

“Digital Food Marketing in the Big Data Era: Recent Developments”

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Today's Data-Driven Digital Marketing System



Key features and major trends:

- “mobile, location based”
- “exact audience,” “targeted efficiency”
- “behavioral targeting”
- “based on current & historical location data”
- “identify custom audiences on-the-fly”
- “geofencing”
- “retarget”
- “rich media,” “interactive ad experiences”
- “verify when served an ad, visits your store”

Widespread adoption of Big Data technologies by food and beverage industry

Get the Data – Use the Data

1. Observed behaviors
2. Social Authentication
3. Purchased Data
4. Cookie Stitching/Device Graph
5. Strategic Partnerships



1. Predictive Analytics
2. Advanced Segmentation
3. Hyper-Versioning
4. Real-Time Marketing
5. Coordinated Multi-Channel

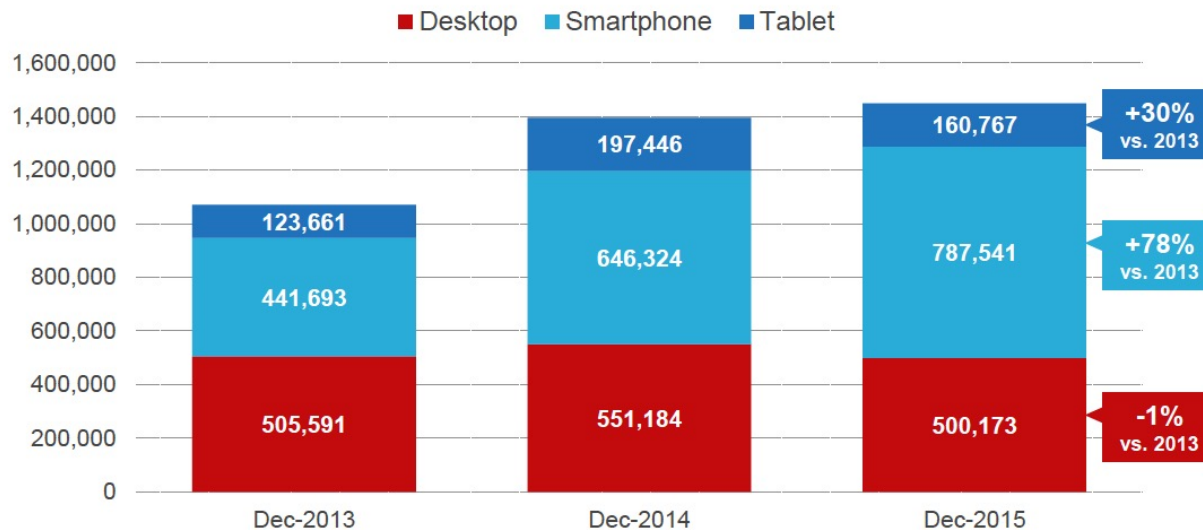


Mobile is now the leading digital platform

Digital media usage time is exploding right now, and it's being driven entirely by mobile – particularly on smartphone.

Growth in Digital Media Time Spent in Minutes (MM)

Source: comScore Media Metrix Multi-Platform & Mobile Metrix, U.S., Dec 2015 vs. Dec 2014 vs. Dec 2013



INSIGHT

Total digital media usage has nearly tripled since 2010, and since 2013 it's up 35%, with smartphone having grown 78% and contributing to 92% of the total increase in time spent. Tablet is also seeing very strong growth over that 2-year period at 30%, while desktop is down slightly.

Big data marketing infrastructure

@ _____

#MME16

Oracle Data Cloud Value Chain

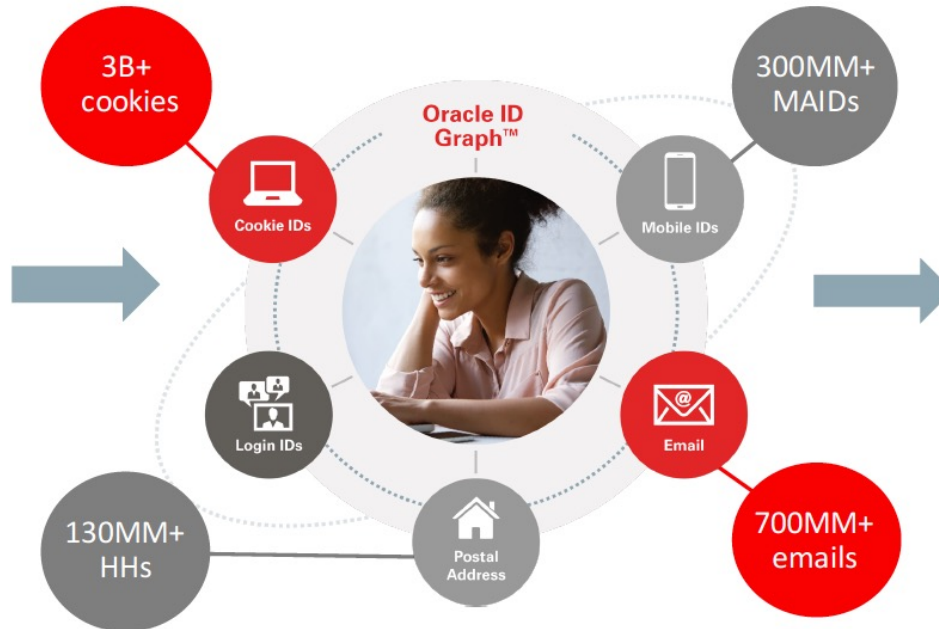
The Leading Global Data In One Partner

\$3T
Transaction data

1,500
Data providers

15mm
Websites

3 Billion
User profiles



200 Direct Digital Media Integrations

facebook



Aol.

Google

PANDORA®

ORACLE®

Ubiquitous, 24/7 data collection

#MME16

Data Creation is Happening Everywhere

Transactional							
Messaging							
Streaming							
Social Sharing							
Devices							
Location & Traffic							

Audiences Built from the Signals that Matter

DEVICES YOU USE

Handset make, device type & OS platform



CONTENT YOU CONSUME

Apps, app categories & other digital content



1st PARTY DATA

Client CRM and other 1st party marketing databases



WHERE YOU GO

Retail, work, home & other physical locations



WHAT YOU BUY

Purchases from loyalty programs & credit card transactions



PUBLIC DATA

Readily available data such as census, car registrations, etc.



Location is the Real World Cookie



Search = Keywords

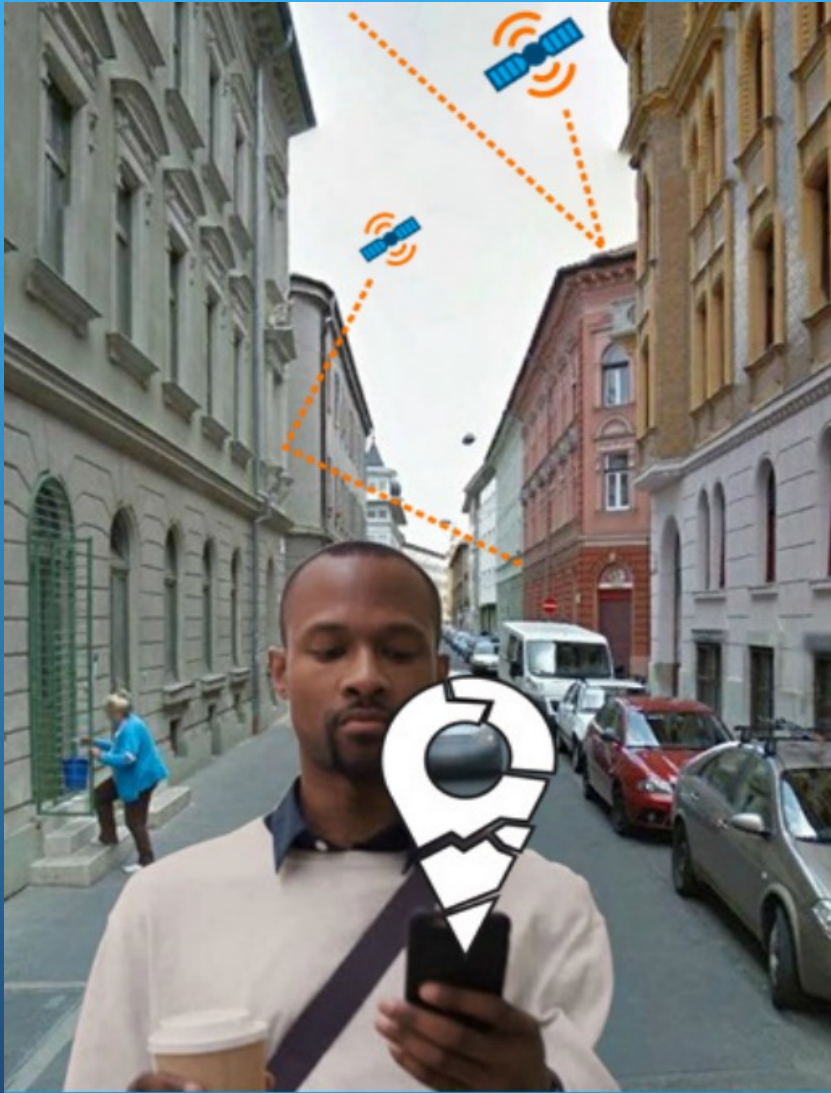


Social = Sharing

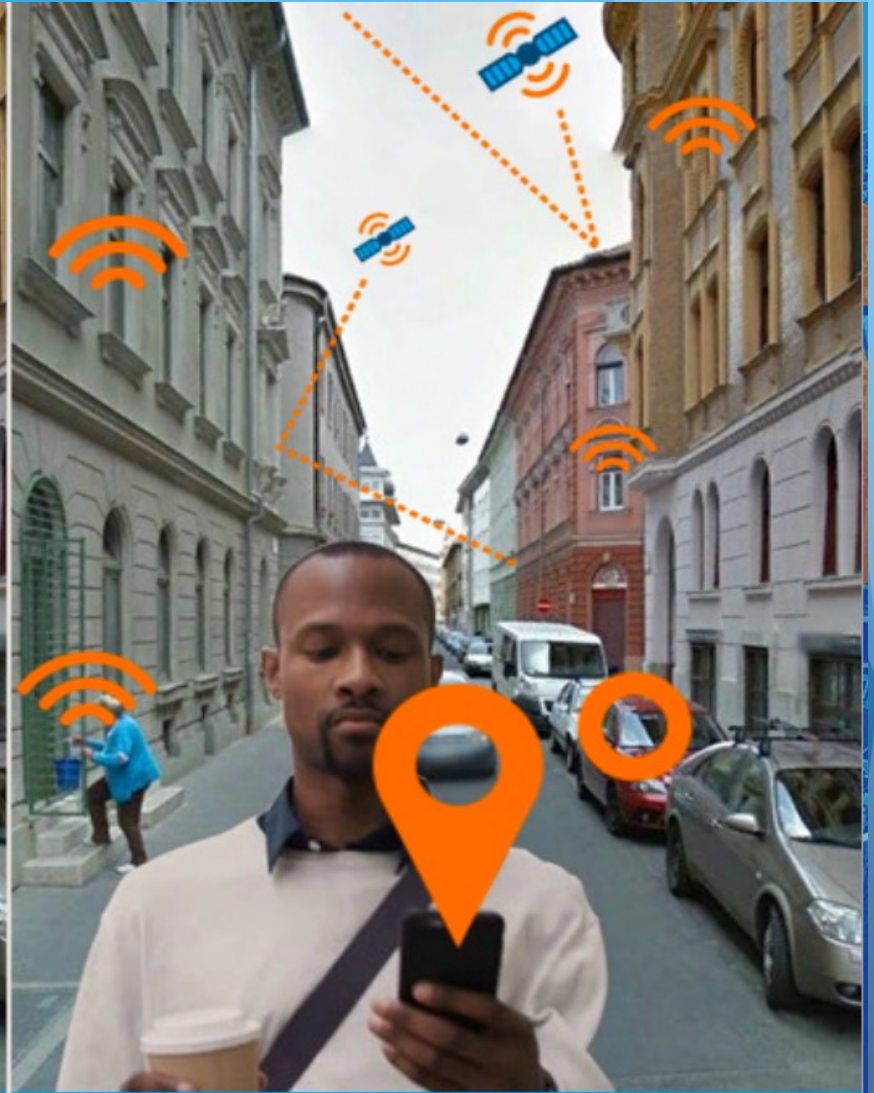


Mobile = Location

*Where you spend your **time and money** in the real world is the best indicator of who you are*



GPS only



Hybrid Location

Consumer Insights Platform

Analytics

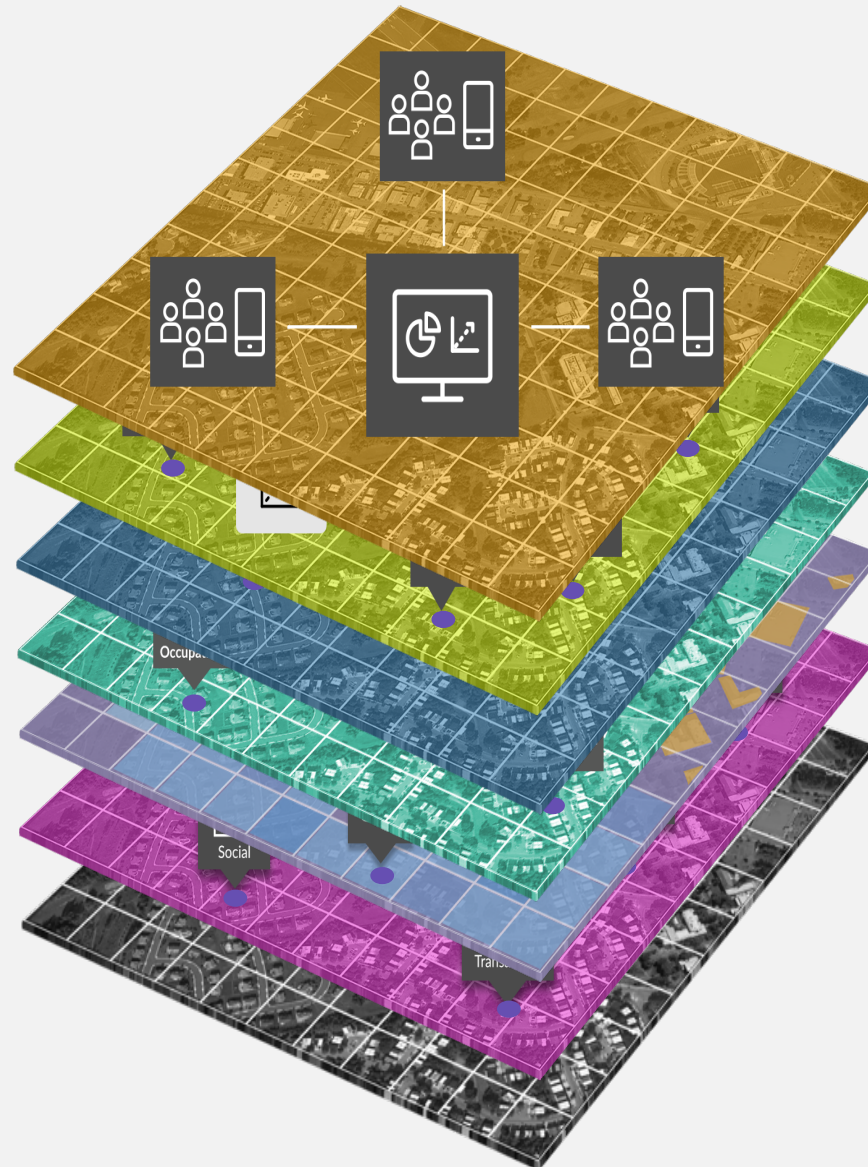
Activation

Audiences

Device Movement

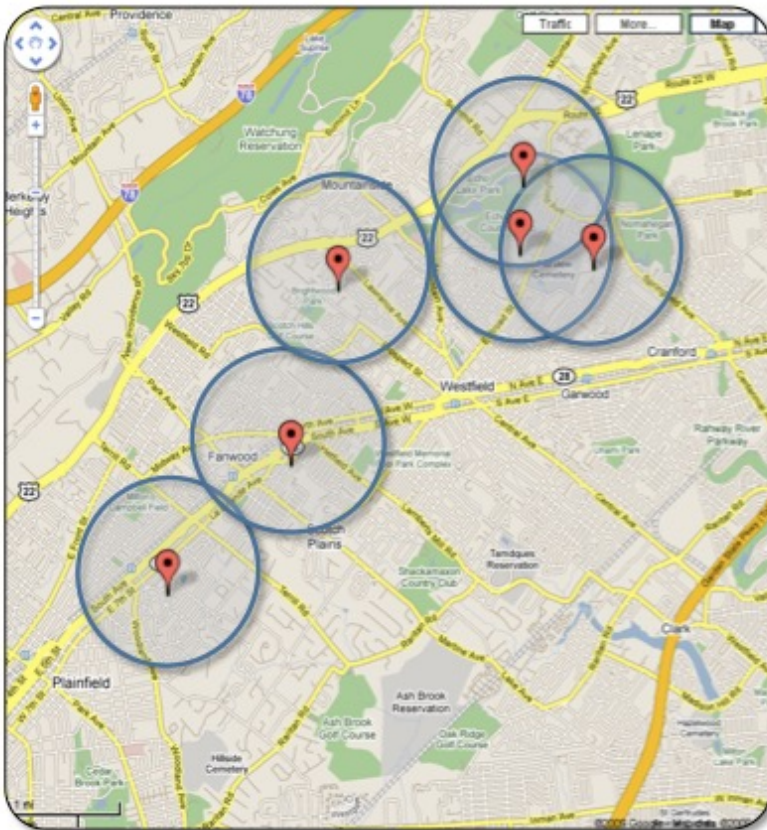
Location Context

Structure



What is a geofence?

Geō-fence *noun* : a virtual field around any location set to deliver a personalized marketing message to a consumer when they are inside.



How it's created:

- Upload location addresses
- Proprietary translator creates a "Place Profile"
- Program the desired geo-fence around a location

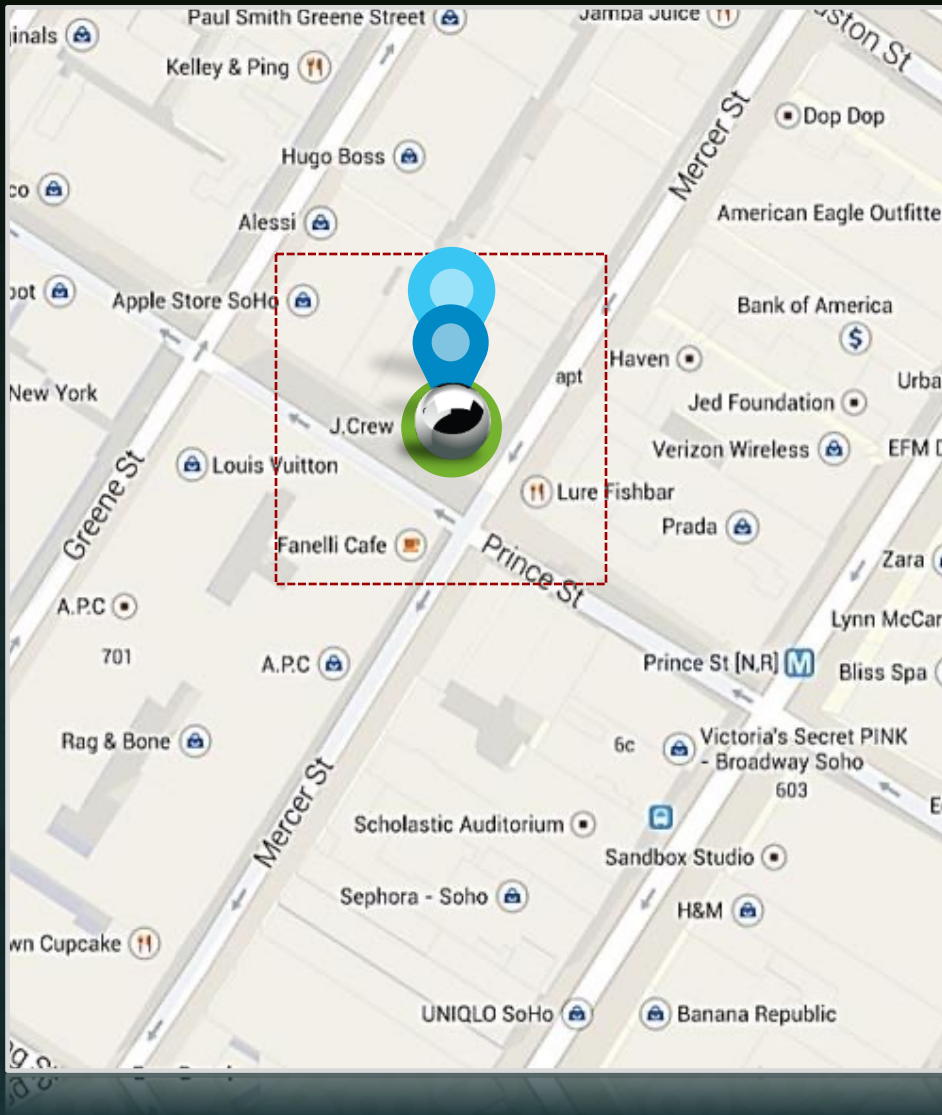
Flexibility:

- Geo-fences can be created around any location
- Add, remove & optimize geo-fences

Geo-fencing Strategy:

- Based on program objectives, trade areas, and customer demographic/psychographic profiles
- Obvious relationship between offers and locations

Getting to the PRECISION of 4 feet



VERIFY CUSTOMERS LOCATION

Know the consumer is where the app thinks they are!

- Verify Publisher partners
- 5 Filters



VERIFY THE CONTEXT OF THE LOCATION

Know where the store is vs. where a standard database thinks it is!

- Team to validate all locations
- Multi-geo-coding process



HAVE THE TECHNOLOGY TO MAKE IT ACTIONABLE!

A Platform designed for precision within 4 feet allows people-centric targeting, not place-centric



OTHER PLACE-CENTRIC APPROACHES LEAVE YOU ASKING

Who **other than** my target customer is in the radius

How can I target them **outside** the radius?

Growth of shopper analytics, capturing both online & offline data

OUR SOLUTIONS OFFER UNPRECEDENTED SHOPPER DEPTH AND KNOWLEDGE BASED ON ACTUAL PURCHASE BEHAVIOR

56MM+
Households

*1 OUT OF 2
HOUSEHOLDS IN THE US*



What they purchased...

7 days ago...
For the 1st or the nth time...
With what other products...
At what price...
With what tender...
With a coupon or not...
While on ad or on display...
During what day and time...
At which store...

“Smart shelves,” “beacons,” & other in-store tracking technologies

Optimize Offers Based On Shelf and Aisle Location

Aisle411 optimizes all your digital offers with indoor location and unique offer placement logic, triggering in-aisle mobile offers and promotional messaging based on your shopper's location.



84.51° and Geoscape

- Kroger loyalty file of over 56 million households.
- Generate actionable insights combining shopper behavior, detailed product, demographic and promotions data.
- Deep granularity including categories, brands and UPC levels.
- Infused with Geoscape® Hispanicity™ CultureCoding®

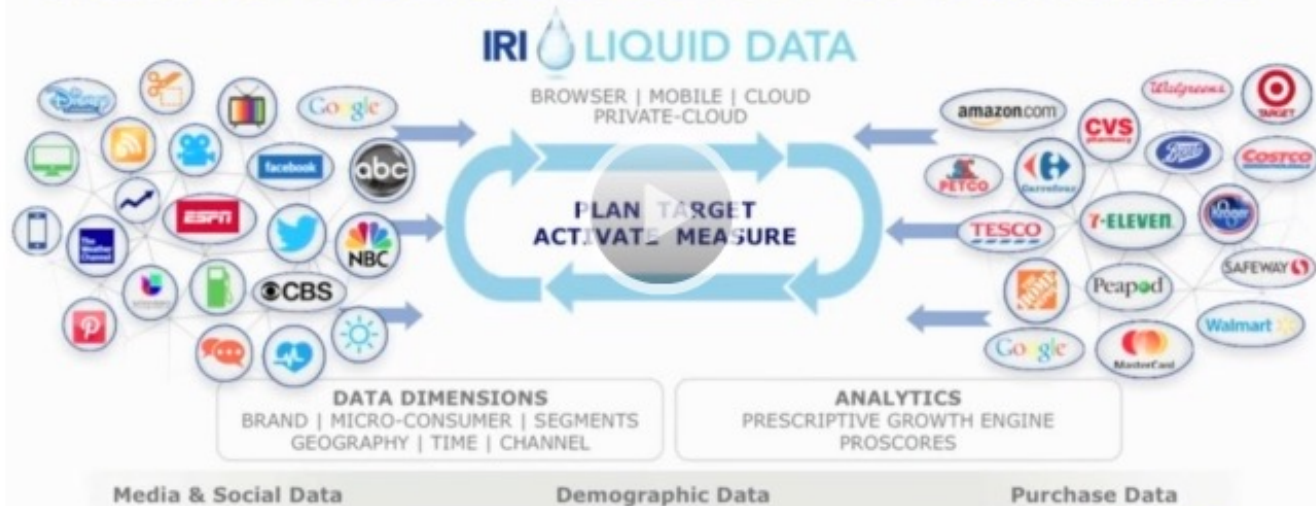


In-Store Shopper Surveillance



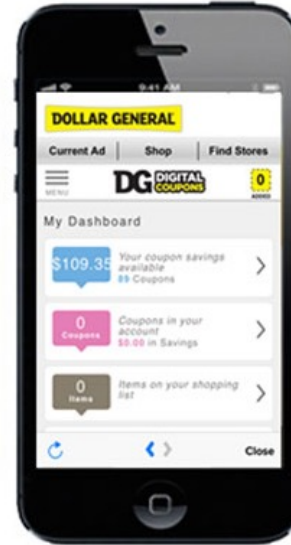
“Path-to-purchase,” “Micro-moments”

PARTNERSHIP SUPPORTED BY DATA ACROSS MEDIA & POINTS OF PURCHASE



Digital Coupons

DOLLAR GENERAL®



INTRODUCING
DG
DIGITAL
COUPONS

SIGN UP TODAY!

SIGN UP NOW ➔

WATCH VIDEO TO SEE HOW EASY IT IS!

- ▶ Load coupons directly to your digital account
- ▶ No printing or clipping required
- ▶ It's easy! Simply sign up with your mobile phone number

FREQUENTLY ASKED QUESTIONS

SEVERAL OFFERS ALREADY AVAILABLE!

SEE COUPONS ➔

BUY 2, SAVE \$2

with DG DIGITAL COUPONS

When you purchase any ONE (1) participating Pepsi® and ONE (1) participating Frito-Lay® Product

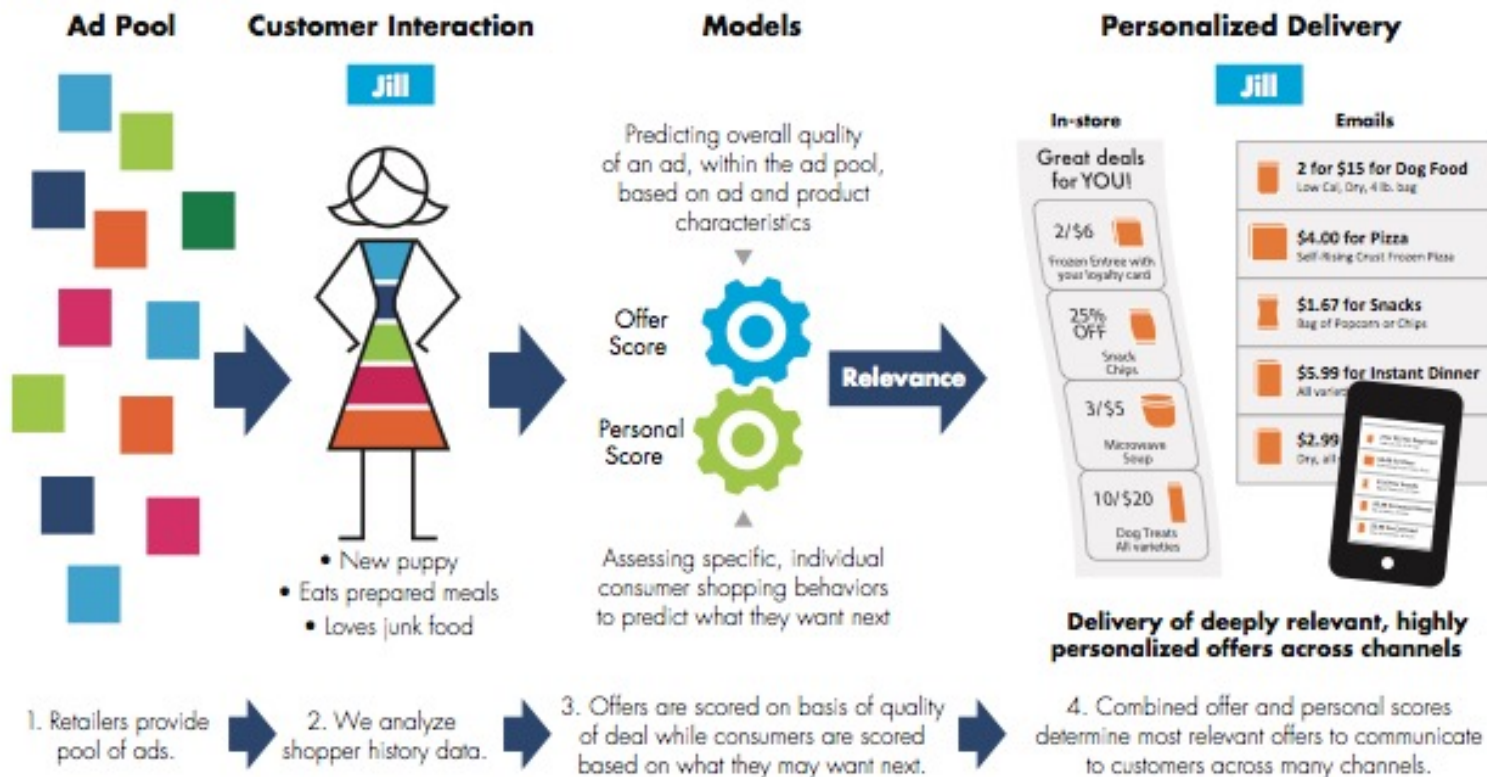
Expires 2/25/16.

LEARN MORE



What's really happening with digital coupons

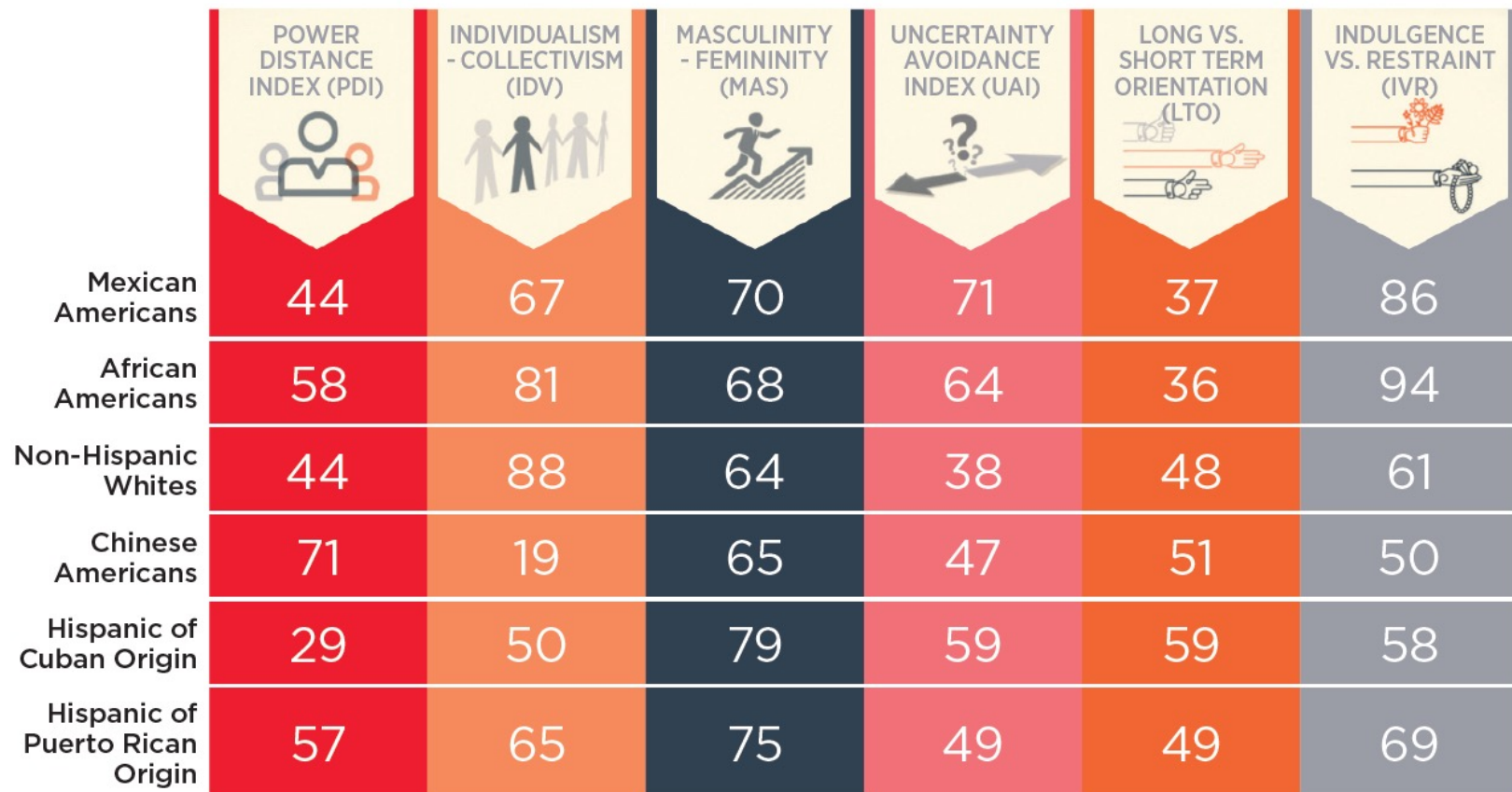
How it Works



Growth of sophisticated, data-driven systems for targeting by ethnicity

The Six Cultural Values Influencing Shopping Behavior

DIMENSION SCORES BY ETHNIC GROUP WITHIN THE U.S.



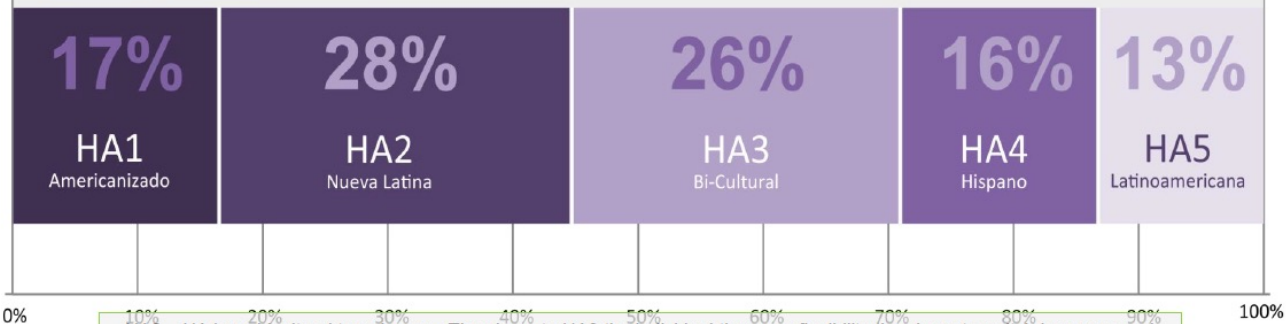
Source: 2015 US Cultural Values Study, Geometry Global

Widespread use of race & ethnicity for digital profiling

HISPANICITY™ CULTURECODES®

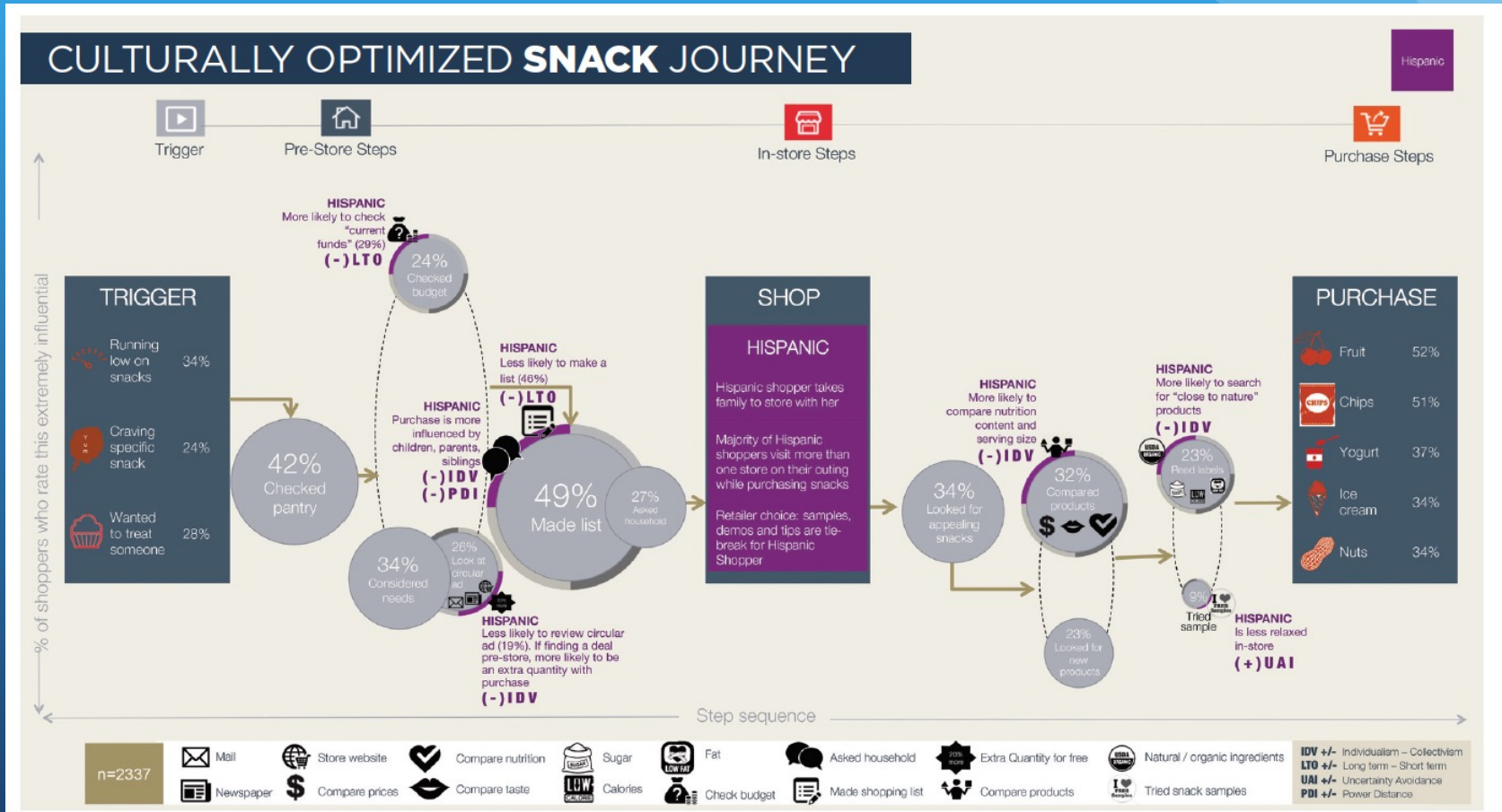


- | | |
|--|--|
| <p>HA1 English dominant (nearly no Spanish)
Born in US; 3rd+ generation
Few Hispanic cultural practices</p> <p>HA2 English preferred (some Spanish)
Born in U.S.; 2nd generation
Some Hispanic cultural practices;
often “retro-acculturate”</p> <p>HA3 Bi-Lingual (equal or nearly)
Immigrant as child or young adult
Many Hispanic cultural practices</p> | <p>HA4 Spanish preferred (some English)
Immigrant as adult, in U.S. 10+ years
Pre-dominant Hispanic cultural practices</p> <p>HA5 Spanish dominant (nearly no English)
Recent immigrant as adult
(less than 10 years ago)
Primarily Hispanic cultural practices
Identify with home country more so than U.S.</p> |
|--|--|



HA2 – HA4 are bicultural to a degree. The closer to HA3 the individual the more flexibility they have to switch language and cultural practices depending on the context of the situation. Some marketers refer to this phenomenon as “ambi-cultural”.

Precise mapping of multicultural path-to-purchase journey



Personalized targeting in real time

McNOW

With Google

Ads generated live from big data giving you the perfect recommendation

- 1 Hottest Item
- 2 Relevant Copy
- 3 Design
- 4 Unique URL
- 5 Data Visualization

Top 3 burger on day of celebration of the revival of Fukushima

The most popular side on Monday afternoon

Best selling drinks on extremely hot day

Burger gaining popularity in Tokyo

Popular side of this moment

Popular choice of this moment around the theme park

Challenge
An ad for a burger is fine. But if it would always be customized to when you see it and where you are, it would be much more relevant to you, and more efficient.

Idea GENERATE BANNER ADS LIVE FROM BIG DATA with Google
McDonald's and Google develop an Automatic Live Banner Generator together which analyzes McDonald's sales data (2 billion/year) and combines them with everyday life data (location, time, realtime weather, temperature) to produce banner ads live, giving you the perfect recommendation for where and when you see them.

Result
We distributed digital coupons of the recommended items and drove customers directly to the restaurants. Coupon usage rate shot up 150% over the average. Sales also increased 2.8%, contributing significantly to McDonald's business performance.

Implications

- Nature and extent of data collection is unprecedented.
- Growing capabilities to influence individual and group behaviors and decision-making.
- Marketers able to take advantage of lack of regulation to create a system without limits or boundaries.
- The emerging “Internet of Things” is creating an always-on, pervasive marketing system that will be inescapable.
- Low income and communities of color will be subjected to the most aggressive and unfair practices.

Directions for Research

- Identify methods from the marketing literature to apply to retail settings, from bodegas to supermarkets.
- Identify and map the global players and how much they are spending on mechanisms like mobile devices. Trace the path-to-purchase for different groups.
- Examine whether and how digital techniques undermine or support shopper's health decisions.
- Examine legal & ethical questions at the state and federal levels.
- Examine framing and identify opportunities for educating parents and other consumers about digital marketing.