UNTANGLING THE SOCIAL WEB:
A GROCERY SHOPPING PERSPECTIVE

PART 8: **A LOOK AT TODAY AND A VISION FOR 2020**

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North America Coca-Cola RETAILING RESEARCH COUNCIL

integer

INTRODUCTION

It's incredible to think that just ten years ago, Facebook was created as a way to help Harvard students connect socially. Now, Facebook has over a billion users worldwide and continues to integrate new functionalities.[1] In addition, platforms like Twitter®; Pinterest®; and, most recently, Instagram®, Vine®, and Snapchat® have also emerged and present new ways for people to interact and new opportunities for businesses.

While the social web continues to grow and diversify, it also becomes an ever-larger part of our lives as both shoppers and professionals. Regardless of platform, the social web enables the fundamental human desire to connect (and the desires of brands and retailers to connect with their shoppers).

Social Networking (THE ACT) + Social Media (THE TOOLS) = The Social Web (THE LANDSCAPE)

Today, the social web is a place for all. From grandmas to tweens, Chanel® to Piggly Wiggly®, everyone is welcome. It's more than a place to connect; it's a place to share, learn, and discover—especially when it comes to shopping. While using the social web might not yet be top of mind when people think of shopping at supermarkets and other food retailers, it's a resourceful tool and common touch point for many shoppers today, whether they know it or not.

Due to the diverse product mix that can be purchased at supermarkets and food retailers, throughout part 8, we will use the following terms:

Grocery Shopping: any shopping activity done before, during, or after purchase that helps the shopper make decisions when buying grocery items including food, beverages, cleaning products, and health and beauty items.

Supermarket: a retailer that sells grocery items including food, beverage, cleaning products, and health and beauty items. This includes both traditional food retailers as well as mass supercenters.

Not only does grocery shopping encompass a diverse range of products and retailers, it also is a more complex task than many think. There are many types of grocery shopping activities that happen on the social web. Some are obvious (like shoppers looking for deals) while others are subconscious (like finding a great recipe, which impacts a shopping list). Some activities are between a shopper and a brand or retailer, while others are between shoppers and their community of friends, family, and news sources. Some activities happen before shoppers enter the store, while

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1 Facebook reports having 1.23 billion monthly active users as of February 5, 2014

others occur in the moment or after. All of these activities impact how people think about products and supermarkets, and, ultimately, they impact what they buy and where.

For this reason, Coca-Cola Retailing Research Council presents Part 8 of *Untangling the Social Web*. It aims to build on the previous seven parts—all of which are available at www.ccrrc.org—and help businesses successfully understand social media through the eyes of the grocery shopper. It will add layers of granularity to understanding how shoppers use the social web as well as a vision for 2020 so that supermarkets can leverage all parts of the series to reach their goals in the coming years.

PART 8 WILL ANSWER QUESTIONS INCLUDING:

- How many people use the social web to grocery shop today, and what will change by 2020?
- How influential is the social web and what kinds of purchases does it influence today? In 2020?
- Who uses the social web to grocery shop?
- What kind of activities are they participating in on the social web? What do they expect to do in 2020?
- Which platforms are grocery shoppers using and why?
- What role does the supermarket play today? What are they expected to do in 2020?
- What prevents people from using the social web to grocery shop?
- What prevents supermarkets from excelling on the social web?
- What does 2020 hold, and what should supermarkets do to succeed?

To get these answers, primary research was conducted with over 3,700 shoppers and 10 social media leaders at key supermarket chains.

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METHODOLOGY

For this project, we built upon the knowledge established in Parts 1–7 of *Untangling the Social Web* using an array of primary research methods to help us understand both how shoppers use the social web for grocery shopping as well as what hinders further engagement. For the study, shopper respondents were asked to think about shopping for everyday household items like food, beverage, cleaning, and health and beauty products.

Similar conversations were held with supermarket social media experts so that we could build a holistic view of what success looks like.

Supermarket Interviews

We conducted interviews with 10 industry participants to gather real-time insights regarding current processes, successes, and existing roadblocks to future success. Participants included Community-Relations Managers, Directors of Marketing, Marketing Managers, and Digital/Social Media Managers at food retail companies.

Qualitative Shopper Research

Integer, through fieldwork company AlphaBuzz Inc., conducted a qualitative survey with 15 shoppers who use the social web to help them grocery shop. In-home interviews were conducted to better understand how and why shoppers use the social web. Respondents represented a range of demographics and shopped at various supermarkets including King Soopers®, Albertsons®, Whole Foods®, Target®, and Walmart®.

Quantitative Shopper Research

Integer, through fieldwork company Research Now®, interviewed a sample of 12,871 social web users—7,445 indicated using the social web as a shopping aid, and 4,699 indicated using the social web as a grocery shopping aid. To gain deeper insights about social web user grocery shopping habits and barriers to adoption, a more in-depth quantitative survey was conducted with a census-balanced sample of 3,238 social web using grocery shoppers and 500 social web users who did not use the social web to grocery shop. Respondents answered a series of questions regarding their social web usage and habits as they pertained to food shopping and general shopping habits.

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Quantitative Sample Profile

The survey was created with the intention of compiling a nationally representative sample.

	Those who use the social web for grocery shopping	Those who use the social web for general shopping but not grocery shopping
Sample	3,238	500
Male	45%	49%
Female	55%	51%
18–24	15%	13%
25–34	20%	18%
35–44	20%	18%
45–54	21%	19%
55–64	15%	16%
65+	9%	16%
White	74%	73%
Black or African American	11%	13%
Hispanic	9%	9%
Asian and Other	5%	5%
HHI: Less than $25,000	27%	25%
HHI: $25,000–$49,999	27%	25%
HHI: $50,000–$74,999	20%	18%
HHI: $75,000–$99,999	12%	12%
HHI: $100,000–$149,999	9%	12%
HHI: $150,000 or More	5%	8%
Single	32%	49%
Married	51%	32%
Divorced/Separated/Widowed	15%	20%
Northeast	20%	20%
Midwest	24%	22%
South	38%	39%
West	18%	19%
Primarily Grocery Shop at*		
Mass (Walmart or Target)	51%	-
Multi-Regional, Regional, or		-
Local Supermarket	31%	-
Other**	18%	-

Source: Integer Study, Fall 2013
*Includes primary and secondary store shopped for everyday household items
**Other includes club, dollar, and drug stores

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Using Part 8 along with the previous sections of *Untangling the Social Web*, companies can understand how to better approach shoppers through the many conduits of the social web to build relationships, sales, and profits.

KEY RESEARCH FINDINGS

SOCIAL WEB USE FOR GROCERY SHOPPING

- 36 percent of the population uses the social web in some form as a tool to help their grocery shopping.
- This compares to 58 percent of the population who uses the social web to shop. Supermarkets provide less compelling engagement; therefore, consumer usage lags.
- More than half of the people who are not using the social web in their grocery shopping behavior today expect to use it in the coming years, showing a big upside in consumer use still to come.
- Those who currently use the social web for any shopping expect it to be more engrained and more influential in their future shopping behavior, across all categories.

PLATFORM USE FOR GROCERY SHOPPING

- The vast majority of people (92 percent) rely on Facebook, because it lends itself to a broad range of content and more functionalities than other platforms.
- Interactions on platforms are quick except on Pinterest, where shoppers take more time to curate content, especially recipes (33 percent), and get inspired (17 percent).
- Other platforms (Vine, Snapchat, Instagram) present opportunities to provide different forms of content and different consumer interactions.
- New platforms can gain traction quickly and, while many marketers (and shoppers) are not present on smaller or newer sites such as Instagram, they should be monitored, because they can become popular quickly.

DEMOGRAPHIC DIFFERENCES IN SOCIAL WEB USE FOR GROCERY SHOPPING

- A wide range of people across all demographics use the social web to aid their grocery shopping efforts. They demonstrate similar shopping behaviors—they visit social sites daily or several times a week to help them shop (75 percent), shop for everyday household items at least once a week (71 percent), and are more likely to shop at mass (51 percent).
- Demographic differences are really only apparent between the platforms that are used.

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- The differentiation is in the functionality of the platform (i.e., images vs. text) and the behavior that functionality allows. These differences in functionality appeal, more or less, to different demographic groups; for example, Snapchat is used by a younger demographic. So each platform serves a different purpose for shoppers.

DIFFERENCES IN SOCIAL WEB BEHAVIORS IN GROCERY SHOPPING

- When they're on platforms, shoppers consume content (81 percent) rather than create content (19 percent). This is a significant difference in their behavior from other social web activity they demonstrate (e.g., with friends and family).
- Shoppers have, so far, been conditioned by supermarkets to consume what is pushed to them rather than interacting and getting involved with their supermarkets on a deeper level.
- Consumption of supermarket content happens mostly during the preparatory stage of the shopping journey rather than in other phases. The most common pre-shopping activities are looking for coupons or specials (37 percent), searching for recipes to inform shopping lists (36 percent), and discovering or researching products (31 percent).
- The social web has made pre-shopping activities faster and more efficient for shoppers.

THE IMPACT OF THE SOCIAL WEB ON GROCERY SHOPPING

- It is highly influential on purchases, especially food (36 percent) and beauty/grooming purchases (32 percent).
- Today, shoppers estimate that the social web influences 27 percent of grocery purchases. This level of influence is expected to increase dramatically in the coming years (40 percent).
- It has a strong, subconscious influence. As content is merely consumed, it arrives in the shoppers' feed and has a priming effect. It is not information they proactively seek out.
- The social web has bought a new level of influence from friends, family, and news sources. These are the primary sources of influence on supermarket shopping, not brands or retailers directly.
- Many shoppers (32 percent of Facebook users, 72 percent of Twitter users, and 79 percent of Pinterest users) do not follow their supermarkets. If they do, it's for conditioned behaviors such as collecting coupons.
- Many have not considered following their supermarkets (32–43 percent, depending upon the platform the respondent uses) primarily because they cannot imagine what else it offers or what value it could bring to them.

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WHAT GROCERY SHOPPERS LOOK FOR AND WHERE

- Social web-using supermarket shoppers are looking for both inspiration and information.
- They find that some sites are stronger than others in this regard. Facebook is very coupon heavy; Twitter and Pinterest are less so. This is, in part, a reflection of how supermarkets have chosen to use platforms thus far.
- The platform used affects how shoppers interact with content and, ultimately, what content is helpful in the shopper mindset.
- On Facebook and Twitter, shoppers generally expect supermarkets to be a quick source for finding coupons and deals or information about events (54 percent and 42 percent, respectively).
- Expectations for recipes from supermarkets are greater on Pinterest (18 percent) than Facebook (9 percent) or Twitter (8 percent). There is a similar heightened expectation for supermarkets to inspire new uses for products on Pinterest.

WHY SHOPPERS ARE NOT USING THE SOCIAL WEB FOR GROCERY SHOPPING

- Existing shopper habits prevent the social web from having greater momentum—people don't want to change their routines (27 percent), and many don't see enough value (22 percent) to make them reconsider.
- Many have not considered using the social web (16 percent) feeling that it provides no unique content from supermarkets (which is often true). They believe the same content is everywhere.

ROADBLOCKS TO RETAILER SUCCESS

- The social web is brand management to the extreme, but is often treated internally as a separate discipline, which silos staff and resources and limits its potential.
- Supermarkets' social content needs to offer more than deals in the future to engage with people.
- Added internal culture and infrastructure barriers limit supermarkets' abilities to achieve success in the social web and incorporate it effectively into their greater marketing strategies.

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SECTION 1: GROCERY SHOPPING AND THE SOCIAL WEB

EXAMINING CURRENT USAGE AND INFLUENCE

Grocery shopping aids are no longer confined to just the circular and end caps. The social web is emerging as not only resourceful but as an influential tool for grocery shoppers of all kinds, helping them hunt for deals, find recipes, create lists, discover new products, and engage with brands and retailers.

In fact, our study reveals that 36 percent of social web users today use sites such as Facebook, Twitter, and Pinterest to carry out a range of grocery-shopping tasks. Many of these shoppers also use the social web to help them shop for non-grocery items like clothing or electronics. These shoppers find that a single platform, like Facebook, can deliver on a range of shopping needs, in part, because supermarkets have been able to successfully learn from and capitalize on the successes of other categories' activities on the social web, and shoppers are familiar with using its content.

While many are discovering the benefits of using the social web for grocery shopping, a larger population has yet to tap in to it at all. Forty-two percent of respondents have yet to use the social web to help them shop, presenting tremendous opportunity for retailers of all kinds to grow as these untapped connections explore the merits of using the social web to shop.

The Social Web Is a Grocery Shopping Tool for One in Three Social Web Users

*Source: Integer Study, Fall 2013, n=12,871
**Source: Integer Study, Fall 2013, n=7,445, includes general and grocery shopping (General items include clothing, electronics, and travel)
***Source: Integer Study, Fall 2013, n=4,699, grocery shopping items include everyday household items like food, beverages, snacks, cleaning, and health and beauty products
Question: Have you ever used social media networking sites to help you prepare to shop or help while shopping (e.g., find deals or coupons, ask for or give recommendations, or purchase an item) for any of the following? Everyday Household Shopping—(e.g., food, beverage, snacks, cleaning, and health and beauty products) or General Shopping—(e.g., clothing, electronics, travel, etc.)

While 3 in 5 people who use the social web for shopping use it for **grocery** shopping, more than 40 percent of social web users overall don't see it impacting their shopping at all. This represents a huge growth opportunity.

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The following analysis and insights will focus on today's core users of the social web for grocery shopping, drawing on insights from these non-users to help us envision the future. To begin, it's best to understand where and how this activity happens.

Where and How Is This Activity Happening?

In the world of social media, Facebook is unquestionably the most heavily used site, so it's not surprising that most grocery-shopper activity happens on Facebook. Ninety-one percent of respondents report using Facebook to help them shop for grocery items compared to 33 percent using Twitter, 27 percent using Pinterest, and 17 percent using Instagram. While Tumblr®, Vine, and Snapchat are increasingly popular, less than 10 percent of respondents use these sites for weekly grocery shopping activity or even weekly in general.

> Supermarkets act similarly to their shoppers, focusing on more quality engagement on one platform (primarily Facebook) rather than being on them all.

While many shoppers use Facebook, it is interesting to examine their cross-platform usage. Among Facebook users, only a third use the second-largest platform, Twitter, and only a quarter use Pinterest. While Twitter and Pinterest users are more socially engaged with other platforms, they are still focused on the most mainstream sites. It's only the users of the newer platforms like Vine and Snapchat who show strong use across all social platforms for shopping aids.

Cross-Platform Usage of Social Media as a Grocery Shopping Aid

	Total	Facebook	Twitter	Pinterest	Instagram	Tumblr	Vine	Snapchat	Size of Platform, Monthly Unique Visitors (000)*
Facebook	92%	N/A	94%	88%	92%	91%	94%	89%	131,249
Twitter	33%	34%	N/A	40%	66%	67%	74%	73%	37,376
Pinterest	27%	26%	32%	N/A	40%	52%	54%	53%	26,422
Instagram	17%	17%	33%	25%	N/A	61%	74%	77%	22,678
Tumblr	8%	8%	17%	16%	30%	N/A	50%	49%	26,503
Vine	5%	5%	11%	10%	22%	30%	N/A	53%	405
Snapchat	4%	4%	9%	8%	19%	24%	44%	N/A	374

Source: Integer Study, Fall 2013, n=3,238
*Comscore February, 2014
Question: What social media networking site(s) do you use to prepare to shop or help while shopping for everyday household items?

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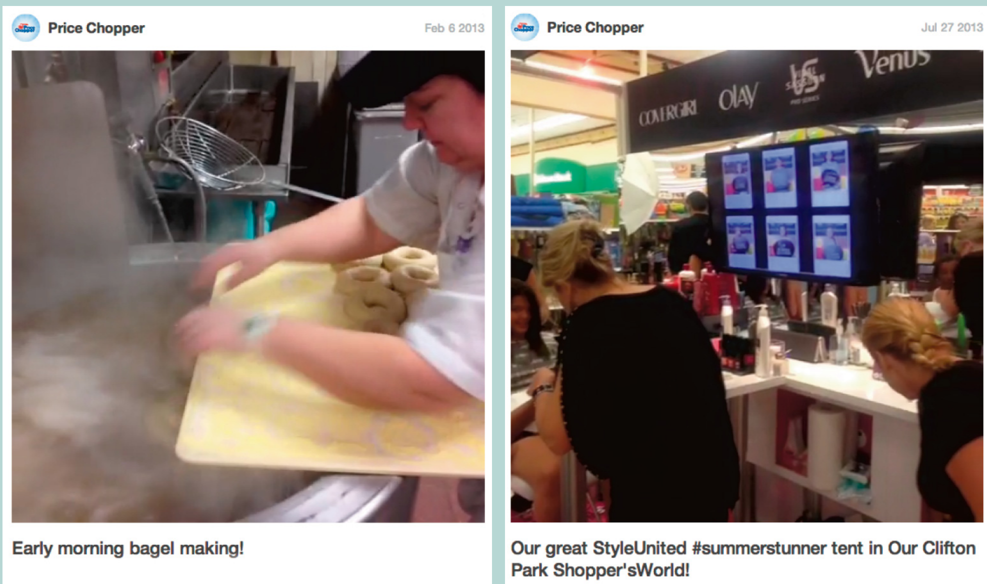
Although it is not mainstream yet, interesting marketing activity is happening on newer platforms as retailers experiment with ways to highlight content.

Vine is proving to be a fun and effective way to deliver information to shoppers. Lowe's® created a series of home-improvement tips using Vine and then aggregated them on a Tumblr called *Fix in Six*. These six-second videos offer shoppers little tips such as how to store delicate Christmas bulbs or how to remove rust from knives. Price Chopper® also uses Vine. Linking with its Twitter feed, Price Chopper uses short videos to show shoppers what's happening in the stores—from baking bagels to store events and supplier harvests. These videos give shoppers information and help build the company's brand image.

Price Chopper Uses Vine to Show What's Going On Behind the Scenes



Source: Vine, Price Chopper

Businesses are also looking to Snapchat to help them connect with shoppers finding that the platform is a fun way to connect with younger, more mobile-oriented shoppers. For example, Taco Bell® used Snapchat to introduce its new Beefy Crunch Burrito in May 2013. Frozen yogurt seller 16 Handles® uses it to run limited-time or exclusive promotions and offers.

While Snapchat is strictly mobile, other platforms are accessed by a range of devices—and the device people use can impact their interactions on the social web and the value they extract for grocery shopping. Mobile is, by nature, a quick means of getting the most recent updates on the go, while computers or tablets lend themselves to more exploration as shoppers scroll through their feeds on the couch or at work.

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Overall, 51 percent of social web-using grocery shoppers say that they typically access the social web from their computers, compared to the 31 percent who primarily use their mobiles and 18 percent who use a tablet. Device usage is consistent between men and women and across income brackets but varies greatly by age. Younger shoppers are more likely to use mobile phones to access the social web, while older shoppers more heavily on their computers. These variances might reflect comfort with technology and shopping styles. Younger shoppers are mobile-savvy, but many are also accustomed to grocery shopping as needed. Conversely, older shoppers are more accustomed to planned, weekly trips. While they quickly adopt mobile habits, it is generally not as rapid as younger shoppers.

How Grocery Shoppers Access the Social Web

Primary Device	All Social Web-Using Grocery Shoppers	18-24 Yrs Old	25-34 Yrs Old	35-44 Yrs Old	45-54 Yrs Old	55-64 Yrs Old	65+ Yrs Old
Sample	3,238	426	588	591	639	457	263
Computer	51%	41%	44%	47%	60%	63%	76%
Mobile	31%	41%	36%	33%	24%	20%	13%
Tablet	18%	18%	20%	20%	16%	17%	12%

Source: Integer Study, Fall 2013
Question: How do you typically access each platform when you are using it to prepare to shop or help while shopping for everyday household items?

Like mobile usage, it appears that the social web is quickly gaining traction as a grocery shopping resource—and it's more than just a list-making, recipe, and coupon-finding tool.

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The Influential Power of the Social Web

The social web generates more than buzz, it influences what shoppers buy at the grocery store nearly as much as it influences their technology and clothing selections. People who use the social web for general shopping report that 29 percent of their purchases are influenced by the social web, compared to 27 percent of those who use it for grocery shopping. This is powerful for supermarkets considering that the social web has proven to be effective in driving buzz and consumption of popular electronics. With this in mind, supermarkets can consider social media to be a brand-building medium as well as a sales driver.

While shoppers in various regions of the country report similar levels of influence, variances arise between demographics. The social web is more influential among younger, minority shoppers who are a growing shopper base and the shoppers of the future. Supermarkets' ability to engage these shoppers in the social web can help them in the future as these shoppers rely more heavily on its content to make purchase decisions.

"I just saw a meatloaf recipe my friend posted and am gonna shop later this morning for items to make it. But I also use social media most to look into organic—like healthy-eating items. It's helpful to hear about what others have to say, and I look for that because I don't feel knowledgeable enough and it's overwhelming in store."
— Social Web-Using Safeway Shopper

The Social Web Is Not Just a Tool But an Influencer on Grocery Purchases

Segment	Sample	Percent of Purchases Influenced by Social Media
Social Web-Using Non-Grocery Shoppers	500	29%
Social Web-Using Grocery Shoppers	3,238	27%

Social Web-Using Grocery Shoppers	Sample	Percent of Purchases Influenced by Social Media
18–24 Yrs Old	480	31%
25–34 Yrs Old	641	30%
35–44 Yrs Old	640	28%
45–54 Yrs Old	682	25%
55–64 Yrs Old	497	27%
65+ Yrs Old	298	21%
White	2,407	26%
Black	360	32%
Asian	123	31%
Hispanic	306	32%

Source: Integer Study, Fall 2013
Question: What portion of your weekly household items spending do you think is influenced by social media?

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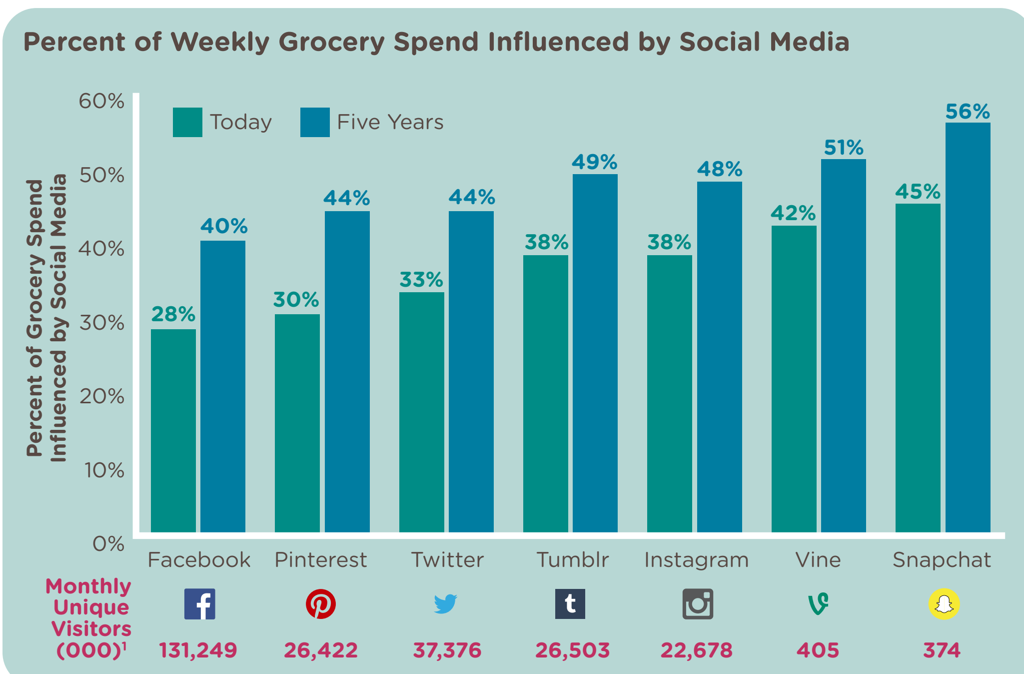
Supermarkets should also consider using different platforms to engage. Facebook and Twitter, which are larger and more marketing-heavy, have users who report that the social web influenced 28–33 percent of purchases. However, newer, smaller platforms that have little marketing attention, like Snapchat and Vine, have users who report being influenced more heavily by the social web for their grocery purchases (42–45 percent). This heightened level of influence is likely attributed to the fact that users of these platforms are often engaged with multiple social platforms and, therefore, are taking in more content than other social web users.

- Snapchat users report 45 percent of their grocery purchases being influenced today and expect that influence to be 56 percent in five years.
- Vine users report 42 percent of their grocery purchases being influenced today and 51 percent in five years.

Influence of the social web is strong and shows no sign of slowing. Looking across all platforms five years into the future, users estimate a 10–11 point increase in their social web-influenced purchases. Pinterest users seem ready for even more inspiration as they anticipate a 14-point increase. With these media expected to serve a larger role in shoppers' lives in the future, supermarkets will have to reconsider their marketing spend to ensure that they are part of conversations in the future.



Source: Integer Study, Fall 2013, n=3,238
Question: What portion of your weekly household goods spend do you think will be influenced by social media? In five years, what portion of your weekly household goods spend do you think will be influenced by social media? Which of the following (social media sites) do you visit at least once a week?
[1]Comscore February, 2014

Pinterest users expect the largest increase in the influence of the social web to 44% of purchases in five years compared to 30% today.

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Its Influential Power Could Be Higher Than Expected

While most shoppers admit that the social web has influence over their grocery purchases, the social web's true impact could be much higher because many shoppers often consume information subconsciously.

This subconscious influence is attributed to two factors: frequency of purchase and monetary investment/risk.

> "[Initially,] I would say about 10 percent [of my purchases are influenced by social media]. But that is really what I consciously know about. There may be unconscious influences too, so it's more like 20-30 percent, because I think there is more stuff that's not in my face that influences me."
> — Social Web-Using Walmart Shopper

TO BRING THIS TO LIGHT, CONSIDER THE FOLLOWING:

When shoppers use the social web to buy higher-priced, less frequently purchased goods such as electronics or clothing, they actively seek and absorb information.

Conversely, grocery shopping is done more frequently and with comparatively less monetary investment. Therefore, shoppers say they are less likely to actively seek out content. Rather, they wait for information to pop up in their news feeds, absorbing information in small amounts on a range of products more frequently from a range of sources. A recipe from a friend might change a shopping list, a news article might prompt someone to try a new organic product, or a supermarket coupon might encourage trade-up behavior.

It's these crumbs of information that shoppers extract from the social web that build and, ultimately, change their grocery purchases.

What Type of Purchases Does the Social Web Influence?

Food and beverages are grocery shopping purchases that the social web has strong influence over because they are fundamental human passion points and are frequent topics of conversation on the social web. In turn, many supermarkets today focus their social web content, naturally, on food. According to the supermarket social staff interviewed for this study, focusing on food content in the social web not only resonates with shoppers but it also allows them to assert their points of difference within the industry. But shoppers report that the social web is influential on more than just food. Overall, food (primarily snacks and packaged or fresh goods) is the most influenced category, but beauty products are a close second.

> Beauty is a heavily peer-influenced category already, and social media makes finding and sharing the newest and coolest products easier than ever.

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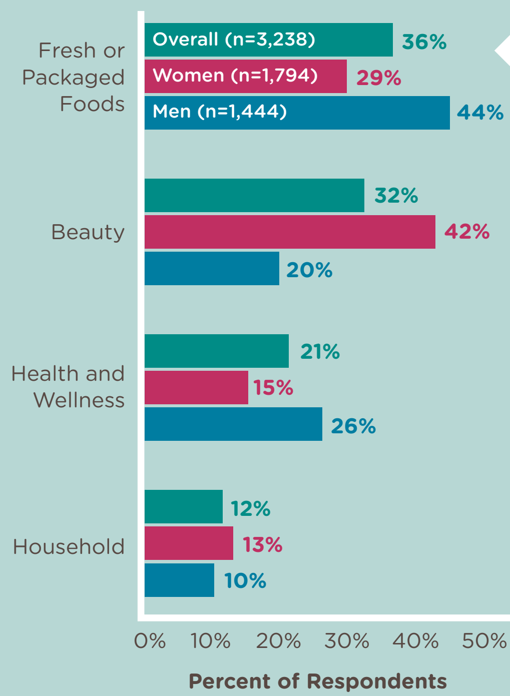
Women report that the social web influences their beauty product selection more so than their food selection. Our qualitative research revealed that women are more prone to discuss and seek beauty tips online, viewing the social web as a resource for the latest and greatest. Conversely, men indicate that the social web influences their food purchases more so than their grooming purchases, which they feel are a more personal topic and, therefore, not suitable for the social web. Therefore, supermarkets should consider adding more beauty-centric content if their objective is to connect with the female shopper or possibly focus on food to appeal to both male and female shoppers.

> "I don't want to know what deodorant people think I should use. And if I need to figure out what to buy, I will just go in store and look."
> — Male, Social Web-Using King Soopers Shopper

Social Web Influences Food and Beauty Purchases Most

What Type of Everyday Household Items Do You Think Social Media Influences the Most?



Types of Food Influenced

Total	M	F	
26%	23%	29%	Snacks, Cookies, Chips
24%	24%	25%	Other Packaged Foods*
14%	16%	13%	Fresh Meat/Seafood
14%	15%	11%	Beverages
11%	11%	10%	Fresh Produce
8%	7%	8%	Deli and Bakery
4%	4%	4%	Dairy

*Packaged foods includes cereals, frozen foods, canned goods

Source: Integer Study, Fall 2013
Question: About what type of everyday household items do you think social media influences the most?
NOTE: Beauty includes cosmetics, deodorants, hair products, shaving needs; Health and Wellness includes medicines, supplements, supplies, and pharmacy purchases; Household includes cleaning supplies like detergent, paper towels, cleaners, etc.

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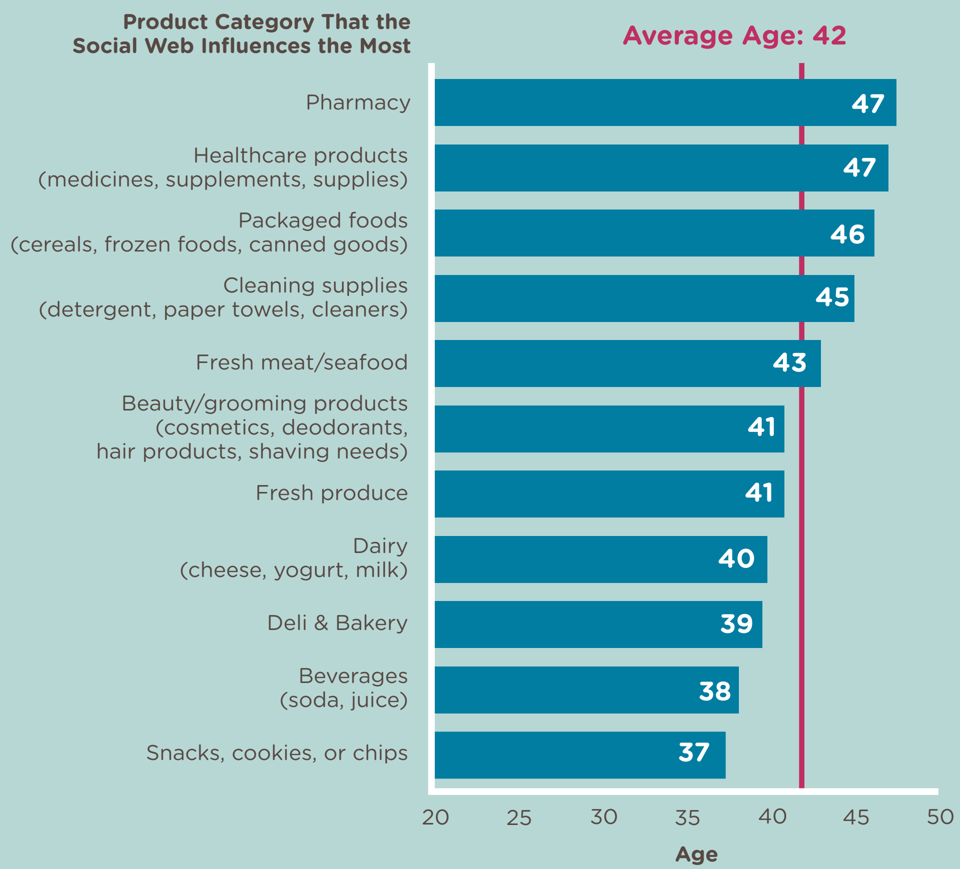
Differences go beyond gender as well. Age groups, which are often indicative of life stage, demonstrate variances with regard to what type of products the social web influences. For example, health becomes a bigger concern as one ages, leading older shoppers to seek and be influenced by health-related content on the social web more so than other content. Conversely, younger shoppers find that the social web influences their food and beauty purchases as they come into their own and define their style and domestic habits.

Fresh Food, Snacks, and Beauty Categories Skew Toward Younger Users



Source: Integer Study, Fall 2013, N = 3,238
Question: What type of everyday household items do you think social media influences the most?

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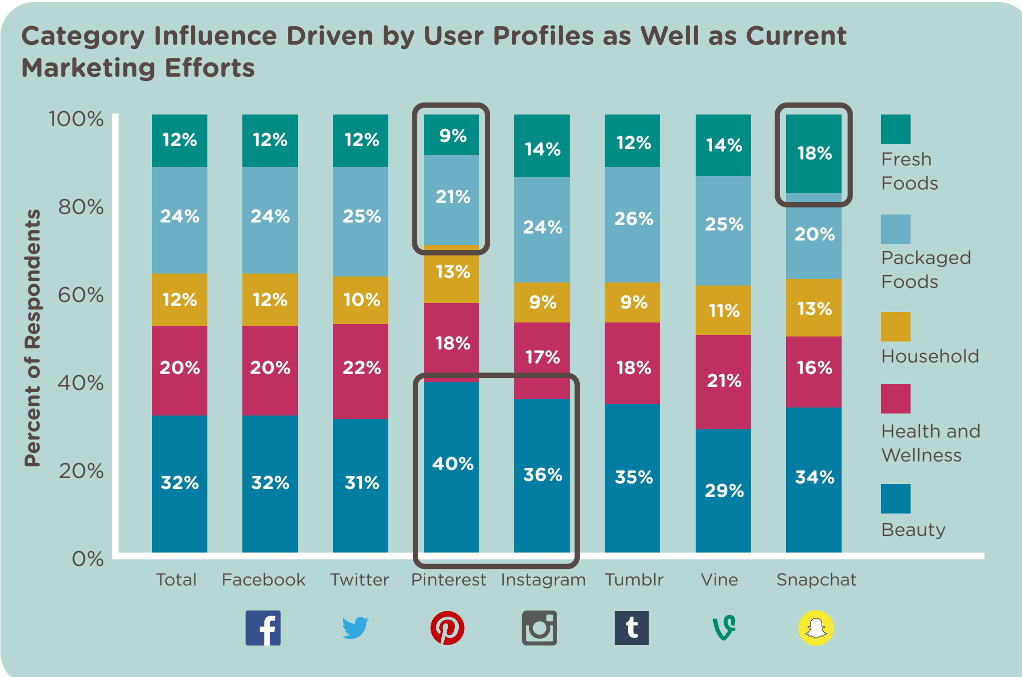
What products are influenced depends on what platforms are used as well. Pinterest and Instagram users are far more likely to be influenced regarding their beauty purchases, with 40 percent and 36 percent, respectively, of shoppers noting that it is a category that the social web influences. They are natural platforms for this type of influence due to their photography-based content and heavy concentration, so far, of younger, female users.



Source: Integer Study, Fall 2013, n=3,238
Question: What type of everyday household items do you think social media influences the most?
Which of the following (social media sites) do you visit at least once a week?

Influence on food purchases is pretty consistent across all platforms with a few exceptions. Interestingly, Pinterest users are less influenced than users of other platforms when it comes to food, both fresh and packaged. This could be the result of Pinterest content. While it does cater to foodies and recipe-hungry pinners, a large amount of boards and pins are fashion- and décor-centric. For that reason, beauty represents opportunity for supermarkets on Pinterest, but food is an opportunity as well; it has yet to be fully tapped.

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Unlike Pinterest, Snapchat users report that the social web has greater influence on fresh-food purchases specifically, with 18 percent of respondents noting that it is the primary category influenced compared to the 12 percent of total users and 9 percent of Pinterest users. Given the current lack of marketing attention to Snapchat, the influence is most likely attributable to the younger, higher-income user base (average 10 years younger and earn $10,000–$20,000 more than Facebook and Twitter users). These higher-income Millennials tend to be more focused on perimeter categories for freshness and quality, which better support their more spontaneous and frequent meal planning. Snapchat users are 46 percent more likely to shop more than once a week. To a lesser degree, similar habits exist among the Instagram and Vine users who have similar profiles.

Snapchat, Vine, and Instagram users report higher-than-average impact on Fresh Food purchases, which makes sense given their more frequent shopping habits. 51% shop more than once a week.

These platform variances should be considered, keeping in mind that in the world of the social web, usage of a specific platform can skyrocket with amazing speed. Facebook users vastly outnumber those on Vine or Instagram, but that picture could change radically in a short period of time, meaning that influence and content could change as well.

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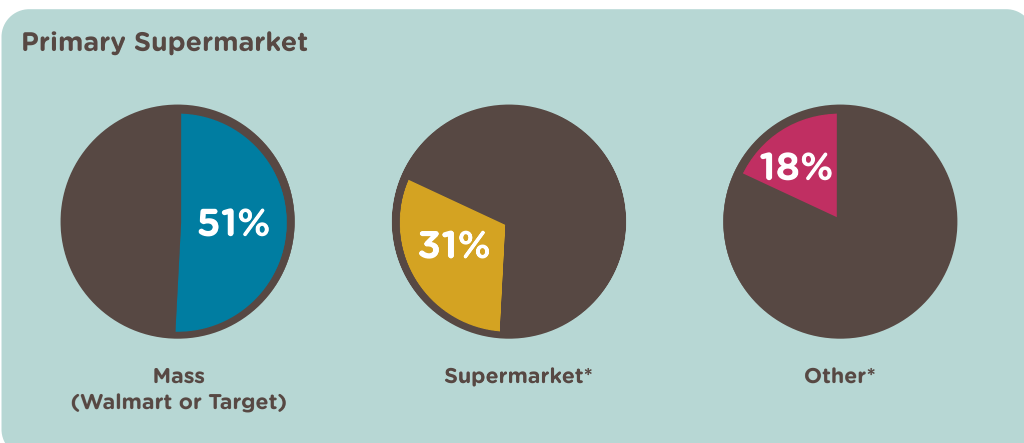
SECTION 2: GROCERY SHOPPING AND THE SOCIAL WEB

A LOOK AT WHO'S ACTIVE, WHY, AND HOW

With so much grocery-shopping activity and influence happening on the social web, it is important to understand who these social web-using grocery shoppers are, what they are doing, where they do it, and why. It's not just women or Millennials using the social web to grocery shop. Shoppers of all demographic profiles find the social web useful for grocery shopping, and 90 percent visit a social website at least once a week to help them shop. What they all have in common is their shopping habits.

What Defines a Social Web-Using Grocery Shopper?

While many demographic groups use the social web to help them shop, our study indicates that it might be more widely used among those who grocery shop at mass stores like Walmart and Target than at supermarkets. These large mass retailers have a strong social web presence and strategy, which leads one to consider how much their shoppers' usage of the social web is attributed to shopper habits or the retailer's strategy. While mass retailers' roots are fundamentally different than supermarkets, they are increasingly becoming weekly grocery destinations and their ability to connect on the social web makes them a force to be reckoned with.



*Other includes drug, club, dollar, and online retailers; Supermarket includes local, regional, and multiregional food retailers
Source: Integer Study, Fall 2013, n=3,007
Question: What is the name of the store where you shop for everyday household needs (e.g., food, cleaning, or health and beauty products)?

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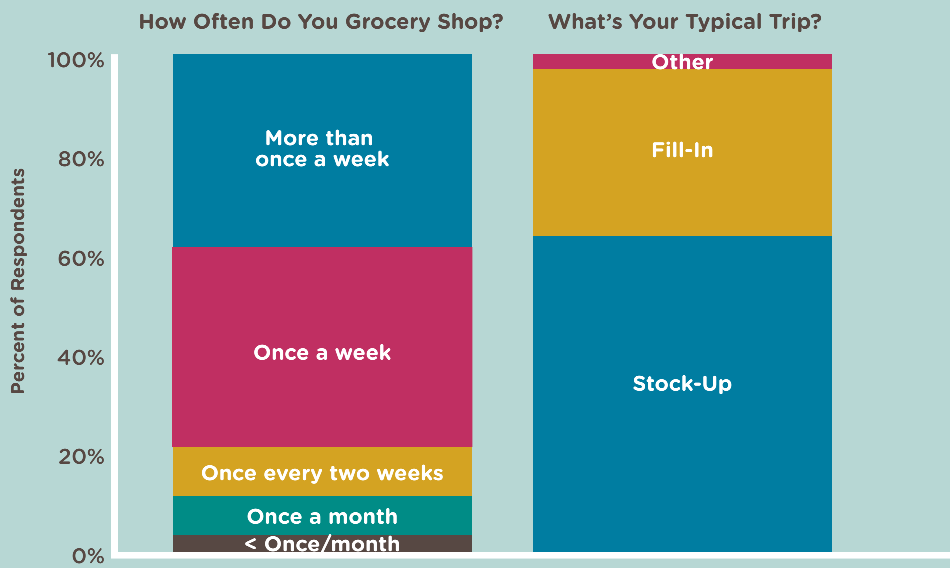
Overall, social web-using grocery shoppers tend to be frequent shoppers, with 35 percent reporting that they go grocery shopping several times a week and 36 percent at least once a week. Though they shop often, nearly two-thirds of these shoppers say their trips are for stocking up compared to a third of shoppers who say they do fill-in trips. Therefore, habits are changing, but not necessarily shopping mindsets. Shoppers are looking for new tools and content (like the social web) that will help them operate quickly and efficiently. Supermarkets that execute social web strategies in line with their shopper needs will have the ability to be real-time and fulfill these shopper desires.

When asked how often they consult the social web to help them with these trips, 49 percent report using the social web at least once if not several times a day while 26 percent say they use it a couple of times a week to help them shop. It has become a real-time resource and supermarkets should think of it this way to successfully connect with shoppers.

Social Web-Using Grocery Shoppers Shop Often but Still With a Stocking-Up Mentality



Source: Integer Study, Fall 2013, n=3,238
Question: What is the name of the store where you shop for your everyday household needs (e.g., food, cleaning, or health & beauty products)? How often do you shop there? What is your typical trip like?

It is a quick and easy resource for many shoppers, especially with so many grocery trips each week. The one site that shows different behavior is Pinterest. Though less than half of respondents indicate using Pinterest once a week, it is still a highly influential site for shoppers. Shoppers told us that Pinterest, unlike Facebook and Twitter, is used less often because shoppers like to spend time pinning and exploring things like recipes and cooking tips, which, ultimately, influence their purchases. So while shoppers might only be on Pinterest a couple of times a month, they are more attentive and focused during these visits, meaning there are opportunities to develop higher levels of shopper engagement.

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Beyond frequency of usage, there are also demographic and regional differences between users of different platforms. While Facebook most closely mirrors the general population due to its scale, interesting variances arise with other platforms.

- Pinterest skews more white and female than other platforms.
- Newer, mobile-centric platforms like Vine and Snapchat skew younger, with a median user age 12 years younger than Facebook. And the mobile nature of these platforms draws a more multi-cultural user base that is more savvy when it comes to adopting mobile behaviors.
- Further, mobile-centric platforms are also more widely used by shoppers in the Northeast and Western regions[2]. With more urban centers boasting more young, higher-income individuals and greater cultural diversity, these regional skews are not surprising because those traits align with the platform user profiles.

20% of shoppers in the Northeast and West use Instagram as a grocery aid compared to 12–16% of shoppers in other regions.

As supermarkets think about how their shoppers will evolve in the coming decade, they should look to these newer platforms for understanding.

Demographic Variances Exist Across Platforms

	U.S. Population*	Facebook	Twitter	Pinterest	Instagram	Tumblr	Vine	Snapchat
Sample	N/A	1,016	1,079	345	357	178	119	98
Monthly Unique Visitors (000)**	N/A	131,249	37,376	26,422	22,678	26,503	405	374
Median Age	37	43	40	40	33	30	31	31
Male	49%	45%	53%	29%	46%	50%	51%	54%
Female	51%	55%	47%	71%	54%	50%	49%	46%
Median HHI	$53,046	$45,500	$57,100	$46,700	$57,400	$58,600	$60,700	$67,600
White	63%	75%	66%	76%	52%	58%	53%	59%
Black or African American	13%	11%	14%	8%	19%	15%	26%	19%
Hispanic	17%	9%	14%	10%	18%	18%	14%	15%
Asian/Other	7%	5%	6%	6%	11%	9%	7%	7%

Source: Integer Study, Fall 2013
*U.S. Census 2013
**Comscore, February 2014

2 Regions are defined according to the Census

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What Are Social Web-Using Grocery Shoppers Doing?

Over the past three years, this study has established that connecting and sharing are major drivers for social web participation. While this is true for social encounters and general shopping, research for Part 8 affirmed that grocery shoppers are actually more often consumers of content than sharers; they seek deals, inspirational content, or information to make them more knowledgeable.

> Behaviors shift when it comes to grocery shopping; social networkers tend to consume content rather than create or share it. It is important for supermarkets to understand and use their networks to effectively connect and deliver the right content.

When asked to rank their top uses of the social web for grocery shopping, 81 percent of respondents reported consumption behaviors like looking for coupons or inspiration, while 19 percent reported sharing behaviors like commenting or posting information.

Shoppers Are Consuming More Than Sharing When It Comes to Grocery Shopping on the Social Web

Source: Integer Study, Fall 2013, n=3,238
Question: What are the TOP 3 ways you use each social media networking site when it comes to preparing to shop or helping while shopping for everyday household items?

> Surprisingly, further analysis showed that this type of behavior was similar across all gender, age, ethnic, and income groups.

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THIS BEHAVIORAL DIFFERENCE RAISES SEVERAL QUESTIONS SUCH AS:

- Is social media more like traditional media that pushes messages within the grocery-shopping context?
- Is this the result of supermarkets' activity and actions on the social web so far?
- Is there opportunity for shoppers to evolve?

Analysis reveals that social web-using grocery shoppers get the content they crave from a range of connections that might or might not include their supermarket. Many consider their friends and family to be their most trusted and influential touch points and resources. Therefore, this behavioral change cannot be entirely attributed to today's supermarket activity on the social web. However, because many supermarkets still treat the social web like traditional media and push content like deals and announcements, it only reinforces this expectation.

As long as supermarkets push content rather than finding ways to engage and provide shareable content, shoppers will continue to primarily consume.

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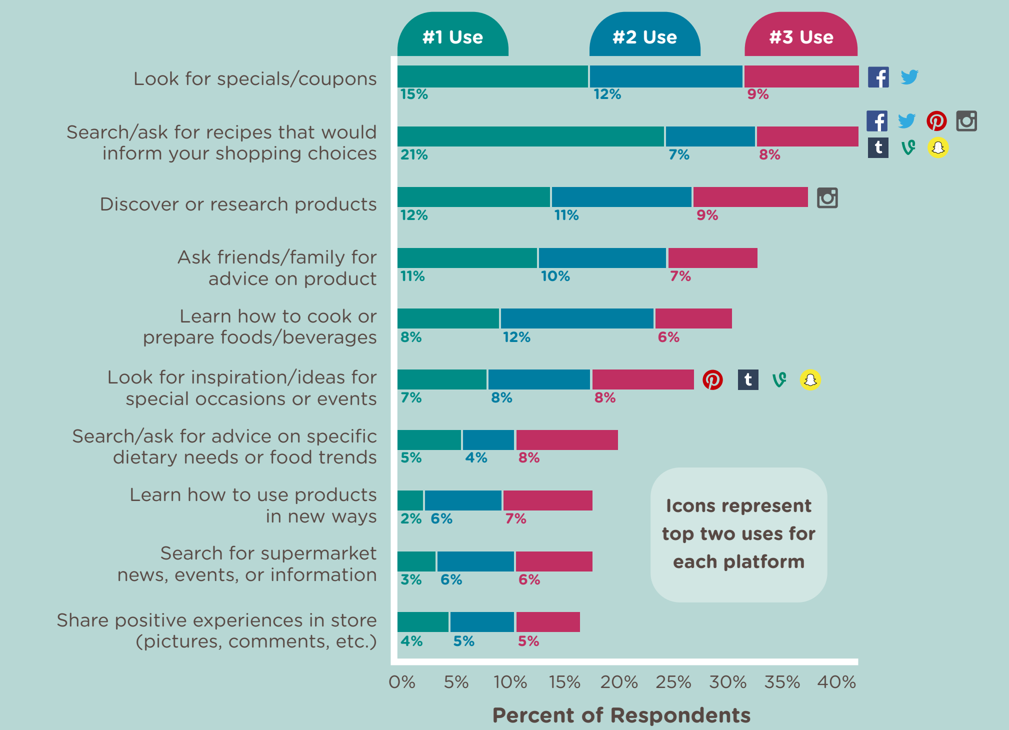
What Type of Content Are They Consuming?

The value of the social web for grocery shopping goes well beyond finding a coupon. Shoppers are using the social web to find inspiring recipes and to absorb relevant information about products, cooking techniques, dietary trends, entertaining, and grocery events/news.

Today, shoppers consume the most content for their grocery shopping trips before they go shopping. Pre-shopping activities of discovering deals and recipes (that, ultimately, affect what you buy) are the two most common activities, respectively, followed by product research and cooking tips. Though deal hunting is a conditioned shopper activity, only 15 percent of respondents said deal discovery is their top use of the social web. In contrast, 21 percent of respondents indicated that finding recipes is their number-one use of the social web. This might be the result of shifting shopper expectations and values. While couponing is by no means vanishing, grocery shoppers expect deals easily and without the hunt these days. Many also consider value to mean more than low prices—meaning value in the form of quality, experience, or convenience. So, while coupons are no longer the only content shoppers seek on the social web, it is still desired content, especially among 35- to 55-year-olds who are more likely to use the social web to coupon hunt for their larger households.

Top 10 Uses of the Social Web for Grocery Shopping



Source: Integer Study, Fall 2013, n=3,238
Question: What are the TOP 3 ways you use each social media networking site when it comes to preparing to shop or helping while shopping for everyday household items?

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While most content consumption occurs before actual shopping, shoppers are more likely to create content during or after shopping. Whether it's creating a Tweet® about a shopping experience, pinning a favorite recipe that turned out well, or posting a picture of the actual dish on Instagram, shoppers are happy to share their successes and their frustrations. Sharing activities among men and women are similar, though men are more likely to share negative comments. In addition, those under 35 years of age are more likely to share experiences, positive or negative, during or after shopping most likely because of their elevated mobile usage and affinity for on-the-go socializing. This creation, though limited, helps continue the cycle and influence others on the social web about grocery shopping, which, in turn, drives their pre-shopping behaviors and purchases down the road.

"I make my own bread, so I sometimes take a picture and post it with a comment like 'fresh bread, yum!'"
— Social Web-Using King Soopers Shopper

Grocery shopper behavior and activity on the social web can also vary based on the platform they are using. The platform's conventions, community, context, and capabilities do affect the role it plays for the grocery shopper. Case in point, 22 percent of Facebook users say they primarily use the site as a resource for coupons, just slightly ahead of finding recipes (21 percent). But among Twitter users, coupon-hunting activity drops to 15 percent. Twitter users have a more varied range of activities, including looking for recipes (15 percent), discovering products (14 percent), and asking for advice (13 percent). It is an information and text-driven platform, making it more difficult to download or sync deals. Activity deviates even further when examining photo-centric sites like Pinterest, Vine, and Instagram. While only 5 percent of Pinterest users report coupon hunting as their primary activity on the site, 33 percent look for recipes because the platform provides visual eye candy and Pinterest provides an interface that lets users curate information for the long term vs. downloading things like coupons for immediate use.

Supermarket activity on the social web needs to be as varied and ever evolving as their users' behaviors.

As a result, supermarket activity on the social web needs to be tailored to the shopper as well as the platform, which is a feat in this ever-evolving space. Supermarkets interviewed for this study indicate that, while they feel more confident in their efforts, they are still experimenting and discovering what type of content drives their connections. Ongoing experimentation is important because supermarket communities and connections are going to change—especially when you think that many shoppers today might not even engage with their supermarkets on the social web.

While 62 percent of Facebook using grocery shoppers indicate following their supermarket of choice on Facebook, that number drops significantly on other platforms. Only 25 percent follow their supermarket of choice on Twitter and only 17 percent do so on Pinterest. While many people

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might not follow their supermarkets, they still use the social web in a variety of ways to help them shop for grocery items. Supermarket operators can view these statistics as motivation to vastly expand their reach throughout all of these social sites. To help supermarkets expand their reach, it is helpful to examine what motivates shoppers to follow their supermarkets.

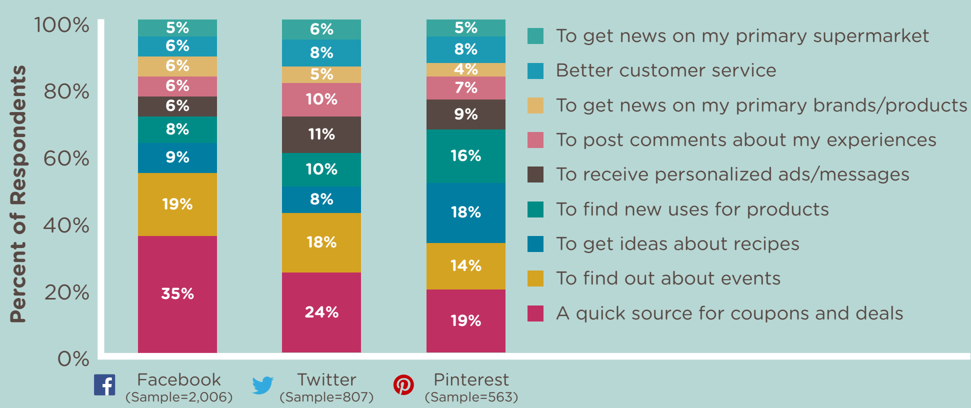
Why Users of Top Social Sites Follow Their Supermarkets

When users were asked what value they get from following their supermarkets on the social web, most said they did so for quick coupons and deals or to find out about events at the store. This was more apparent among those in our study who primarily shopped at traditional supermarket operators such as Kroger®, Safeway®, and Publix®. Forty-one percent of these shoppers cited deals as their primary reason to follow their supermarket compared to 35 percent of respondents who shop primarily at Target or Walmart. This makes sense, because deals are the primary type of content supermarkets have trained shoppers to look for on social platforms over the last few years, while Target and Walmart have built a range of content for their connections.

> Deals are a bigger driver for those who shop supermarkets than for those who shop at Target or Walmart for groceries.

Users have also come to expect different things from supermarkets based on how they are accustomed to interacting with a given platform. Thirty-five percent of Facebook users look to their supermarket for coupons compared to 24 percent of Twitter users and 19 percent of Pinterest users. Pinterest users are slightly more diverse in their desires from supermarkets because the platform's nature encourages exploration and content curation. That is why we see users equally seeking out inspiration and information on this platform: with 18 percent seeking recipe ideas and 16 percent looking for new-product uses, while 19 percent seek coupons and 14 percent get information about events.

Top Reason Social Media Users Follow Their Primary Supermarket on Specific Platforms



Source: Integer Study, Fall 2013
Question: What value does following your grocer on Facebook offer? What value does following your grocer on Twitter offer? What value does following your grocer on Pinterest offer?

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While marketers increasingly look at the social web as an opportunity to craft more targeted and more personalized content, they need to keep in mind what users want. An additional finding from the research indicates that, unlike the macro trend, users across all three platforms aren't necessarily looking for a personalized experience from their primary supermarkets on the social web. Less than 10 percent of shoppers indicate that as their primary motivation. Users interviewed indicate that they are happy to sift through supermarkets' posts or tweets to find what they want at their leisure rather than to engage in a more intimate level of engagement.

> Less than 10% of social web-using grocery shoppers are looking for personalized messages or advertising from their supermarkets on the social web.

For example, one socially engaged shopper who follows Whole Foods on Facebook explained that she doesn't necessarily go looking for the information. Rather, she waits for it to come to her when it pops up in her news feed.[3] This habit and expectation of the shopper provides supermarkets the opportunity to test and learn and determine the level of personalization or mass appeal that is appropriate, effective ways to deliver content, and the type of content that resonates with shoppers and drives action. After all, shoppers might not know what they want until they get it and many do not know what to expect of their supermarkets online.

What Should Supermarkets Offer?

When users were asked what the role of their supermarkets *should* be on social media, there were two prevalent themes: information and inspiration.

- Users who are looking for content like deals or event updates are Information Seekers
- Users who seek content about new-product uses or recipe ideas are Inspiration Seekers

When users are plotted based on their desire for information versus inspiration based on their platform usage, clear differences come into focus that can help supermarkets craft their content and platform strategies.

3 Integer, Qualitative Primary Research, Fall 2013

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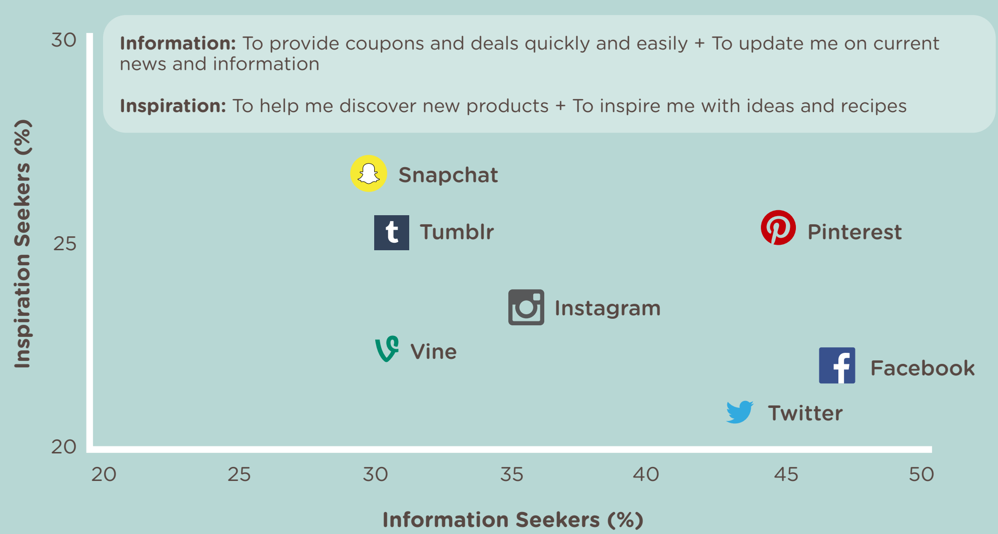
Users of newer video- and photo-based platforms like Vine, Snapchat, and Instagram are looking for inspiration from supermarkets. Conversely, more established platforms like Facebook and Twitter have generally become information feeds, which shoppers view in a more utilitarian way. Interestingly, Pinterest seems to balance both inspiration and information for its users.

Users Desire Different Engagement From Different Platforms



Source: Integer Study, Fall 2013, n=3,238
Question: Which of the following (social media sites) do you visit at least once a week? What should the role of your supermarket be in social media to help you prepare to shop or help while shopping?

> "Facebook doesn't give you that many ideas; it's just if a friend mentions something."
> — Social Web-Using Grocery Shopper

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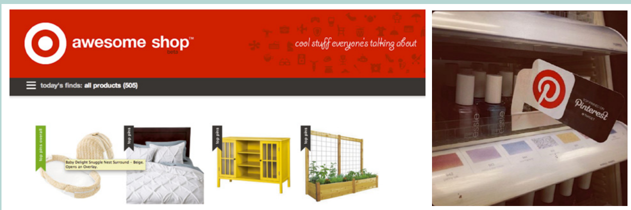
An example of how Pinterest can be employed for both inspiration and information seekers is the Target Awesome Shops. Awesome Shops is a site that aggregates top pinned (and Tweeted) items from the Target website. This activation allows shoppers to discover new products as well as help them feel confident about their purchases knowing the items are already recognized as popular. In-store signage extends these online efforts and serves the same purpose by bringing social proof from the web into the brick-and-mortar environment.

Target's Awesome Shop Combines Information and Inspiration

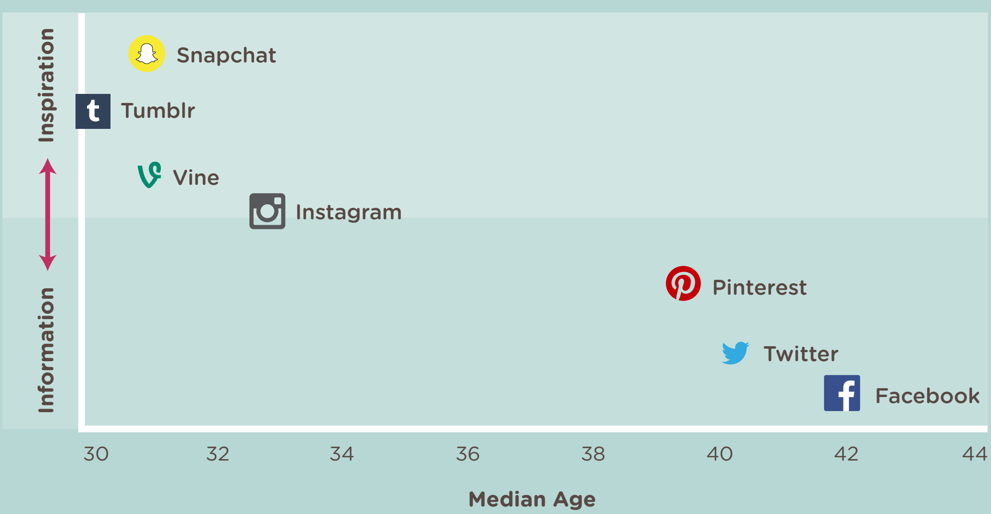


Target's Awesome Shop beta and in-store Pinterest signage do a great job of both inspiration in highlighting new products as well as information by letting shoppers know these products are popular and therefore increasing confidence in purchase.

Source: Target Awesome Shop; B2C, ZOG Digital, Social Shopping with Target Awesome Shop, January 14, 2014

The desires for inspiration and information also seem to be directly correlated to the age of the users on the platform. Snapchat, Vine, and Tumblr have younger users who are looking for more inspiration from their supermarkets on the social web while Facebook users are older and desire more informational content. This might signal a shift in the future of supermarket expectations. Younger, inspiration-oriented generations of shoppers might expect increasing levels of inspiration in later years.

Users' Median Age Correlates to Desire for Inspiration or Information



Source: Integer Study, Fall 2013, n=3,238
Question: Which of the following (social media sites) do you visit at least once a week? What should the role of your supermarket be in social media to help you prepare to shop or help while shopping?

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SECTION 3: BARRIERS TO USAGE

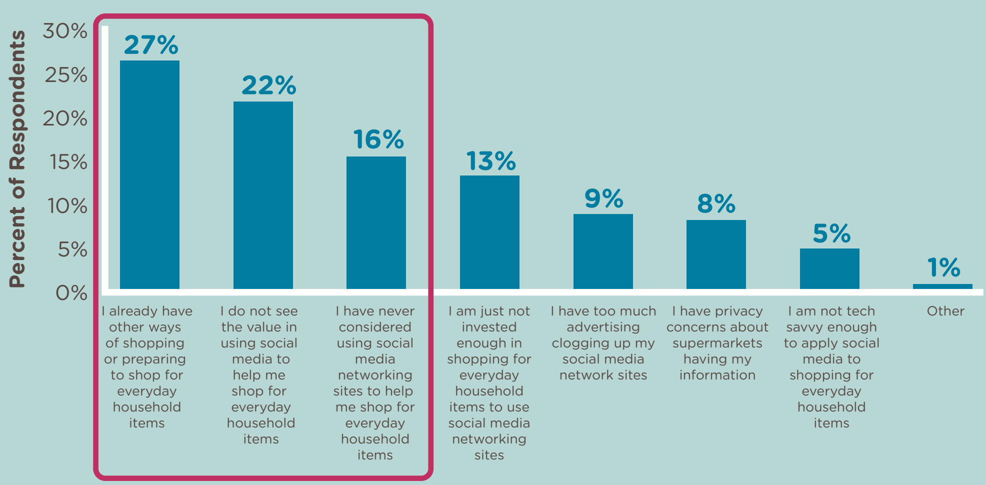
THE SHOPPER PERSPECTIVE

While many grocery shoppers use the social web, most indicate that they might not use it to the fullest. In addition, there are many on the social web (64 percent) who have yet to use it at all for grocery shopping, but have interest in using it. In fact, 55 percent of these non-users expect to use the social web for grocery shopping in five years. But the reality is that there are certain hurdles to overcome before this wider adoption will come to fruition.

THERE ARE THREE MAIN BARRIERS THAT ACCOUNT FOR THREE-QUARTERS OF THE REASONS FOR NOT ENGAGING:

1. Shoppers are set in their ways—27 percent say that they already have other ways of shopping or preparing to shop for household items, and they struggle to see any relevance for using the social web for grocery shopping.
2. Many struggle to see its value—22 percent of shoppers cite this.
3. It's not on the radar—16 percent of shoppers have simply never considered using the social web for grocery shopping.

Three Main Barriers to Social Web Adoption for Grocery Shopping



Source: Integer Study, Fall 2013, n=500
Question: Why have you never used social media to prepare to shop or help while shopping for your everyday household items (e.g., food, beverage, snacks, cleaning, and health & beauty products)?

Supermarkets should play a part in getting non-users involved in grocery shopping on the social web.

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Other barriers include little interest in grocery shopping, congestion in the news feed, privacy concerns, and lack of technology skills or comfort with technology. While these barriers are more difficult for brands or supermarkets to control, they should still be acknowledged.

For example, although privacy security is never certain, supermarkets can actively engage with shoppers to provide services, support, and assurance as needed. This past Christmas, Target used its social platforms to manage communication and inform its shoppers about the security breach that might have led to nearly 40 million stolen credit and debit card numbers.[4] Using these platforms allows Target and others to communicate in real-time and keep information current when shoppers need it most.

Target Eases Concerns and Offers Support Via Facebook After Security Breach

Source: Facebook, Target

Barrier #1: Shoppers Are Set in Their Ways

The largest barrier is simply shopper habit. Many grocery shoppers have established routines—from how they make lists, shop the store, or even find deals—and are not open to learning new methods. Shoppers feel their routines work and the time needed to adopt a new behavior like using the social web seems unwarranted. While habit is a universal shopper barrier, there is actually a spectrum to this barrier, from those who are figuring out their methods but have a preferred routine to others whose habits are established and engrained. This spectrum is reflected in the data, which indicates that those aged 55–64 are 30 percent more likely to report habit as a reason to not use the social web for grocery shopping.

Supermarkets should consider how to make usage seem easy and worthwhile. Offering classes in store or video tutorials could be helpful depending on the shopper.

4 Shopper Culture, "How The Grinch Stole Target's Christmas", December 20, 2013

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Being older, they have had more time to build their grocery shopping routines without digital influence. While many are active on social platforms like Facebook, and love it, these older shoppers and other non-users see learning to use the social web to support grocery shopping as a time-consuming activity. There is a sense of investment associated with learning how to use the social web for grocery shopping because it seems to be beyond the basics, which makes it seem unappealing. But in reality, current users indicate that using the social web is easy, convenient, and more efficient than traditional methods.

> "My parents think 'their way is the best way' and wouldn't benefit from the social web. They are set in their ways. They aren't Internet and mobile savvy and never will be. That's set and just how it is now."
> — Social Web-Using Grocery Shopper

This barrier and sense of extra time investment is compounded when we further examine this habitual shopper base. Many are less technologically savvy, making the social web seem daunting in comparison to more traditional grocery shopping aids such as circulars, store signage, mailers, and even websites. But the truth is that all generations, young and old, are becoming more tech-savvy, and their social web usage is evolving. Case in point, the adoption of websites into their routines.

> Younger shoppers tend to have less rigid habits and are more open to change. Supermarkets should consider whom their future shoppers will be and how to effectively reach them.

In the grand scheme, the social web will either become part of their routines or not. If it does, it will either complement (and help streamline) their current grocery shopping habits or it will drastically alter their routines and replace the old process entirely. The social web changes fast, and only time will tell how shoppers will handle it.

But it is interesting to consider the flip side. If these shoppers are held back by their current routines, will today's younger shoppers be held back as well? As today's younger shoppers age, start families, and become the primary grocery shoppers, will their habits continue to include the social web and its evolutions, or will habit be a barrier for them as well?

> "Eventually, everyone will have the ability to use the social web for grocery shopping, and everyone will be using it. The generations that grew up with it will become the adults of today down the road."
> — Social Web-Using Grocery Shopper

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Barrier #2: Skeptical of Its Value

Almost one quarter of shoppers who do not use the social web for grocery shopping report lack of value as their primary barrier to usage. These shoppers aren't sure what role the social web could provide regarding grocery shopping because they are accustomed to tapping in to their networks for more complex or trendy purchases like clothing and electronics. It is a place to get recommendations about the latest headphones or books to read. With that in mind, individual supermarket items do not tend to hold the same caliber of investment or risk and, therefore, do not seem to be something that warrants time on the social web. As one respondent noted:

> "If I don't like this specific grocery item that is a few dollars, it is not money lost to me. I just will not buy it again and try another one."
> — Social Web-Using Grocery Shopper

Still, these shoppers are drawn to deals regardless of product type. For this reason, 47 percent of shoppers indicate that more coupons, offers, and deals would convince them to use the social web for grocery shopping. However, to win with these shoppers, supermarkets must deliver deals that feel worthy of their time on social media. Worthy in that it offers significant savings, is easy to find and use, or is relevant to their needs.

Shoppers Feel That Noteworthy Savings and Value Will Make Them Start Using the Social Web for Grocery Shopping

Source: Integer Study, Fall 2013, n=500
Question: What would social media need to offer in the future for you or your friends to start using it to shop for everyday household items (e.g., food, beverage, snacks, cleaning, and health & beauty products)?

> "I just don't always see it [using social for grocery shopping] to be worthwhile. For big-ticket items, the social web is useful. However, I'm not going to spend time on the social web looking for a 10-cent coupon and a review for a $1 item."
> — Social Web-Using Grocery Shopper

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This barrier is also present among social web-using grocery shoppers. On average, a quarter of those not following their supermarket say it's because they get their information elsewhere, so following it on the social web would not add value. This perception is more common among grocery shoppers who primarily shop supermarkets than it is among those who primarily shop mass retail. For example, though Publix and Safeway have strong social web presence, 42 percent of shoppers surveyed say they are not following their supermarkets on the social web because they get information elsewhere—compared to 28 percent of Walmart or Target shoppers surveyed. These shoppers assume following their supermarkets would provide the same type of content they see in circulars, in stores, and on websites. Shoppers are conditioned to get information from their supermarkets in this fashion and assume it's the same message everywhere—and many supermarkets are fulfilling that assumption and limiting their ability to connect with shoppers on the social web.

> Many supermarkets repeat messaging on and offline, thus propelling and affirming shoppers' belief that connecting with supermarkets on the social web would not add value.

In many ways, it is logical: many supermarkets have not clearly shown what value they can offer shoppers so, in turn, many shoppers are resistant to connect. A clear social strategy that delivers the right type of value and content in the right voice and media for its specific shoppers helps drive engagement and connections. Part 6 of the series offers great detail on how businesses can develop a social strategy.

Barrier #3: Simply Have Not Considered It

While many grocery shoppers have dismissed the social web as a grocery shopping aid because they are set in their ways or are uncertain of its value, others report that they do not use it because it has simply never crossed their minds. These shoppers never imagined that the social web could enhance their grocery shopping routines.

> Supermarkets have the opportunity to spark the imagination and show shoppers the many ways they can apply the social web to their grocery shopping.

To them, the social web might still primarily be their means for connecting with friends, family, news, and culture. Only in recent years have platforms like Facebook become more conducive to retailers and shopping, so it is likely that these shoppers have just not yet evolved as much as their social web-using counterparts.

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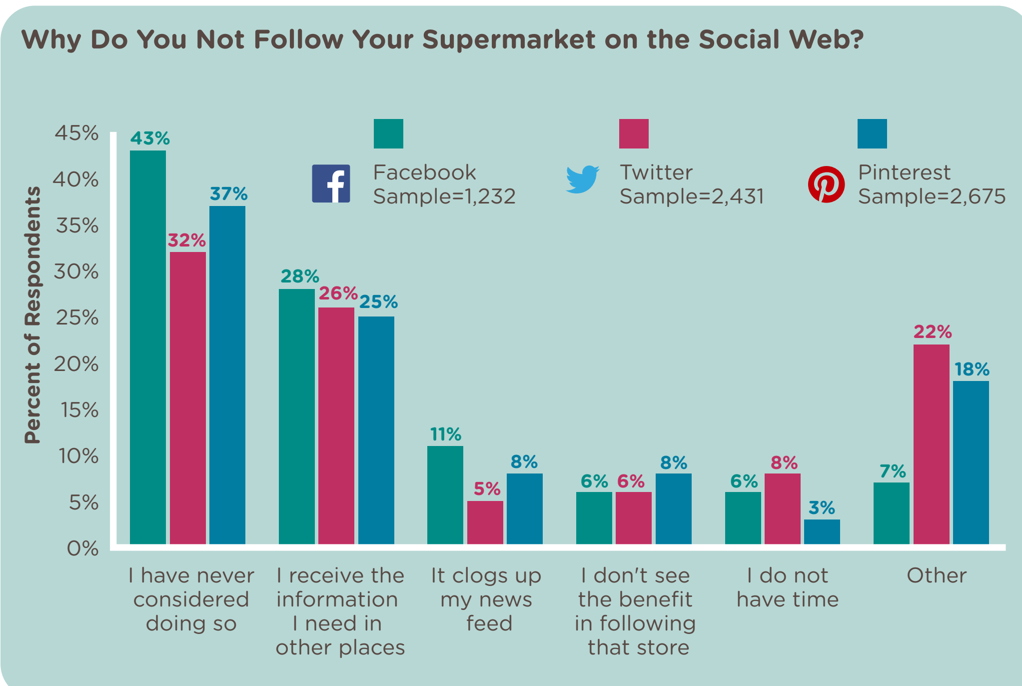
"Shoppers may have not been exposed to the idea of using the social web for grocery shopping. Sometimes just getting them to use it might get them to do it. I think once it actually clicked and you realized it is helpful, you may use it. But it's about getting the idea out in front of them."
— Social Web-Using Grocery Shopper

A similar notion applies to why current users do not follow their supermarkets on the social web—it has just never occurred to them, despite supermarket efforts to advertise their social web presence. Thirty-two percent of Facebook users do not follow their supermarkets compared to 79 percent of Pinterest users and 72 percent of Twitter users. This is primarily because many find friends, family, news sources, bloggers, brands, and other connections to be sufficient in helping them grocery shop. While many assume their supermarket is online, many do not know the breadth of their presence or, often, what they offer.



Source: Integer Study, Fall 2013
Question: Why don't you follow them [Grocer] on Facebook? Why don't you follow them [Grocer] on Twitter? Why don't you follow them [Grocer] on Pinterest?

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Awareness is key, but education is also important because many still feel that they are getting what they would expect from their supermarkets on the social web elsewhere. For example, many supermarkets and businesses advertise "Follow us on Facebook," but few explain why. It is important for supermarkets to let shoppers know that they are on social media and show them the unique things they can find there. All of that begins with finding your social role and knowing your business strategy on the social web.[5]

Examining how brands in other industries build relationships on the social web is helpful. The NFL prompts users to follow them on Facebook by letting the audience understand the benefits of a relationship with them on social media. In this case, it's news, exclusive offers, content, and industry information.

Supermarkets often say "Follow us on Facebook," but shoppers do not know why.

Supermarkets should consider using in-store elements like signs or cashiers/receipts to help drive awareness *AND* educate shoppers about the perks of connecting.

Source: Facebook, NFL

Assessing these top barriers, it is apparent that, although the social web is engrained in our lives, it can become far more engrained in grocery shopping behaviors. The web will continue to evolve as will the ways that people use it.

Many of today's non-users acknowledge that the social web will become a bigger part of their grocery shopping process in the next five years; but the question is how much and how fast. Supermarkets can affect how shoppers use the social web, but many need to overcome the internal barriers in their companies before they can fully and successfully do so.

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5 See Part 6 for details about finding your social role

SECTION 4: BARRIERS TO USAGE

THE SUPERMARKET PERSPECTIVE

Supermarkets have made advances in the past few years with regard to their use of the social web. While many are trying to "do" social media, their own internal reservations and concerns often handicap their success. These internal barriers limit individuals; limit the social web departments; and, in the process, limit the larger organization from further success both on and offline.

The social web is no longer an isolated medium or amplification device. It is a larger and influential piece of the marketing mix, and internal barriers and regulations limit its ability to help companies succeed.

COMMON BARRIERS SUPERMARKETS, LIKE MANY OTHER BUSINESSES, OFTEN FACE CAN BE GROUPED AS FOLLOWS:

1. Capacity
2. Craft skills
3. Commitment
4. Capital

Barrier #1: Capacity

Despite the complexity of the social web, many supermarkets (and retailers in general) have only a few people managing it. More often than not, it is just one person, especially within companies just beginning to dip their toes in the social web or those constrained by other barriers such as capital or commitment. Having outlined the dynamics of the social web in the preceding seven parts of *Untangling the Social Web*, it is obvious that it can be difficult for one person to have the capacity to conquer it all.

> "I'm a department of one. My biggest frustration is bandwidth and not being able to have a dedicated person."
> — Community Manager, Local Supermarket

More seasoned departments at supermarket companies add more people to their social web staff in an effort to create a "center of excellence" and to ensure that they are capable of achieving their goals and objectives in using the social web.

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Barrier #2: Craft Skills

Many organizations often underestimate the breadth of skills required to execute a successful social web strategy. And many often forget that success also relies on establishing this knowledge and these skills outside the social web staff.

Social web craft skills are
HARD—strategic, analytic, media savvy, journalistic
and
SOFT—social, creative, team player

Social web craft skills need to be developed within
1 The social web staff
2 The larger organization

Those invested in the social web are dedicating more social web staff to both overcome capacity constraints and develop a department with the breadth of skills required to navigate and engage in the social web.

Interviews with supermarket leaders found that social teams require a unique and diverse range of skills that can be hard to find within just one person. Those interviewed described a range of necessary skills and qualities including marketing and digital knowledge, writing and communication skills, creativity, and leadership for a social web strategy to be effectively built, executed, and managed.

"They have to be social. They also need to be passionate about communicating and helping the customer. Be articulate and able to write. [They need good] time management and the ability to make judgment calls. Be very mature and intelligent; very trustworthy. It goes beyond, 'hey I'm really good with social media because I use the tools.' We need that complete person."
— Director of Marketing, Multi-Regional Retailer

The talent of the social web staff needs to be diverse because, in many ways, they are brand managers. Brand management is defined as "the process of maintaining, improving, and upholding a brand so that the name is associated with positive results."[6] Because the social web staff is operating in real-time, it is like brand management to the extreme, which requires strong craft skills. As a result, many supermarkets and organizations are hiring people for certain dimensions of the social web such as content management, customer service, and shopper insights to reach their objectives and goals.

Social Web Marketing is Brand Management to the extreme—it requires strategy and creativity.

6 Business Dictionary, "Brand Management," March 10, 2014

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Necessary skills that are often overlooked are the "soft" skills needed to engage and work with other departments. While a dedicated few might focus on the social web, success lies in inter-department engagement. Working with other departments including marketing, merchandising, department buyers, HR, and regional managers ensures that the social web not only provides a holistic and consistent voice, but also contributes to the larger corporate goals.

> "I focus on customer service and use social media to manage the customer-care center while other people on the team are experts in their field of using social media (for programs or digital marketing and other innovations)."
> — Customer Service and Social Media Coordinator, Regional Supermarket Chain

While most social media staff today looks to build inter-departmental soft skills, they can face resistance and challenges with those departments and staff who are either close-minded about or lack knowledge of the social web's capabilities and merits. Many employees outside the social media team have misconceptions about how social works and what it can do, which, in turn, creates barriers for proper implementation and effectiveness. For example, many still see it as social engagement and no different than what they do on their personal Facebook accounts. But, in reality, it is media. It requires social flair and creativity to succeed, but many do not understand that it takes the same level of planning and strategy as other marketing and media plans.

> "The people that work here are engaged with social media. However, it would be helpful for them to understand its capabilities. They think social media is an item and a price; same thing as an ad. They need [to] better understand how and when are the best times to use these [media]. When is it best to use Pinterest. When is it best to use Facebook. When is it best to use a promotion vs. a coupon on one of these? We can change this viewpoint through continuing to send the message out of what, why, and how… and then showing some success stories."
> — Director of Digital Shopper Marketing, Regional Supermarket Chain

This knowledge gap creates challenges for social media teams trying to advance social media efforts and create a holistic experience for shoppers. Companies seeking to improve their alignment around social media should review Parts 6 and 7 of this series for a perspective on some of these issues and steps forward.

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Barrier #3: Commitment

While many supermarket companies are embracing the social web now more than even just two years ago, there are still pockets of resistance. This resistance comes from the greater corporate culture: upper management, middle management, or regional management. It is the result of more than just lack of understanding and, while each group is resistant for a different reason, it boils down to a lack of commitment. This, ultimately, creates roadblocks for the social web staff trying to achieve the company's goals.

Current social media managers at supermarket companies feel the lack of commitment leads to a lack of the right (or right amount of) staff, the right technology, or the right training. Issues such as removing firewalls, sending staff to conferences, and having the latest analytics requires companies be comfortable with changing policies, training, and allocating monetary resources.

The social web staff we interviewed say that it is often hard to gain full commitment because the social web is still seen as an intangible form of marketing. Return on Investment is the focus of many supermarket decisions and, while the social web can demonstrate success in many dimensions, its effect on sales is still a challenge to see.[7] And because success is measured in so many ways, many supermarkets struggle to fully commit to social and provide it with the staff and support it needs.

Success can mean many things on the social web:

"Success is not a metric, but rather an ability to find wins with customers every day and be able to adapt to an ever-changing landscape."
— Director of Digital Shopper Marketing, Multi-Regional Supermarket

"[We did an] exclusive Facebook deal with an incentive to like it. [We got a] huge jump in fan acquisition that day, in one day there were 15,000 likes."
— Digital Marketing and Innovation, Multi-Regional Supermarket

"If we get 2–3 comments [on a post], I am happy. Making customers happy is a success."
— Marketing and Social Media Coordinator, Regional Supermarket

7 See Part 6 and Part 7 of the study for details about how to measure ROI in the social web

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Barrier #4: Capital

The unique ROI of the social web makes it that much harder for supermarkets and other companies to commit capital to it. Supermarket social media managers interviewed for this study say that the misconception that it is free persists, leaving many social media departments facing high expectations with little support to reach those expectations.

> "The misconception is that all social is free. And that's not the case, so I'm raising money through CPG companies to co-fund social initiatives. We need people and money."
> — Director of Digital Shopper Marketing, Multi-Regional Supermarket

In addition, many supermarkets do not realize just how much the investment of proper foundational elements matters, including recruiting and paying for the proper staff, installing the right software, and providing ongoing training. All of this helps lead to future success.

While social media can be a more cost-effective means of marketing, it still requires investment just like any other marketing effort. But, given the current market conditions, more capital for social media efforts can mean less for another part of marketing. And many organizations are making the shift away from traditional marketing toward more digital and social means.

One example of this came from this past Super Bowl®. Tide® opted to use Twitter to participate in real-time for its Super Bowl advertising. The company's strategy was to use short Vine videos and Tweets to react to (and joke about) other brands' Super Bowl ads while positioning Tide as the solution for messes by using the hash tag #GetsItOut. While it may not have reached all 111.5 million Super Bowl viewers, it did make a splash. Tide generated 3.6 million impressions and the campaign saved the brand $4 million.[8]

Tide Ditches TV for Vine and Twitter During Super Bowl

Photo Source: Tide Twitter Page, February 2, 2014

8 *Ad Age*, Jack Neff, "Why P&G's Tide Ditched Its Super Bowl Ad for…Twitter?", February 4, 2014

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Similarly, JCPenney® turned to Twitter during the game, but with a more risky approach that ultimately paid off with ample "free media." During the game, the retailer sent out many typo-ridden Tweets, leading many to retweet and talk about the brand, assuming the retailer's social media team was drunk or the account had been hacked. The retailer later revealed that its "drunk Tweets" were planned and purposeful. It had been inspired by #TweetingWithMittens due to the anticipated game day temperatures and the campaign helped the retailer become a topic of conversation during the game.[9]

JCPenney Uses Twitter to Generate "Free Media" During Super Bowl

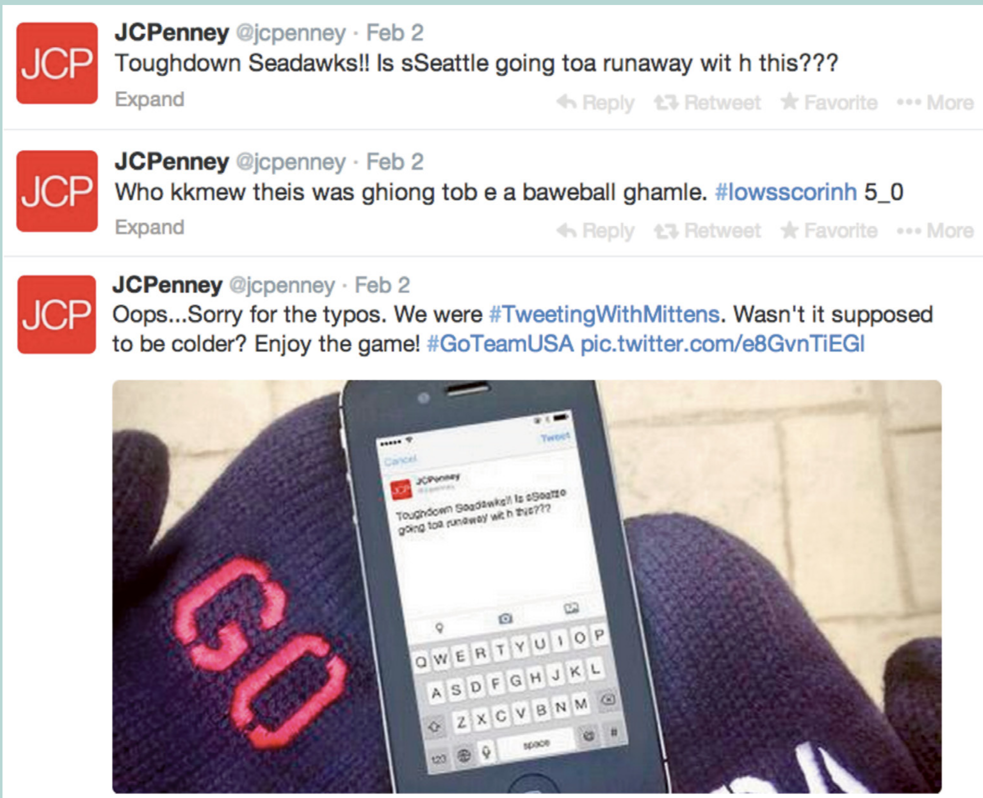

Photo Source: JCP Twitter Page, February 2, 2014

Though social media can generate successful programs for brands and retailers, it might not be suitable for every program and should be viewed as an extension of the larger marketing vision rather than a distinct discipline. In addition, it requires proper foundational elements before strategies can be implemented. Supermarkets should examine how and where they want to use social media as well as how it aligns with and builds on their broader vision before diving into budgetary changes. Part 6 and Part 7 of this series outline exercises and insights to help brands and retailers determine their social media vision, set up their strategy, and more.

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9 *Time*, Brad Tuttle, "Save That $4 Million! 3 Smart Super Bowl Non-Advertisers", February 3, 2014

SECTION 5: EXPECTATIONS FOR THE FUTURE

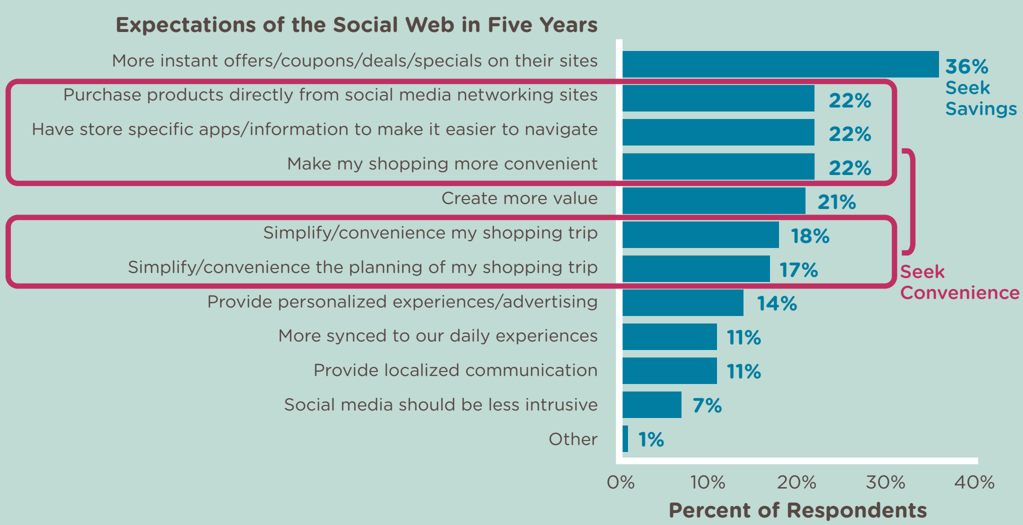
WHAT SHOPPERS EXPECT FROM THE SOCIAL WEB IN 2020

While there are barriers for shoppers and supermarkets alike, it is apparent that the social web is an influential part of today's grocery shopping world and it is expected to be an even bigger part in the years to come. Overall, social web-using grocery shoppers predict the social web will continue to evolve and expand in the future—especially regarding its influence on their purchases. On average, respondents say that the social web will influence 40 percent of weekly grocery spend in five years, compared to 27 percent today.

> Five years from now, the social web will influence as much as 40% of each week's grocery purchases compared to 27% today.

While shoppers agree that influence will increase, their expectations vary. Beyond more offers, coupons, and deals, shoppers expect to be able to make more direct purchases, navigate specific stores more easily, and other convenience-oriented benefits in the future. Mobile and more sophisticated digital capabilities are making these convenience-oriented expectations a reality for shoppers. To accommodate this range of desires, supermarkets will have to keep tracking their shoppers' desires and current technologies to ensure that they offer the right range of services and content to meet expectations.

Savings and Convenience Are Top Expectations



Source: Integer Study, Fall 2013, n=3,238
Question: What does social media not do now that people will expect it to do in the future for household-item shopping? (Choose Top Two)

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Convenience and Offers Go Hand In Hand

As supermarkets plan for the future, coupons and deals should continue to be top of mind, but so should convenience-driven content and solutions. In fact, the previous chart shows that convenience-oriented benefits are a widespread expectation and highly varied compared to deals. This provides supermarkets opportunity to further differentiate themselves from the competition in new and compelling ways.

While deals are often one-dimensional to some extent, convenience means many things to the shopper including help with meal planning, store navigation, and ease of purchasing items. As one shopper told us,

> "The social web changed my shopping drastically. Before, it was difficult because you needed to rely on papers [for information]. I feel like it took too much time. Makes it a full-time job."
> — Social Web-Using Grocery Shopper

While convenience and deals are nothing new to the industry, what *is* new is how the social web can augment them and change the game. The convenience the social web brings might be at the heart of why instant offers, coupons, and deals are so attractive on the social web. One of the most noted conveniences is its efficiency regarding trip planning. Before digital and social media, shoppers relied on circulars to find coupons and deal information. Now, shoppers have direct links to the latest circulars and many more resources that save them time and ensure that they never forget a list or leave their coupons at home again. As one female shopper in the study said,

> "I use my phone more than I use paper now. It makes it easier to remember coupons and deals, find inspiration, share information, and even keep informed about what's going on in store."
> — Female, Social Web-Using Grocery Shopper

The same coupons and deals continue to be present through traditional sources, but it is the convenience that the social web brings that shoppers will crave more of in the future.

> While convenience and deals are nothing new to the industry, how the social web can evolve them is what will change the game in the future.

In actuality, the convenience the social web brings to grocery shopping is what makes using it so attractive. Convenience is establishing itself as the new value offering as shoppers seek value beyond price in today's chaotic, connected, and fast-paced world. Grocery shoppers are discovering the value of the social web's simplicity and means of delivering inspiration and information. Today, every

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choice is made more convenient, as illustrated in the Target Awesome Shop example. By identifying and curating Target's top products in the social web and bringing the social web to the aisle, the store effectively identifies the shopper's choices for them—and shoppers appreciate easy decisions. Grocery shoppers expect more conveniences like these in the future and say they are hungry for it. Supermarkets will have the task of delivering that convenience through the social web.

Convenience is the new value. Shoppers increasingly appreciate value in the form of ease and information as well as coupons. In the future, supermarkets that offer more than the basic conveniences and value will prosper and win with shoppers.

Social Web Usage Predicted to Grow and Diversify

Today's grocery shoppers have high expectations for the social web in the future. While they might not be certain of what platforms will exist or how they will look, they are certain their own and others' usage will grow and change.

Social Media Is Predicted to Be More Prevalent in Shopping

Five years from now, how do you think your friends' and family's use of social media for everyday shopping will change?	Percent of Shoppers Who Agree With the Statement
Use it MORE frequently to shop for everyday household goods	**76%**
Use it LESS frequently to shop for everyday household goods	9%
Use it with the SAME frequency to shop for everyday household goods	15%
Consult with MORE supermarkets to help you shop for everyday household goods	**68%**
Consult with FEWER supermarkets to help you shop for everyday household goods	12%
Consult with the SAME supermarkets to help you shop for everyday household goods	20%
Use NEW tools or functionalities to shop for everyday household goods	**80%**
Use the SAME functionalities to shop for everyday household goods	20%
Use NEW platforms/websites/apps	**80%**
Use the SAME platforms/websites/apps	20%
Supermarkets will be on social media MORE to communicate with shoppers	**78%**
Supermarkets will be on social media THE SAME AMOUNT to communicate with shoppers	18%
Supermarkets will be on social media LESS to communicate with shoppers	4%

Source: Integer Study, Fall 2013, n=3,238
Question: Five years from now, how do you think your friends' and family's use of social media for everyday shopping will change?

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An overwhelming 76 percent of respondents say they will use the social web more frequently in the future for grocery shopping. In addition, 68 percent believe they will consult with more supermarkets on the social web and 78 percent believe supermarkets will be on social media to a greater extent. This means there will be many more engagement opportunities for supermarkets on social media, but there will also be more competition.

Also, shoppers do not expect things to stay stagnant, and they recognize the major leaps the social web has taken in just the past five years. They expect new platforms and functionalities to arise. As one respondent said,

> "I like how the social web is constantly changing because it leads to cool, new, easier, and better ways to shop. Over time, platforms will only get better."
> — Social Web-Using Grocery Shopper

While the majority is eager for the advancements of the future, a small population feels the social web needs to be less intrusive. Privacy and the over-saturation of communication are reoccurring topics among some social web-using grocery shoppers interviewed for this study. However, it is unlikely that social web advancements will deter these concerned shoppers.

As one respondent noted,

> "Whether people are bombarded or not, the social web will be useful for grocery shopping, people will use it more."
> — Social Web-Using Grocery Shopper

With this in mind, supermarkets should focus on delivering the right amount of content, and err on the side of more communication than less. In the future, shoppers would rather reap the benefits the social web brings to their grocery shopping than shut themselves away from it completely.

Some Shoppers Might Use the Social Web Less

While usage is expected to continue to rise, a quarter of social web-using grocery shoppers indicate that the social web's influence on their grocery purchases will either plateau or drop in five years, on average, by four percent. However, this might be a reaction to their unmet expectations today. If companies create greater value in their social communication moving forward, even those pessimistic shoppers might reexamine their views.

One in four shoppers who currently use the social web to grocery shop expects to use the web the same amount or LESS in five years.

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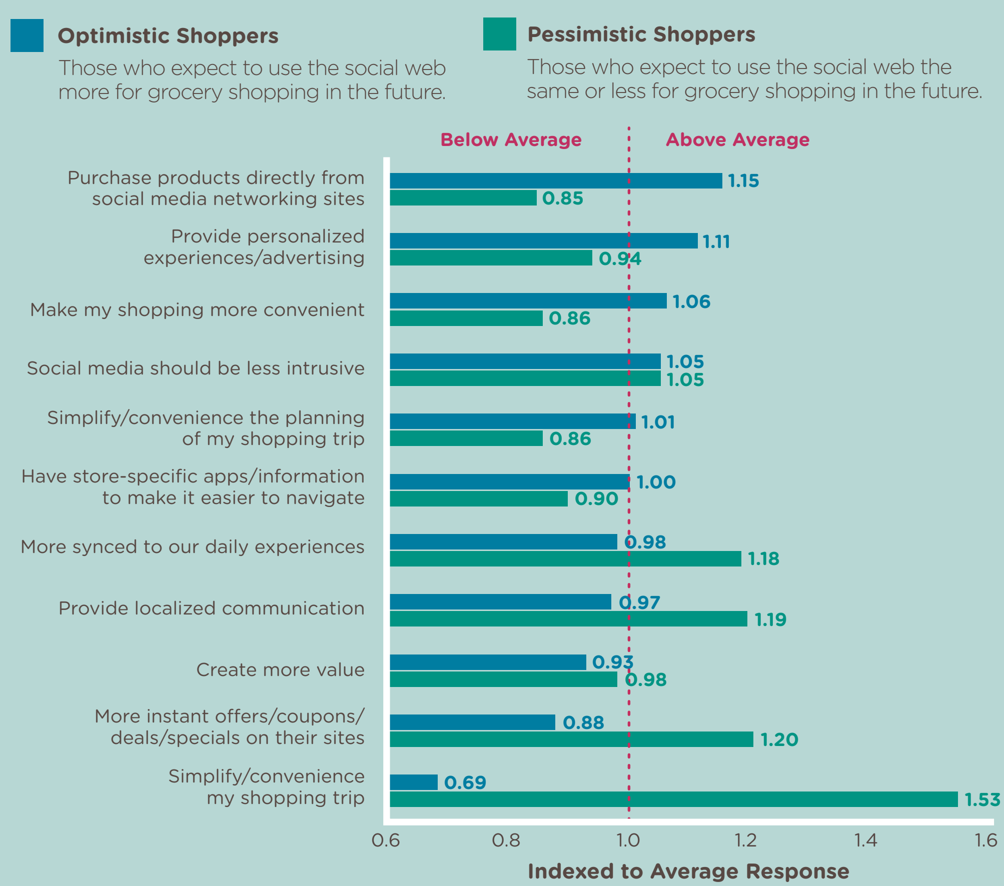
Two Users, Two Expectations of the Social Web

Shoppers who predict the social web will become more influential on their grocery spending hold some specific expectations compared to the average respondent. For example, these shoppers are more likely to expect the social web to allow the purchase of products directly from their networking sites as well as personalized experiences. Those who are less content with today's offerings expect it to just continue to simplify their trips and offer more coupons.

Those expecting greater influence are satisfied today, and they are hopeful for the future. They are 12 percent less likely to expect coupons, discounts, and offers in the future because they feel the social web adequately provides that benefit now, and they are 30 percent less likely to expect simplification and convenience in their shopping trips because they have already discovered that. These offerings are becoming requirements for shoppers and for supermarkets to differentiate themselves in the future. They might have to explore capabilities like direct purchase to attract the "optimistic" social web-using grocery shopper.

What the Social Web Does Not Do Now That It Should in Five Years



Source: Integer Study, Fall 2013, n=693
Question: What does social media not do now that people will expect it to do in the future for household-item shopping?

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Shoppers who expect the social web to influence their grocery spend at the same level or less in five years hold contradictory expectations. These shoppers are 53 percent more likely to think the social web currently does not simplify or provide convenience to their grocery shopping trips. They are also more likely to feel there is a lack of offers, coupons, and deals now, along with localized communication and even synchronization to daily experiences. Therefore, these are their expectations for the future.

This contradicts expectations of the more "optimistic" social web-using grocery shopper. But these concerns also provide great opportunity when viewed at a different perspective. If supermarkets want to reinvigorate and win with this 24 percent of grocery shoppers who are pessimistic about the future influence of the social web, it might be wise to continue developing the social web offerings this segment expects while also advancing offerings to retain those who are content today. The future is uncertain, but what is certain is that success lies in connecting with your shoppers and delivering meaningful content and value for them.

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SECTION 6: A VISION FOR 2020

WHAT SUPERMARKETS NEED TO KNOW

This final section looks at some of the leading indicators for the future that have already been identified and attempts to make some bold assertions of what it will take for a supermarket company to survive and thrive on the social web in 2020.

There is no crystal ball, but by providing some ideas rooted in the research of *Untangling the Social Web*, our aim is to provoke questions for supermarket leadership to discuss and consider.

Given the many pressures on supermarkets to drive efficiency and margin, ongoing consolidation in the sector, and so on, we firmly believe that a significant strategy for the social web, which will help build an engaged shopper base, will become a valuable corporate asset for the future.

HERE ARE 10 HEADLINES THAT WE PREDICT WILL DEFINE THE SOCIAL WEB AND SUCCESSFUL SUPERMARKETS IN THE YEAR 2020.

1. Social Is the Fifth ‘P’ of Marketing
2. The Stock-Up Trip Is Dead
3. Supermarkets Follow Manufacturers to Silicon Valley
4. Socially Powered Savings Redefine Pre-Shopping Behaviors
5. 33% of CEOs’ Time Is Now Focused on the Social Web
6. All Marketers Are Now Social Web Marketers
7. Supermarkets Have No Option But to Be Real-Time
8. Social Web Is the Favored Place for Purchases
9. The Social Web Continues to Surprise All
10. Become Risk-Tolerant or Become Extinct

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1. Social Is the Fifth 'P' of Marketing

With 18- to 34-year-old shoppers anticipating as much as 41 percent of their grocery shopping purchases being affected by the social web five years from today,[10] Price, Product, Promotion, and Place will be joined by social Participation as a marketing cornerstone.

It will be the expected channel through which promotion and price will play, and it will, in itself, be a place through which products are acquired.

What This Means Today

Success in 2020 means laying a strong foundation now. Supermarkets need strong strategic vision for the social web that will set the stage for building a strong shopper base and enable supermarkets to flex and adjust with the ever-changing technology, platforms, and shopper behaviors.

In Parts 6 and 7 of *Untangling the Social Web*, we provided supermarket operators with a series of tools, exercises, strategies, and myriad examples for developing a social web strategy both internally and externally.

Notes:

10 Integer, Quantitative Primary Research, Fall 2013

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2. The Stock-Up Trip Is Dead

eCommerce for everyday household items is expected to grow as much as 12 percent each year over the next five years[11] as shoppers shift toward more frequent and real-time shopping practices. Not only is buying directly from social media the second most-anticipated capability according to shoppers in this study, but social web-using shoppers already tend to shop more frequently—71 percent of shoppers surveyed report shopping for grocery items at least once a week[12]. In 2020, more demand for real-time satisfaction of needs, smaller households, greater urbanization, and more will, ultimately, lead to the demise of the stock-up trip as we know it.

What This Means Today

Supermarkets need to rethink the role of their stores in the lives of their shoppers. Many brands are already reacting to fulfill the social web grocery shopper's desires through the likes of AmazonFresh® and Peapod®. Retailers will need to do so as well. Further, programs like Amazon Subscribe & Save® reward shoppers for automating more everyday stock-up items, and more such programs will surely follow.

Supermarkets will have to evolve their supply and distribution capabilities. IT and logistics capabilities are critical in differentiating supermarkets in 2020. How these areas of your business respond to the changing shopping context might determine the difference between survival or not. It's critical, therefore, for all levels of leadership to understand the far-reaching impact the social web will have on shoppers' expectations and behaviors and to incorporate a social web strategy into business planning.

Notes:

11 The Future of Food Retailing Report, Willard Bishop, June 2013

12 Integer, Quantitative Primary Research, Fall 2013

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3. Supermarkets Follow Manufacturers to Silicon Valley

Major brand manufacturers like Nestle®, Kellogg®, and Mondelez® have each built a small, but impactful, presence in Silicon Valley to get closer to the cradle of tech life. This will be especially important for supermarkets by 2020 because, as one supermarket executive said:

> "Success [in the social web] is not a metric but rather an ability to find wins with customers every day and be able to adapt to an ever-changing landscape."
> — Director of Shopper Marketing and Digital, Multi-Regional Supermarket Chain

The Internet will continue to own the infrastructure of information and entertainment in the future, and the social web will continue to increase its ownership of user identities and shopper touch points. Being close to new developments that impact shopper behavior will be a marker of success in 2020.

What This Means Today

For supermarkets to keep pace with the social landscape and keep a finger on the pulse of the future, new relationships and personnel are needed. Even if supermarkets can't establish offices in Silicon Valley, they should create strategic partnerships to open the flow of communication between headquarters and the hub of new-technology creation. The rate of learning will continue to develop exponentially, and partners will be critical to ensure that supermarkets keep pace.

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4. Socially Powered Savings Redefine Pre-Shopping Behaviors

As already stated, social web-using grocery shoppers like to consume content from their supermarkets. One shopper interviewed for this study told us:

> "The social web changed my shopping drastically. Before, it was difficult, because you needed to rely on papers [for information]. I feel like it took too much time. Makes it a full-time job."
> — Social Web-Using Grocery Shopper

This highlights the growing use of digital tools as a means to plan trips and, particularly, find deals. In fact, getting more instant offers and deals is the most anticipated future offering of the social web in the next five years according to shoppers in this survey. They expect this to become easier.

As technology advances and shoppers become more comfortable with using the social web to prepare their trips, we predict pre-shopping behaviors will not only take less time but will also be driven, mainly, by socially powered savings. Pre-trip planning will become more customized, more convenient, and more passive as deals and sales will be further tailored and delivered via a social feed when shoppers need them. Once there are more automated savings tools, the younger, inspiration-seeking shoppers will refocus their pre-shopping activities on other content. Will supermarkets be the ones that provide that?

What This Means Today

Content strategy is one of the most important elements of the supermarket marketing mix. A mix of original and aggregated content will be the norm for shoppers in 2020, providing a balance of information and inspiration.

To achieve this, successful supermarkets in 2020 will have worked out how to aggregate the best deals available on the internet for their shoppers and provided a simple way to keep and redeem them. They will have also removed internal barriers, establishing solid inter-departmental relationships today so that, by 2020, the social web department (in whatever form it takes) can drive the entire marketing effort and offer the right mix of content as well as personal coupons and tailored pre-shopping capabilities.

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5. 33% of CEOs' Time Is Now Focused on the Social Web

It will be vital for supermarket brands to have a significant focus from the top. As one major supermarket executive said:

> "It starts at the top. Top-level management talking to other management. (We) need to build the business case for how it will benefit the company as a whole and try to find that right nugget of benefit for the shopper, and having that executive leadership buy-in is critical."
> — Director of Marketing, Multi-Regional Retailer

By 2020, executive leadership will not only buy in to the social web, but it will constitute a large portion of their focus as they realize that it can serve not only as a messaging tool but a customer service, sales, and a logistics and research tool. Supermarkets can keep a finger on the pulse of the shoppers and react nimbly to a constantly evolving landscape.

What This Means Today

CEOs can no longer hide. Leadership should be educated and trained on the fundamentals of social media and involved in the development of social strategy for their business. This knowledge and involvement will help management teams effectively partner with social web practitioners to ensure that all activity achieves corporate and store-level goals and objectives.

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6. All Marketers Are Now Social Web Marketers

To have the best social web marketing, supermarkets need the best talent. As a Marketing Manager stated:

> "A lot of complementary skills are needed in a candidate, but it is hard to find all of them in one person. The right candidate needs to know analytics. They need to have the technical ability. They need the marketing knowledge and the consumer insight. They need to be able to write, be creative, and be conversational."
> — Marketing Manager, Multi-Regional Retailer

The future will see teams of complementary people who each bring a distinct core skill to the table. Social web departments and teams will need their very own dedicated analysts, marketing managers, art directors, copywriters, and technicians (along with skills that we can't yet identify) who will all work together. With 40 percent of grocery spending expected to be influenced by social media in 2020, supermarkets that don't bring this level of investment to the practice will struggle[13]. The next six years will see the next evolution of brand management, and at its core will be the social web.

What This Means Today

Supermarkets should develop social web marketing skills in every individual in the marketing department, not just a select few, and train all levels of management across the entire organization on the significance and the fundamentals. To succeed, social web marketing needs to be a practice everyone understands, especially as it becomes the fifth P in marketing.

Notes:

13 Integer, Quantitative Primary Research, Fall 2013

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7. Supermarkets Have No Option But to Be Real-Time

The expectations of shoppers will continue to rise, and the speed of the social web will continue to increase. Some supermarkets are feeling confident today. A supermarket Marketing Director interviewed stated that:

"The social web is not its own uncharted, unique tool but just another medium like any other medium."
— Director of Marketing, Regional Supermarket

However, this specific medium holds the advantage of being faster, more efficient, and much more connected than any previous medium, and the information it will provide in the future will be much more relevant and timely than it is today.

By 2020, we will live with the holy grail of marketing communications, enabling supermarkets to deliver the right messages at the right time in the right place.

What This Means Today

To be real-time, supermarkets and other corporations alike will need developed competencies that allow them to proactively and continuously monitor their shoppers. They will have processes that are as flexible and agile as their shoppers.

Supermarkets will have left the campaign mentality of the turn of the century. They will have developed ongoing capabilities that engage their shoppers when they want to be engaged.

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8. Social Web Is the Favored Place for Purchases

Social web marketing today is primarily about connecting, driving awareness, and supporting customer service. But in the future, the social web will also be about selling. A quarter of users in this survey expect to purchase products directly from the social web in 2020, and the right strategies and platforms will allow supermarkets to sell their products at the very moment the shopper connects with and is inspired by a message.

What This Means Today

Supermarkets that will succeed in the future are the ones that have the ability to make seamless transactions through the social web and are able to fulfill them with minimum fuss.

In other retail categories, organizations have already made advancements, embedding items for purchase on Facebook's gift application or linking with Twitter accounts. But we predict that more seamless storefronts and purchase capabilities will be present in 2020. This will have a brand halo effect (not just a commercial effect) to the supermarkets that do this well; they'll be seen as future-thinking, innovative organizations that are more able to simplify life for the shopper.

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9. The Social Web Continues to Surprise All

With technological capability, as predicted by Moore's Law[14], doubling every two years, it is safe to say the social web will be very different in 2020. Facebook itself is only a decade old and Pinterest a few years. Eighty percent of shoppers we surveyed expect that they will use new social tools and functionalities in the future.[15]

However, where today the social web is scattered and fragmented, the future will have an integrated landscape. One social web shopper commented:

> "In the future, I hope to have all the functionality of Snapchat, Facebook, Twitter, Pinterest, and everything else in one hub."
> — Social Web-Using Grocery Shopper

The future will bring volatility to the social web landscape and it will continue to be difficult to predict, and therefore, it will never be mastered. One supermarket executive pointed out that:

> "Tomorrow changes in a second—there is no end. The key with (the) social web is constantly being able to scan the industry to see what is changing and constantly being able to adapt."
> — Director of Shopper Marketing and Digital, Multi-Regional Supermarket Chain

What This Means Today

Supermarkets will have to continue to be flexible and open to new ways of thinking. The real winners will innovate with the platforms and not just be passive corporate users. In addition, they will need an active monitoring capability to investigate up-and-coming platforms and new technologies. This will allow them to assess which ones align with their strategies, role, and vision for the social web* and, ultimately, integrate those that meet the needs of their shoppers.

*For more on establishing your role on the social web, please read Parts 6 and 7 of this series

Notes:

14 http://www.mooreslaw.org, April 2014

15 Integer, Quantitative Primary Research, Fall 2013

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10. Become Risk-Tolerant or Become Extinct

Accept it. The social web is here, and it's here to stay. Some supermarkets will lead, some will follow, and some won't be trading in 2020. To survive, supermarkets will need to invest a little more to manage a little more risk. The social web is highly visible and very fast. Mistakes will be made, but the organizations that view mistakes as learning opportunities to improve their operations will prosper.

> "If marketing is not up to standards, that is public forever. A bad comment or the wrong tweet can be seen by anyone for a long time. It's a huge responsibility with a margin for error."
> — Director of Shopper Marketing and Digital, Multi-Regional Supermarket Chain

The far-reaching broadcast nature of the medium now in the hands of the shopper is inherently more risky, as we have discussed throughout this series of papers. That risk opens up more opportunities for those who are willing to embrace them.

What This Means Today

The expectations of the shopper will continue to grow, so the winners of 2020 will have learned how to adapt policies and firewalls to integrate technology, platforms, learning, and the users of the social web.

Corporate leaders and IT departments will have developed flexibility in their processes. Adaptable policies and training will have been implemented so that social web teams have the autonomy to effectively activate real-time marketing and be the voice of the brand with individual shoppers.

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ABOUT THE AUTHORS

About the Coca-Cola Retailing Research Council of North America

The Coca-Cola Retailing Research Council of North America (www.ccrrc.org) conducts studies on issues that help retailers respond to the changing marketplace. The unique value of these studies rests with the fact that retailers define the objective and the scope of each project and "own" the process through the release of the study and dissemination to the broader retail community.

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About The Integer Group—@IntegerGroup

The Integer Group (www.integer.com) is one of the world's largest retail, promotional and shopper marketing agencies and a key member of the TBWA\ Marketing Services portfolio. The Integer Group resides At the Intersection of Branding and Selling® and creates strategic marketing solutions for clients in categories that include beverage, packaged goods, telecommunications, retail, fast food, home and shelter, and power sports. Join Integer in a conversation on shopping culture and brand strategy at www.shopperculture.com or on Twitter @shopperculture.

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