



Research report

Retail Revived: How Technology Is Transforming In-Store Marketing

The new and nimble strategies needed to drive value and increase efficiency

Brick-and-mortar retail is back.

Despite economic uncertainty, consumers want to shop and dine in person. Yet they still desire the flexibility and choices that were introduced or accelerated during the COVID-19 pandemic.

So how can retailers flex to deliver both features in order to attract and retain today's recession- and inflation-pressured consumer—while also delivering on their ultimate goal of increasing sales?

Indeed, one constant across retail stores, grocers, c-stores, and food service providers is a desire to increase sales.

But with fluctuating dynamics, many are left wondering about the best way to do it.

In-store marketing, now more than ever, is connecting with online insights to create personalized and timely promotions that drive customers to purchase.

To understand how brick-and-mortar locations use in-store marketing in today's environment, Imagine recently surveyed company leaders across the retail, grocery, c-store, and food service segments who manage these campaigns.

The results show that **in-store marketers' priorities into early 2024 are to increase sales, create inviting shopping environments, and meet recession-constrained budgets.** These teams want to use their limited dollars to improve the customer experience and increase customer knowledge to achieve those goals.

This survey report details these and other findings. In it, readers will learn:



The most pressing in-store marketing goals, how brands are trying to achieve them, and the barriers to success.



Why employee experience is just as important as—and often influences—customer experience.



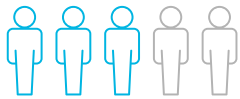
The role of digital platforms and how in-store marketers could leverage them to better achieve their goals.

Driving Sales Is The Driving Goal

Following the pandemic, consumer behavior has changed. Having become accustomed to more digital shopping and dining options, people are now looking for unique in-store experiences.

Yet retailers are challenged to provide it, given tight shopper budgets, even tighter marketing budgets, and stiff and varied competition.

Amid all this change, one thing has stayed the same—and that is the goal of optimizing sales.



In fact, three out of five (60%) retail executives reported that their organization’s top priority in the coming year is to increase in-store sales.



In today’s retail environment, companies that enable support from digital platforms are in the best position to meet this goal.

Through system-supported promotions and installations, marketers can highlight specific sections of the store where value products are located. Wayfinding and other tools drive customers through the store experience, and drive cross-collaboration and value messaging across departments.

These strategies engage new customers and give organizations the opportunity to promote new products in a targeted way.

“Retailers with a technical backbone have the ability to develop a custom profile by store. Based on data, marketers in individual stores can be highly specific in where and how to apply promotional messaging in their location to yield the best possible engagement.”

Chris Cavanaugh
CEO at Imagine

Secondary priorities included:

46% _____

Increasing online sales

30% _____

Increasing margins

26% _____

Expanding into new regions

Additional priorities for the coming year were opening new stores (22%), reaching new audiences (17%), rolling out new products (11%), and trying new footprints or store formats (3%). Increasing online sales was a higher priority for food service companies (53%) and a lower one for grocery stores and c-stores (33%).

Some of these objectives can be achieved or improved through the efficient use of digital platforms as well.

Take, for example, a brand expanding into a new region or opening a number of new stores.

Orchestrating all the moving pieces of these massive initiatives becomes hyper critical. One delay or misstep and all the dominoes of even the best-laid plan can come crashing down.

A digital platform can provide accountability, streamline monitoring, cross-check that each location has exactly what it needs, and even localize the messaging to attract more attention.



45%

A combined 45% of the respondents indicated that opening new stores and/or expanding into new regions was a top priority. Yet more than half of them rely on desktop or project management software to manage in-store marketing programs.

Learn how a national c-store brand leveraged tech to drive efficiencies that scale as the brand continues to expand.

Read the case study →

Achieving the End Result

Most wanted results from in-store marketing programs that have not yet been achieved or prioritized.

53% _____

Improved customer experience

47% _____

Improved customer knowledge

30% _____

Increased customer loyalty

11% _____

Reaching new audiences

With so many brands seeking to increase in-store sales, it is unsurprising that survey respondents indicated improved customer experience (53%) and improved customer knowledge (47%) as the results they most wanted from in-store programs that have not yet been achieved or prioritized.

Terry Monday, chief strategy officer at Imagine, noted that these results point to the buyer’s journey and in-store experience, stating, “This increased importance presents a tremendous opportunity to rethink how the in-store experience is happening and how it must become more adaptable to different retail footprints and evolving consumer expectations.”

Other desired results from in-store marketing programs were increased customer loyalty (30%) and reaching new audiences (11%), both of which could also lead to increased sales—and reflect the importance of improved efficiency.





“Demands are intense, and digital platforms can help brands get the most from their in-store marketing by making it intuitive, easy, and efficient.”

Chris Cavanaugh
CEO at Imagine

When store associates have access to visual merchandising materials that are easy to install, they are more likely to use them and do so correctly. Not only does this ensure that customers become more engaged, it frees up the associates to be more available to address customer needs.

Monday observed: “Time and resources are limited, and marketers require ease of execution in displays, such as all components shipping in one box with everything accurately labeled. Having all the components in the box is critical and much more likely with the right technology, which enables the right box with the right components to be in the right location. These elements translate to setting up displays easily and properly in the store and providing the desired value to customers, vendors, and organizations.”

Creating these ideal processes is one more area to which digital platforms can contribute.

For example, digital platforms can support staff, who face increasing demands and shortages at the same time, with a single person sometimes running the entire operation of a smaller-footprint store.

Cavanaugh stated, “Demands are intense, and digital platforms can help brands get the most from their in-store marketing by making it intuitive, easy, and efficient.”

Turn heads. Add value. Open wallets.

Use this checklist as your road map for creating a memorable in-store experience that checks every box your customers want now.

Grab your copy →

Support and Challenges for In-Store Marketing Initiatives

Another critical finding from the report is that for the vast majority (92%) of respondents, budgets for in-store marketing had increased compared with the year prior. Yet the second-most-cited (26%) difficulty in developing and implementing in-store marketing programs was budget constraints. One respondent stated, “Budget constraints mean many plans cannot be well implemented, so that the effect cannot be well presented.”

While budgets may have increased, it’s likely only an incremental uptick—and does not account for the inflationary pressures that drive up the cost of materials, or the requirement many face to do more.

Many marketers may feel even more budgetary strain than they have in prior years.

45% _____
Almost half of the respondents (45%) indicated lack of alignment between marketing and operations as a challenge when deploying in-store marketing programs.

52% _____
This issue was larger for retail and CPG companies (52%)

34% _____
and smaller for food service companies (34%).

Monday explained, “There tends to be a natural gap between marketing and operations. Marketing and visual merchandising professionals want to provide the best possible experience, while operations professionals just want it done because they are focused on customer engagement and store operations.”



Don't leave your in-store marketing campaigns to the same old planning process. Instead, make a plan that maximizes your dollars, protects ROI, and makes you shine.

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Thus, even a small lapse in alignment could cause significant challenges. Vendors must take this aspect of in-store marketing into consideration when designing, creating, and packing kits.

An additional challenge for in-store marketers is localization.

65% _____

A majority of survey respondents (65%) said they believed there was at least a somewhat wide gap between the desire to localize programs and the ability to do so.

One respondent stated, “The most significant barrier to localizing a program is the language barrier. Translating a program into another language requires a significant amount of time and effort, as well as linguistic expertise.”

But the challenge here is not limited to just language. Often, brands want to get hyper local in their promotions to create a community-like experience within the four walls of their locations. Doing this at scale can present challenges without the right data and technology in place.

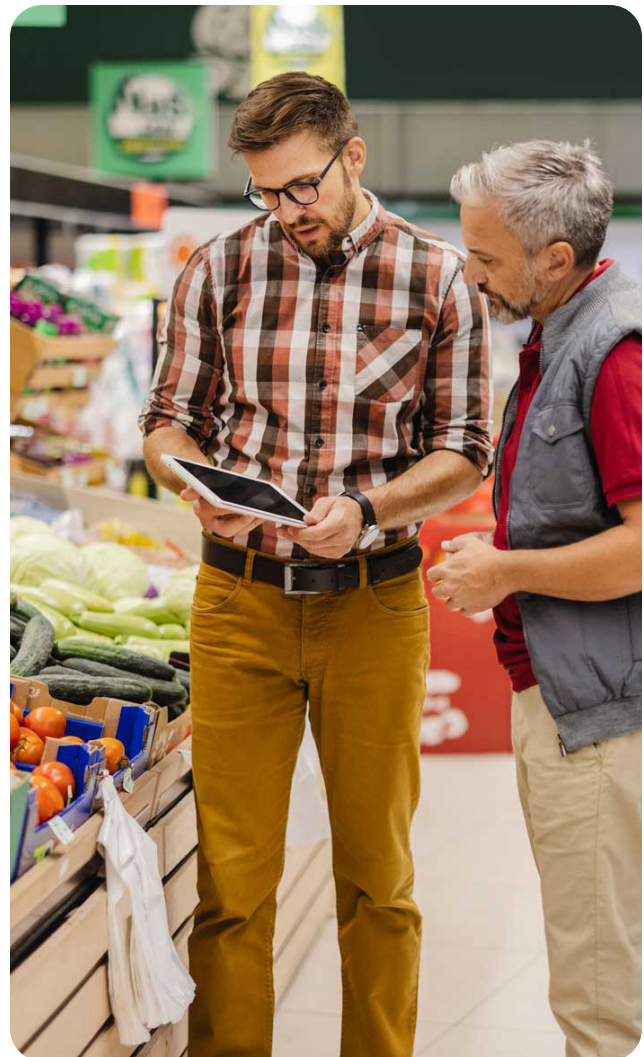
“In addition to high quality, vendors must look at what’s coming next and bring new innovations to the forefront.”

Chris Cavanaugh
CEO at Imagine

These difficulties may drive what respondents appreciated most about their current in-store marketing vendors:



The most valued vendors offer excellence in executing good ideas at a reasonable cost. Cavanaugh stated, “In addition to high quality, vendors must look at what’s coming next and bring new innovations to the forefront.”



Supportive Solutions

When working with an in-store marketing vendor, the benefits survey respondents most appreciated include partnership (23%) and convenience (21%), followed by responsiveness (13%), ROI (12%), speed (10%), technology (10%), and creative/design (4%).



One in three retailers want to improve their in-store marketing creative—however, only 3% of that subset look to their print partner for creative and design expertise.

A good partner can deliver creative concepts that stretch your in-store marketing budget—giving you the most impactful signage at the best price.

Learn more →



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Because the landscape is constantly shifting, there are some improvements they would like to see in their in-store marketing programs.

The top responses were:

46% 
Ease of use

33% 
Better ROI

31% 
Creative/innovative ideas

29% 
Compliance

Another improvement marketing professionals indicated they wanted to make was resolving difficulties in developing and implementing in-store marketing programs. This includes inventory management, order tracking, and reporting (33%); budget constraints (26%); localizing or customizing messaging (26%); timing (25%); and managing multiple brands or store footprints (24%).

One respondent noted that inventory management, order tracking, and reporting were difficult because “the time and complex nature are really tiresome.” Another observed that budget constraints were difficult because it’s “hard to do everything we want with the money allotted.”

Other difficulties in development and implementation mentioned were ensuring that each location has the right assets (24%), developing the right creative or messaging (23%), and field compliance (19%). Field compliance was less of an issue for food service companies (23%) and more of one for grocery and c-stores (44%).

The digital platform features that companies do not have but wish they did reflect these struggles.

50% _____
For example, half of retail executives (50%) identified digital screen integration—which could help with localization and customization, timing, and field compliance—as their top choice.

This option was chosen less often by grocery stores and c-stores (40%) and more so by food service companies (61%).

Multiple program management (37%) could address managing multiple brands or store footprints. Inventory management features (34%) could ensure that each location has the right assets.

Cavanaugh highlighted the desire for digital screen integration, stating: “Marketers can do things like customize menus across stores to personalize and regionalize messaging, which is something that wasn’t possible before digital screens. But often, brands have to work with two separate vendors and two separate processes—one for their printed in-store marketing and one for their digital screens. This can present new frustrations for already overextended teams.”



Consider these surprising statistics from an audit of a national retail drugstore chain:



On average, their stores discarded two out of every three signs shipped.

Only 17 out of 50 shipped marketing assets were actually merchandised.

Even the best-performing locations merchandised only 66% of their marketing elements and discarded a third of their signs.

As for the worst performing locations, their compliance rates were 11% or less.

Learn how implementing a digital platform helped this brand optimize their annual print spend by 47%.

Watch the webinar →

The Role of Digital Platforms

After years of investing in front-of-house technology to improve the customer experience with mobile ordering and similar functionality during the pandemic, many brands are focusing their attention on back-of-house operations to make things run more efficiently.

The survey results revealed that more than three out of five retail executives (60%) used digital platforms that managed in-store marketing programs to communicate with local stores.

The next most often chosen uses of digital solutions that manage in-store marketing programs were communicating with vendors (44%), maintaining access to multiple programs (38%), and organizing and tracking campaigns (38%).

60% _____

Communicate with local stores

44% _____

Communicate with vendors

38% _____

Maintain access to multiple programs

38% _____

Organize and track campaigns

These findings are consistent with many of the goals and challenges already identified, including the critical importance of developing local and regional versions of promotional campaigns, partnering with vendors, and managing multiple projects at once.

Additionally, Cavanaugh pointed out that digital platforms were essential for gleaning, learning from, and acting on data-driven insights. He stated, “The tremendous amount of data available can be used to support value messaging, personalization, and regionalization to help drive customers to loyalty programs and get them into the customer ecosystem.”

Such a platform should help retailers simplify ordering, distribution, and reporting for their in-store marketing assets.



All retail executives surveyed reported that their companies were using technology and digital platforms to manage in-store marketing programs.

41% _____

However, the solution used most often is desktop software (such as Microsoft Excel, Microsoft Word, and Google Sheets) (41%).

Unfortunately, relying on these basic tools can only exacerbate the challenges retailers are facing.

“Today’s retailers need a centralized platform to plan, execute, and track these complex programs,” explained Cavanaugh. “A comprehensive digital platform should offer insight into every aspect of your in-store marketing, provide control of the process from start to finish, and allow you to run more efficient campaigns. You simply cannot achieve that with a spreadsheet.”

Organizing and tracking over 130,000 total parts for multiple new store and remodel projects was no sweat for this regional big box retailer.

By leveraging a robust digital platform, the brand was able to keep a finger on the pulse of all the moving pieces and confirm with photo verification that all items were installed properly.

[Read the case study →](#)



Evaluating Current Solutions

Ultimately, the better in-store marketers can manage their programs, the better they can implement them well, and the better the customer experience can be.

The result? Higher engagement, greater loyalty, and increased revenue.


Because today's in-store marketing programs rely so heavily on technology, these systems must be as close a match as possible to marketing professionals' needs.


The survey results revealed several factors that influence the decision to invest in in-store marketing programs and digital platforms, such as features that companies do not have but wish they did. One of the most important features to note is the ability to produce reports and dashboards, which few companies do (3%) but many wish they could (35%). This feature would enable executives to keep track of and report on all the assets, budget spending, inventory, and ROI.




Additional factors include:

54% 
Budgets

47% 
Organizational readiness to adopt new technology

30% 
Solutions that allow for customization and scale

20% 
The right mix of features to meet organizational needs

New solutions must also retain the benefits already provided by vendors, including innovation, price, partnership, convenience, responsiveness, ROI, speed, technology, and creative/design.

Monday observed another key factor in evaluating digital platforms, stating, “In-store marketers are asking their partners to be innovative, not just on the front end in terms of developing campaign ideas, but also in how to minimize costs, use sustainable materials, and improve high-level factors such as speed and efficiency.”



Summary

To win in today's environment, brick-and-mortar establishments are experimenting with new ways to enable physical and online versions of the consumer experience to complement each other and increase sales.

While executives who oversee in-store marketing are doing their part to drive efficiency, help employees do their jobs better (even with reduced resources and strained budgets), and drive customer action, they don't need to do it alone.

With digital platforms, brands can gain deeper insights, more accurate data, and greater control over their in-store marketing campaigns.

To maximize your impact, don't just look at the platform:

Find a partner who can tailor it precisely to your brand and your goals, while also offering best practices and guidance. A good partner can show you how to evolve the platform for your business.

The right digital platform and the right partner can be a powerful one-two punch to ensure that every in-store marketing campaign is successful.



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As a trusted partner to the world's most successful brands, Imagine designs, produces, and delivers beautifully crafted print and digital solutions that inspire action and get results. From concept to consumer, our end-to-end solutions include creative design, pre-media, décor, commercial print, store signage, specialty packaging, out of home, fulfillment, and kitting.

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