

# UNDERSTANDING YOUR CUSTOMER

CLASS NOTES



**how will retailers  
use print in the future**

# INTRODUCTION



**Retailers represent over 30% of print media investment, the role we play in our engagement with retailers is critical to our future success. Understanding how we can move from a commodity supplier to a supply partner will dictate the success of the modern printer.**

**FRICTIONLESS**

**AUTHENTIC**

**PERSONALISED**

**COMMUNITY**

**ON MY TERMS**

So, what do retailers need and want from a printer. Are we print media - magazines, newspapers - or are we producer of signs, point of sales, packaging, catalogues? What is our role starts in our understanding of the pain points and needs of our customer.

Fundamentally, the old rules of retail no longer apply as the shopper of today has access to tools and social thinking that drives their needs above and beyond that of brands. Advertising is no longer living in a Mad Men era, we are now in the hands of the very powerful consumer.

**73%**

73% of consumers use multiple channels to shop  
- Harvard Business Review

**87%**

87% of consumers begin their shopping journey with digital  
- Salesforce

**82%**

82% of consumers consult their phones while they're in a store deciding what product to buy.

**1 in 10**

One in 10 of those people end up buying a different product than they had planned  
- Think With Google

**16%**

When customers have a great experience, they're willing to pay up to a 16% price premium  
- PwC

**Loyal**

Loyal customers are 7 times more likely to test an offer & 5 times as likely to make a repeat purchase  
- Qltrics

**127%**

Voice technology adoption by retailers will grow 127% in the next year  
- Salesforce

**75%**

75% of shoppers want more human interaction in the future, not less  
- PwC

# PEOPLE POWER

What this means for print is the areas to capture emotion and physical presence, print remains a supreme channel to convert customers to sales and maintain customer loyalty and engagement. The opportunity for print to offer a 'switch off' zone on their own terms is critical as customers seek advertising and brand engagement on their own terms. Where digital is a disruptor, print offers a useful 'lean in' option for customers.

Understanding this impacts what we print, in what form do retailers communicate that information (a magazine, a catalogue, a postcard), how do we deliver that information and when in the sales process should print be distributed to optimise it's impact.

# ENHANCE THE EXPERIENCE



Target online retailers to offer them a physical presence.

Show physical retailers examples of print campaigns used successfully by online retailers to ensure they don't let the channel be dominated by their competitors.

**Print is everywhere, never underestimate the power of the printed world.**

From coffee cups to floor decals, to catalogues, magazines and fabrics. Print is a necessary part of our lives, it is not going anywhere, nor are physical stores or physical experiences. How we build our businesses to grow into new areas of print and the logistical requirements of retailers needing print to bring their brands to life is critical to our future success.

Retailers need a physicality, this means online retailers need printed or physical media more than any other retailer. And this pureplay market is a great growth area for print media and print marketing. In return, physical retailers then need to provide an analogue or physical marketing presence to keep their online retail competitors from saturating one channel.

# AMPLIFY THE STORY-TELLING

**How many screens are in your life & bedroom come office? We're BOMBARDED with blue light from our devices; laptops, phones, smart watches. As we scroll emails, Insta, FB, Slack and all the messaging apps, plus whatever e-comm site that creepily tailored-to-you pop-up ad recommends.**

It's a hot mess and we are OVERLOADED. Print has an opportunity to balance digital fatigue and bring to life a humanity that is engaging and interactive through the tactility and emotion it triggers. Print provides brands an opportunity to reach to a meaningful brand-building cut-through.

Leaning back into your community – customers want this more and more.

Catalogues, magalogues, brand books and mini mags used to be the only way of sharing product and brand stories. Now we can offer customisation, personalisation, tailor the product range to an audience, nudge to an action and share an intimacy not attainable via digital channels.

This offers higher value, higher emotional involvement and higher recall. Use digital to tease and print to explore.





**WE'RE SORRY**

A chicken restaurant without any chicken. It's not ideal. Huge apologies to our customers, especially those who travelled out of their way to find we were closed. And endless thanks to our KFC team members and our franchise partners for working tirelessly to improve the situation. It's been a hell of a week, but we're making progress, and every day more and more fresh chicken is being delivered to our restaurants. Thank you for bearing with us.

Visit [kfc.co.uk/crossed-the-road](http://kfc.co.uk/crossed-the-road) for details about your local restaurant.

**Peeing on this ad  
may change your life**

This ad is also a pregnancy test. Pee on the marked area and wait a moment. If you are expecting, you will get a surprise right here in the ad.



**995,-**

PREÇO COM  
IMPOSTOS  
E FRETE

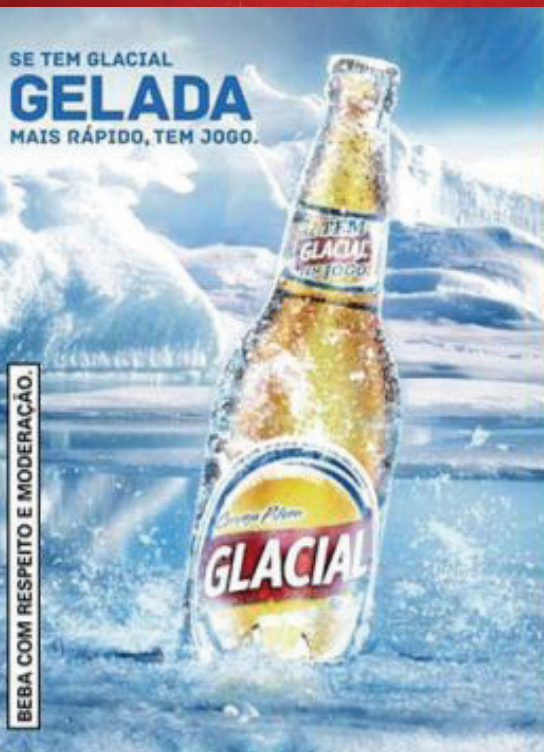
WHERE LIFE?

# VIVID IMPACT

Print can push itself further. Think of each campaign you recommend and how to make it:

- > CREDIBLE, DISCOVERABLE, WOW
- > PURPOSEFUL, MEMORABLE, USEFUL
- > CREDIBLE, MEMORABLE
- > SIMPLE, AUTHENTIC, MEMORABLE
- > STRIKING, RELEVANT, MEMORABLE

Whilst this often relies upon creative, do not wait for the designers or agencies to bring the innovations of print to the retailer. Lead the discussion with examples of how retailers can shine and bring their brands to life. They are looking for solutions to remain noticeable and relevant and printers must bring these ideas to the table.



TUDO O QUE VOCÊ PRECISA SABER PARA DEIXAR  
A SUA GLACIAL TRINCANDO MAIS RÁPIDO:



1. Mantenha sua Glacial sempre gelada.  
2. Sempre abra a Glacial com cuidado e sem agitar para não perder o gás.

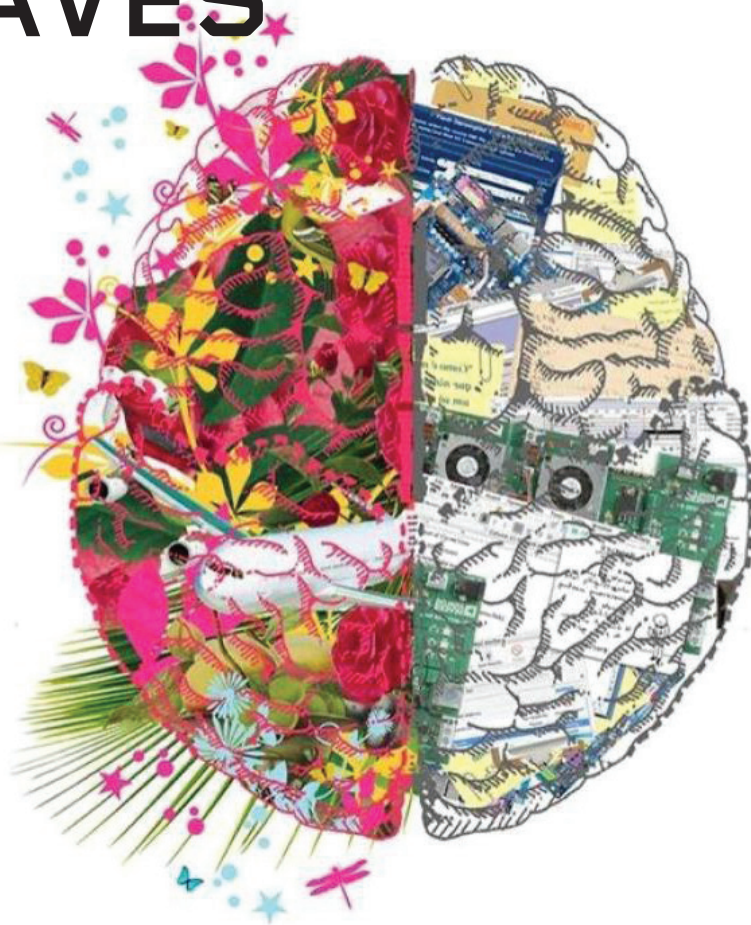


3. Não misture com outros refrigerantes.  
4. Sempre abra a Glacial com cuidado e sem agitar para não perder o gás.

0800-771-8123  
Linha de Atendimento  
ao Cliente



# BRAIN WAVES



**Never forget the science. It is a golden nugget for print. Paper and print offer a neuro-trigger that impacts brand equity in an unmatched way. Our human brains connect emotionally and in a trusting manner with print.**

- > Neuroscience research shows that paper-based content and ads offer special advantages in connecting with our brains.
- > Direct mail is easier to process mentally and tested better for brand recall.
- > The three key metrics evaluated in the study were cognitive load (ease of understanding), motivation (persuasiveness), and attention (how long subjects looked at the content).
- > Direct mail requires 21% less cognitive effort to process than digital media (5.15 vs. 6.37), suggesting that it is both easier to understand and more memorable.
- > Post-exposure memory tests validated what the cognitive load test revealed about direct mail's memory encoding capabilities.
- > When asked to cite the brand (company name) of an advertisement they had just seen, recall was 70% higher among participants who were exposed to a direct mail piece (75%) than a digital ad (44%).

# A SIDE NOTE FROM THE SPEAKER.



**Believe it or not my son is a letterbox distributor. He has been doing it since he was 13 and I think will swap it for a different job when he turns 16 in a month.**

But I thought two of the items he had to deliver this year demonstrates the effectiveness of print as well as digital.

1. Sidehustle. This is the launch of a new app. Total 100% ecosystem. However they have chosen to raise awareness of their offer through print, radio and digital to get the ultimate impact. People who will use the service may not be the typical demographic to easily get to online. Likewise, people like me (mums) will encourage their kids to get onto it. As an early adopter I will definitely get onto it but I wouldn't have traditionally known about it.
2. NZ Fashion Week. Again FW communicates a lot through digital however street posters, billboards and print are core to getting the message to Auckland. This mini-mag is being distributed in our area which I know is targeted. As my son has two runs and the other one, a little older and perhaps wealthy but their fashion less edgy, didn't get it.

Understand that retailers are under serious pressure coming off COVID, markets have shrunk with border restrictions, household budgets are tight from looming recessions and job cuts, marketing teams and marketing budgets are smaller than ever. Print has a significant role to play to create memorable and engaging connections with customers for online retailers and to provide a relevance for physical retailers.

Share innovation and the story-telling characteristics of print to build the value of print into the hearts and minds of retailers. Create vivid impact that amplifies the retailer's message, connects with a trusting customer and builds loyalty.



## **You have talked a lot about what print communications is working or having a renaissance with retailers, what role could/should printers play?**

Thinking about the best printers we've worked with, they popped in every week, just quickly. I remember two print reps, Barney and Dash, they would pop in, just turn up, and check in (got time for a coffee?). Have you seen this new innovation (leaving a sample), thought you might be interested? They built a relationship that said we've got your back. All of a sudden, they might have left one thing that resonated, and they brought it in, they found ways to build those personal relationships. This is how we found out about paper starch, how we found out about Yupo, both innovative products we used with retailers, because of that added value from a printer.

I'm in two minds about e-newsletters, I tend to scan through, don't really read them all the way through, but sometimes pick something up. For me, it's more about the personal relationships, samples are great, very helpful and easily relatable. Printers can build a relationship with that media or sample and add value.

## **You have spoken about print catalogues, magazines print ads etc. Do you have any thought on the future of in-store printed point of purchase trends?**

This is going to grow, and there are 2 reasons why. Firstly, we hear a lot about retailers right sizing their store network, installing digital screens everywhere, however, digital screens only do so much.

Retailers look at high-level, eye-level and buy-level. At buy-level we've also started to see the introduction of digital ticketing, which has seen the removal of all those printed tickets, the challenge being that it doesn't amplify sale. Retailers have had to do print wraparounds on digital ticketing to get customers to lean into a product, like 'Buy Now!', or 'On Sale!', which you lose with digital ticketing. Ongoing innovations mean that shelf has become part of their media, this will ultimately become cost prohibitive. There is also the cost and the environmental impact, electricity, etc, it's the wrong equation for retailers.

When you go into a store, you want to see something new, print allows you to create newness in an eye-catching, 3 dimensional, sustainable, cost-effective way. If you think about changing a store over, clearing out shelving, plastics, etc, print is a more viable alternative.

Retailers also understand high-level, eye-level and buy-level and know they have to create richness of product, so printed point of purchase is always going to provide them with a viable alternative solution.

## **Our sector has been impacted by price increases. How is this going to go down with retailers?**

The reality is that if ever there was a better time, it's now. Retailers are getting this on everything, price increases on freight, on production, on cost, availability, everything. So the time is now, on source supply, on availability of product. Don't wait forever to be price competitive, you're just going to shoot yourself in the foot, help them now and show them how you're actually helping them. They know you're a business, you're not an NFP. It might be tricky, however, if you can help with Terms of Trade, have those discussions. Maybe it's staggered payments, especially with the smaller retailers, that can make all the difference to them, and ultimately, to your business.

Also, in New Zealand, there is not a lot of RFPs going out, because retailers are also sitting at the table, so they have your back. Retailers are looking at everything, including the price of digital, which has exploded. Retailers are questioning how they are going to achieve better ROI, and digital is not always the answer. Printers need to stay in the mix.

## **How can printers drive the conversation to gain buy in from the traditional brand owners that maintains their stance on digital communication as their key marketing driver and have a resistance to 'bring back the catalogue' or introduce in store printed matter?**

I think the best way is to demonstrate it to them. Find examples where you can demonstrate that a combination of print and digital is more effective than digital alone. It's the same issue digital had when it was unproven. Print now faces the challenge of having to demonstrate its value as a complementary part of the equation.

If I were you I'd pull together case studies that show performance through other channels.

The one thing to be mindful of is how you talk with that retailer. Try and understand what drives their choice for digital. Is it ROI, cost, measurability, targeting, etc? Those are going to be the triggers you need to connect with through your case studies and examples. And remember this is a game of persistence so don't give up! There is science to show it takes 7 attempts to break a cycle of behaviour.

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Juanita Neville-TeRito is a retail and marketing professional with 25+ years' experience and core skills in retail marketing. From international corporates to launching start-ups, Juanita has a proven track record of making the difficult possible and the undifferentiated differentiated. She creates compelling, competitive ideas and strategies and can then transform these into realities that connect with customers through business capability.

