

Why digital means POS is no longer the poor relation

LONDON, UK: There is an industry-wide perception that POS and shopper marketing was the camel with the worst breath. No longer, says head of digital at Ogilvy Action Hugh Boyle.

By [Hugh Boyle](#) 22 Nov 2010



There is a generation of advertising people who should be ashamed of their historic and current view of the world of activation, and it will bite them on the backside.

Brands, retailers and agencies can no longer afford to regard consumer-facing activations as the poor relation to classic or digital media channels. Shopper marketing and POS was always perceived that way because everybody watched TV, read *The Sun*, *TV Times*, *Daily Mail* and pretty much knew what they were going to buy before they left their homes.

However, that traditional broadcasting model has fragmented, and with it, the notion of being outside or in store has changed. Smartphones with location-based search, GPS technology and image recognition mean the world is the internet. Concurrently, the whole shopping experience has changed.

A ritual

Shopping has always been a ritual - and an enjoyable one - but now shopping has become a sophisticated and multi-sensory ritual. Brands like Nike and Apple have not only set the digital agenda in the retail space, they have set the agenda for redesigning what traditional retail environments are like - the early adopters will always be part of companies like that, and other retailers will wait and see what the reaction is and follow the agenda.

There is an industry-wide perception that POS and shopper marketing was the camel with the worst breath. No longer. Again, concurrently the demographic is changing. The most important group of consumers for any brand are arguably either not old enough to buy that brand's products or are not earning money. If you are aged between 14 and 18-years-old, you are part of a generation that will change the world in terms of how people interact with brands in an activation environment.

Two massive mobilisations of shopper

Younger people are the first generation to be truly digitally native. There's an inevitability that you will have to use the tools and technology that young people are using to connect and communicate with each other. Young people will demand that.

There's also an older generation of people who have the time to engage with social media. Therefore, you have two massive mobilisations of shopper who are using this technology in every other walk of life and will

demand it in a retail and shopping environment. That's why digital has empowered POS.

Shopper marketing and POS have traditionally always been about value and promotions and saving people money. Technology allows brands to use POS to do what it has always done, only more accurately and effectively. Through the global reach of the internet, they know much more about which consumers are buying their products. The data available, thanks to online shopping and loyalty cards, mean brands and retailers know precisely what products are being bought, and they can therefore push digital activations that are infinitely more relevant to a particular shopper.

Consumer-facing activation has advanced and improved because people expect more from a shopping environment. Consumers embracing digital has led to an inevitable improvement in retail environment.

False start

It has not come without its share of trial and error, however. The millions Tesco spent on introducing screens in its stores was the biggest false start imaginable. Tesco thought that because it had X number of screens in so many stores and X number of customers would see them, it could become a media owner and sell in-store TV advertising.

However, the last thing people are going to do is stop and watch a 30-second TV commercial while they are shopping. Tills are all beeping, kids are crying and they're being bombarded with TV ad messages - it would have driven shoppers crazy. Anecdotally, when people subsequently saw the same ads on their screens at home that they had seen in Tesco stores, their response was a negative one because they associated it with that chaotic supermarket environment.

Enabling digitally-activated shopper marketing has therefore had to be a lot more sophisticated. It's had to be a lot more about targeting individual users, and there are some great examples of that being done. Tesco, for example, uses its Club Card data to provide an immediately-available basket of regularly purchased items for online shoppers to select from. It's a good example of how digital has made POS relevant, accurate and above all useful to the shopper.

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