. Automation not only saves you time and effort, but can affect your seller rank, driving sales for products that are almost out of stock.

Automated ad management is especially helpful for brands with a larger catalog who implement more campaigns. When you define your account structure based on goals, intent and performance, you enable better budget allocation, priority assignment, strategic bidding and efficient automation.





5. Win Against Competitors

Considering Amazon's global presence and hundreds of millions of products, your competitors in the marketplace may not always be who you think. You may go up against big names, but you're more likely to face non-branded products at competitive prices.

To win:

1. Don't market your full catalog.

Instead, target your strategy with products that differentiate you from the competition in various categories like review scores, price, quality, etc. Select only the products that put you at an advantage.

2. Keep competitive campaigns separate.

Don't add competitive targets to your branded and non-branded campaigns. Keep them in their own dedicated campaigns.

3. Don't add all competitors in one campaign.

Choose to advertise your best reviewed products or best price point. This allows you to tailor and enables higher performance.





The Lay of the Land: Social Commerce

When you're looking for ways to meet consumers where they are, social media is a sure bet. While time spent on social media is plateauing, it's still an important daily activity for adults. In the U.K., consumers spend an average of <u>five hours and 47 minutes</u> online every day.

One of social media's biggest benefits is that it's uniquely positioned at the intersection of community and commerce. During the pandemic especially, this created new types of shopping behavior among digitally savvy consumers, including:

- **Serendipitous shopping** A consumer stumbles upon a product they like while scrolling through social or video content
- Window shopping A consumer visits apps and websites to browse and see what they offer
- Intentional shopping A consumer opens an app or website to search for the product they want
- Purposeful buying A consumer opens an app or website to message a business and/or place an order

We've always known that social media is a key product discovery channel, especially among younger audiences. In fact, 47%¹ of consumers 18-25 say they've discovered new products in the past 12 months on their social media feeds. More than any other engagement method (e.g., word of mouth or digital ads) social media feeds are where discovery happens most for the age group.

To unlock social media marketing success, marketers must:

- 1. Optimize content and product data.
- 2. Refine targeting.
- 3. Invest in automation.
- 4. Ensure product selections are best for the channel.

¹Rithum Global Consumer Behavior Survey 2023



Strategies for Social Commerce Success

1. Know Your Audience

Each social media platform is different. First, understand the differences between each (from Facebook to YouTube to Instagram) and how your advertising will differ. Then, define how large the user base is and who you'll be targeting. Newer apps like TikTok specifically target Gen Z and have already outgrown platforms like Snapchat and Pinterest.

2. Manage Creative

You already know you should target consumers with the right message at the right time. The creative you use is equally important. Regularly refresh content to avoid burnout, and test as many creative types as possible. But be careful to avoid making creative changes during high-traffic sales events, as the ad type doesn't have enough time to gather sufficient history. Lastly, match ad types to your targets and goals for the highest relevance.

3. Tailor Your Optimisation Strategy

Optimisation strategies are often overlooked, but key to maximizing results. Instead of using your Google shopping feed for social media ads, create a dedicated feed and tailor your strategies for each channel and product. Product data is especially important for specific ad formats on social channels.

Complimentary Advertising Analysis

Let our digital marketing experts take a look at your advertising accounts and find new opportunities that can help meet and exceed your digital marketing goals.

Request Your Advertising Analysis



What's Next? Ad Formats of the Future

Google Smart Shopping

Channels like Google have started to adopt a "black box" approach to advertising, and other channels are starting to follow suit. Driven by machine learning, the approach creates a model where marketers have less control over how their inputs are used, resulting in outputs that aren't as granular as they previously were. This leads to unexpected results and inflation of the cost per result.

The sooner you test new ad formats, the more control you'll have in the long term. To see better results across all Google properties (search, display, YouTube, Gmail), you can:

- Better control your budget with campaign segmentation.
- Maximize the use of historical data.
- Optimize product data to improve campaign relevance.

Take control of your input: product data. Remember, what makes a product stand out in one channel isn't necessarily the same as another. The more relevant your product data, the more your ads will match to specific consumers.

Stop thinking of product data as required versus optional, and instead think of the impact that added details can have on your discoverability and performance.

Video Advertising

Today, <u>73%</u> of shoppers say they prefer to watch a short video to learn about a product or service. In response, YouTube is becoming more actionable. Attribution reports allow you to see how your video campaigns impact search and understand how/why people jump between the two.

If you're already conducting search campaigns, video is a great way to increase your results and an easy option for helping consumers remember your brand.



Be Prepared for a Future of Change

Now is an exciting time to be an advertiser. As existing channels heat up and new ones emerge, marketers have an unprecedented opportunity to make a big impact. Retail media will likely continue to represent a significant part of the overall digital ad market, and brands will need a strategy to remain visible on their partners' sites. Not far behind is social commerce, where consumers spend most of their time and are now seeking product recommendations and shopping opportunities.

To be prepared, marketers must develop (and continue to fine tune) a tailored product data optimisation strategy that will make their products stand out in the short, mid and long term.

Let us handle the heavy lifting, so you can focus on growing your business.

Acting as an extension of your internal team, Rithum Managed Services combines the strength of our technology with our unmatched industry expertise to supercharge your selling and marketing efforts across Amazon, Google, Facebook and hundreds of other channels. The Managed Services team works in the specialized marketplace and advertising domains all day every day.

Streamline all of your digital marketing. In one central platform.

Rithum unifies your retail media and social commerce activities in one central e-commerce location. With direct connections to the industry's most powerful players, our robust platform is the key to success for many of the world's highest-performing brands and retailers.

Trust the E-Commerce Leader.

As the industry's most trusted centralized e-commerce platform, Rithum offers an award-winning, robust platform that helps companies monitor, manage and improve activity across brands operating in an intricate multichannel environment.

We're undaunted by complexity. All of our solutions are based on years of experience helping e-commerce sellers optimize their performance, and we offer the ability to customize aspects of our platform to meet your specific needs. Interested in learning more? Let us show you what we can do.

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