

Sending the Right Message:

Evaluating In-Store Signage and Displays with VR



Did you know that in the alcohol and spirits category, 40 percent of U.S. consumers who buy alcoholic beverages haven't decided what they're going to purchase when they walk into the store? Twenty-one percent end up changing their mind in store, and 50% of those who changed their mind ultimately bought a different brand than originally intended. Simply guessing on which new signage concept will impact buying decisions, or relying on historical data, runs the risk of falling flat with those impressionable shoppers.

These stats clearly show the importance of thoughtful, and impactful, shopper marketing. Signage and displays play a huge part of the in-store experience, yet how do you truly know if your marketing initiatives will be a hit with customers? Traditional methods of surveys and mock store tests can give us a better idea, but they come with ambiguity, as well as a hefty price tag. Luckily, there's a much more innovative, and accurate, way to gain true shopper insights. Cue the power of mixed reality simulations.

2 Outdated Approaches to In-Store Marketing

The importance of designing a clear message for shoppers when it comes to products and merchandising at the store level has arguably never been higher—that's because shoppers have more choices than ever before.

The problem is that many marketing teams are still using old methods of developing in-store merchandising content. This process can involve a couple different approaches to creating and launching new signage or displays. One way is to rely on historical data and survey results. This provides info on how shoppers reacted to similar messaging in the past, as well as gives us an idea as to how today's shoppers might react. But, we know that:

- Survey and historical data isn't all that accurate. People often behave differently in the store than they think they would.
- Historical data is useless for concepts that have never existed before. More often than not you're creating new concepts, not recycling old ones.
- History is just that—history. It's not a solid predictor of future behavior.



The second approach is to field mock store tests for a few different versions of a sign or display with sample shoppers. This method gets much closer to showing how concepts will perform in market. The problem here is that:

- It can be very expensive to create each concept, set up the mock store, and bring in shoppers to walk through a shopping exercise.
- It's extremely time consuming.

As we said before, shoppers have options, and if they're met with confusing in-store messaging when they head out to make their purchases, they might just turn right around. In fact, **every two additional minutes that a shopper takes to make his or her first purchase in a category reduces basket size** by a whole product. Many shopper marketers are still using one or both of these methods to vet their latest concepts, so they're missing out on some huge opportunities.

Marketing for Tomorrow's Shoppers

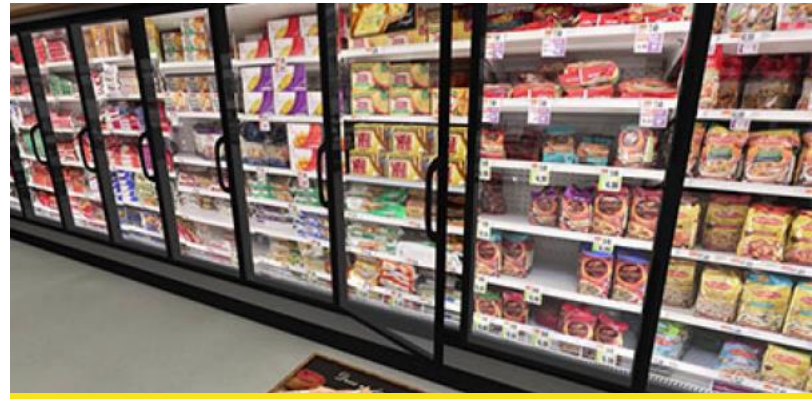
Understanding how shoppers navigate an aisle and whether a new display or sign can alter their path and purchase is crucial to creating a store experience that shoppers will want to come back to. So today, forward-thinking brands and retailers are turning to technology to bypass the mock center step, and instead observe how concepts resonate with shoppers in the context of a virtual store. The digital approach can save time and money, while helping us understand which concept version most drives sales lift.

First, shopper marketers can leverage virtual to visualize how their concept will look in the store. Does this display look too crowded in the space of this specific store? Is this signage confusing now that it is sitting near the produce aisle? These decisions can be made before narrowing down a few winning options to test.

Then, real shoppers are sent through a hyper-realistic virtual shopping exercise, after being given a mission to shop a certain category or brand. We know what shoppers look at, pick up, and what they ultimately do or don't purchase. Plus, we can get their feedback on why they made the choices they did, directly after the shopping exercise. It's real-life insights without the real-life barriers.

Virtual in Action

Let's take a look at how and why leveraging virtual solutions makes a huge impact when it comes to hitting the right note with shoppers.



Benefits of using virtual for shopper marketing:

- Better collaboration and visualization of new messaging or displays
- Test multiple different concepts without physically building them out
- Get both behavioral and attitudinal insights
- Results come in days to weeks, instead of months
- The confidence to move forward with in-store messaging that resonates with shoppers

A large pharmaceutical company wanted to **improve already existing in-aisle signage by targeting shoppers suffering from a specific symptom**. Using 3 different concepts, they wanted to determine:

- 1 Sales Growth** - Determine which signage generates the greatest overall sales for the category and brand, and how the signage affects sales for the retailer's private label brand.
- 2 Increase Number of Shoppers** - Determine whether the signs draw in customers that typically purchase these products at a different store.
- 3 Ease of Shopping** - Understand which signage helps shoppers choose the correct product for their primary symptom.

Using InContext's premium evaluation tools and services to mine insights from real shoppers, they were able to create a 3-cell virtual store test, designed to determine the types of signage that are most effective at getting shoppers to purchase their products pertaining to a specific symptom.



Key Takeaways

By leveraging virtual simulations and analyzing the results, they were able to learn that **signage with product images yielded a 5% increase in category sales and a whopping 31% increase in private label brand sales.** Signs that included the product images significantly increased the private label brand sales, while also providing a slight lift to overall category sales. From there, the client was able to influence the content of the retailer's signage to ensure that it would help educate consumers and benefit the overall category and brand. The retailer went on to change their in-store signage in several thousand stores, based on InContext's research findings.

To put it simply, virtual simulations just make sense when it comes to re-thinking the shopper marketing process. In a time when competition is fierce and shoppers are tech-savvy, brands and retailers need to leverage the best tools for the job—and virtual checks off all the boxes: fast, risk-free, cost-effective and insights-driven. By learning the right balance when it comes to in-store signage and displays—directly from real shoppers—marketers can focus their time and resources on their pain points, and stop using unnecessary energy on concepts that aren't moving the needle.

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