

# **Retail Re-UP:** Adjusting to the Next Normal of Social Advertising

How to Master Localization to Drive User Acquisition and Sales



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# The Next Normal



# Shopping Behavior Has Changed

The global pandemic has moved much of the world online and accelerated the digital retail space. As a result, a clear opportunity has emerged for brands: optimize your marketing mix and reach consumers where they are right now. Marketing teams need to reconsider their advertising strategies and reach consumers where they are - social media.

Retailers who previously relied on brick-and-mortar sales are now looking into omnichannel strategies. With new consumer purchasing options – such as buy online, pick-up in store – and changing local in-store conditions, retailers are launching localized offers at scale, targeting shoppers with customized messaging, local store inventory and store condition information to drive initiatives.



# Shifting Budgets in 2020

The turbulence in the social advertising landscape from the beginning of the pandemic continued throughout the entirety of 2020. The biggest decline in CPM occured in March, and since then prices have been on the rise again. CPM levels continue to be volatile, and thus, advertisers need to stay on their toes and continue to adjust strategies as the situation develops.

While there may be an end in sight to the pandemic, variations in ad performance and consumer behavior are here to stay. Understanding these shifts will be the key to success in social advertising in the coming months.

The secret for advertisers is agility. Winning brands will continue to monitor consumer behavior closely, offering products and services that are relevant, timely and valuable, and adapting their advertising channels and messaging accordingly. Understanding your audience will translate into more consistent brand advocacy – and greater return on ad spend.

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## What Consumers Want Now

If there's one thing we've learned from these unusual times, it's that pausing marketing is not an option. Brands that made the decision to stop communication during the height of the COVID-19 pandemic have effectively been invisible due to top marketers capturing a larger share of voice.

We asked 5,000 adults in the U.S., APAC and EMEA how they've used social media during the pandemic and if social ads have impacted the way they view brands.





Our findings reveal that consumers know exactly what type of content they prefer to see on social media ads. With this in mind, here's how brands can best navigate their social presence:

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### PEOPLE WANT HELP PREPARING FOR NORMALCY

Just over one-third of consumers have wanted brands to focus on appropriate messaging, advising consumers on how to stay safe when using products and services during the lockdown, and more than 40% of consumers polled in most markets have valued ads that offer products and services appropriate for lockdown lifestyle.



### DEALS AND OFFERS ARE KEY

With job uncertainty and the state of the current economic climate, it's no surprise that more than half of consumers are seeking value in the purchases they plan to make – 57% of consumers are looking for price offers and sale items. Consumers seem to be most receptive to grocery ads over other industries and are especially willing to see price offers and sale items from that industry.







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### RIPE OPPORTUNITY FOR NEW BRANDS AND CATEGORIES

During the pandemic, brands that made a quick transition to offer services and products that were relevant and timely saw huge success in ad performance. Many consumers, especially in Europe, made purchases online for the first time ever, according to our survey. And in the month of May, 48% of consumers globally made purchases based on social ads. Additionally, purchases made directly through social ads were up across all markets.

Consumers have strong opinions about the ads they're seeing right now, and they've carefully selected which brands they interact with. Navigating a reopened world can seem daunting for retailers, but here are a few strategies brands can consider to strike the right chord with their customers.





### **Smartly.io's Solution** Helps Retailers Promote Localized Online And Store Offers At Scale



### CREATE

Thousands of on-brand ads at scale with Smartly.io's dynamic image and video templates.



### LOCALIZE

Copy and creatives with store-level conditions such as opening hours and curbside pick-up.



### OPTIMIZE

Allocate budgets between stores automatically and scale based on in-store purchases. You can also bid based on geographic location, audience lists, platform and more.



### CUSTOMIZE

Targeting radius per location and promotion selection based on in-store availability.



# Promote Localized Offers

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As the world continues to progress through the pandemic in different stages, retailers must note that a blanket marketing strategy won't work. Instead, brands will need to track consumer behavior and act locally.

Real-time messaging and ad testing will determine what is best resonating with consumers in each location. From there, brands can optimize their campaigns accordingly and serve more personalized messages.

### Take your circulars to social:

By nature of digital content, it's easy to activate and refresh everchanging circular campaigns to drive reach.

### Showcase online and store-level pricing and conditions:

Provide your products, prices, and availability in real-time, and highlight accurate store conditions such as opening hours, delivery areas, store address and maps. This includes initiatives like delivery, curbside pick-up, and buy-online-pickup-in-store and in-store visits – all hyper-localized to drive store foot traffic.

### Target nearby shoppers with localized offers:

Customize your offers and assets by targeting in-store availability, radius per location and viewer location – without compromising performance.

### Implement weather-based collection ads to improve ROI:

Connect your product catalog to the local weather feed, and automation tools will create and scale ads based on the local forecast. Draw customers to your stores for weather-based items like umbrellas, sunscreen, hot soup, ice cream, etc.





# Optimize for Checkouts and Store Sales

### It's important that you spend your budget in areas where you will see results, so bid on value!

Determine the importance of different audiences or store locations by bidding more on the shoppers who provide a higher lifetime value or return on ad spend. In other words:

### Focus on your most valuable shoppers:

Maximize your results with smarter budget scheduling. Program budgets and set bids based on criteria such as platform, age, audience list or geographic location – without compromising performance.

### Allocate budgets to highest performing stores:

Gone are the days of adjusting budgets manually. Automatically shift budgets between stores, and scale based on actual purchases happening in real-time.





# The New Normal of Advertising: Best Practices

OFFER

Across all markets, purchases made directly through social media ads went up as a result of the pandemic; however, a majority of sales still take place in-store.

That said, retailers need to adopt an omnichannel strategy, connecting online clicks with offline conversions. Here are some ways brands can get a complete view of their customers' purchase journeys:

Localization

Data

Performance

Dynamic

Creative Templates

### Uncover online and store-level insights:

Connect your online ads to your offline data to drill down on performance by location, zip code, product categories and offers. For example, track offline transactions that occur after people see or engage with your Facebook ads.

### Monitor your results:

Customize your reporting to easily monitor your custom performance metrics such as store-specific contribution margins and take immediate action.

### To maximize your offline sales with your online campaigns, following these best practices:

- 1 Optimize for in-store and online sales/conversions to maximize the total campaign impact.
- 2 Display nearest store locations with map cards, include directions, business hours, and other helpful information in the creative.
- Promote products with high demand such as bestsellers, special offers, and seasonal items. Remember to take regional variations into account!
- 4 Provide options to buy online or in-store.
- **5** Tailor creative for mobile screens to maximize effectiveness.
- 6 Use radius or address targeting to reach shoppers close to your stores.
- 7 Consider immersive, full-screen mobile ad formats such as Instant Experience Ads to create digital versions of circulars.



# Why Perfner With Smartly.io?

Smartly.io automates every step of your social advertising to unlock greater performance and creativity. We combine creative automation, ad operations, and outstanding customer service to help 600+ brands scale their results – not headcount.



### INNOVATE FASTER

Access what's new before the competition.



**MEASURABLE RESULTS AT SCALE** Watch your ROI soar.



**EFFICIENCY THROUGH AUTOMATION** Wave goodbye to manual work.



**EXTENSION OF YOUR TEAM** No tickets or waiting. We answer and solve fast.



### **CREATIVE AUTOMATION AND SERVICES** Personalized ads. better business.

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# Smerily do Offices

#### **AMSTERDAM**

Mindspace Amsterdam Dam Nieuwezijds Voorburgwal 162 1012 SJ, Amsterdam

### AUSTIN

WeWork 316 W 12th St - 6th Floor Austin, TX 78701

BERLIN

Schiffbauerdamm 12 10117, Berlin

### **BUENOS AIRES**

Torre Bellini Esmeralda 950 Capital Federal B, C10007, Buenos Aires

#### DUBAI

Astro Labs Dubai Parkside Retail Level Cluster R JLT, Dubai

### DUBLIN

Dogpatch Labs The Chq Building, Custom House Quay, North Dock, Dublin

### HELSINKI

Postitalo Elielinaukio 2G - 4th Floor 00100, Helsinki

#### LONDON

Business Centre 2 Stephen Street London, W1T 1AN

### MADRID

WeWork Paseo de la Castellana 77 28046, Madrid

#### **NEW YORK**

440 Park Avenue South -14th Floor New York, 10016

### PARIS

Spaces Bonne Nouvelle 17-21 Rue Saint-Fiacre 75002, Paris

#### SAN FRANCISCO

580 Market Street Suite 200 San Francisco, CA 94104

### SINGAPORE

One Raffles Place #34-03 Singapore, 048616

#### **SYDNEY**

175 Pitt St - 15th Floor NSW, 2000

### SÃO PAULO

Rua Prof. Atílio Innocenti 165 - Vila Nova Conceição São Paulo, SP 04538 - 000

### ΤΟΚΥΟ

Business-Airport 3F SHIBUYA SOLASTA 1-21-1 Dogenzaka Shibuya-ku Tokyo, 150-0043



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Click <u>here</u> for a demo of our platform or speak with your Customer Success Manager.