Developing Your Digital Toolkit

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Agenda

1   Building your eCommerce capability framework

2   Allocating your eCommerce budget

3   Managing 8 essential workstreams

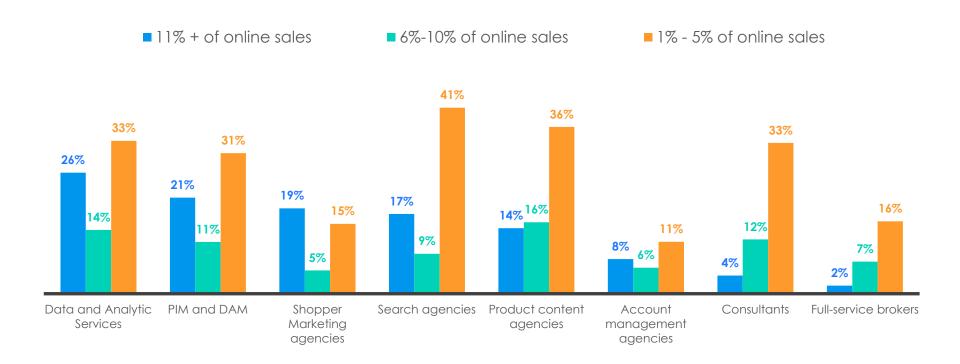**4**   Selecting the right tools and vendors

Poll Question

How much do you love RFPs?

○ They're my life's mission

○ Frankly, I love them

○ Two thumbs up

○ Not a fan

Building your eCommerce Capability Framework

Maturity Stage	Workstream	Who does the work?			Tools & Enablers		
3 ACHIEVE CATEGORY LEADERSHIP	Venture Capital Arms & Technology Accelerators	Acceleration Team	M&A Team	Consultants			
	Packaging & Supply Chain Economics	R&D/NPD	Supply Chain	Agency	Packaging Testing Labs		
2 OPTIMIZE SALES LEVERS	Distributed eCommerce	Media & Marketing	Brand	Shopper Marketing	Where to Buy Platforms	Recipes	Shoppable Ad Platforms
	Paid Search & Media	Media & Marketing	Account Mgr.	Agency	Amazon Advertising	Paid Display Media	Digital Shelf Analytics
	Consumer-Generated Content	Consumer Relations	R&D/NPD	Agency	Review Syndicators	Sampling Campaigners	Digital Shelf Analytics
	Measurement & Analytics	Data & Insights	Agency		Digital Shelf Analytics	ePOS Data	Panel Data
1 GET CHANNEL BASICS RIGHT	Product Content	Digital Merchandiser	Brand	Agency	PIM/DAM	Content Syndicators	Digital Shelf Analytics
	Account Management	Account Mgr.	Category Mgr.	Outside Broker	Retailer Vendor Portal		

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How brands are allocating their eCommerce budget

Legend:
- ■ 11% + of online sales
- ■ 6%-10% of online sales
- ■ 1% - 5% of online sales

Category	11% + of online sales	6%-10% of online sales	1% - 5% of online sales
Data and Analytic Services	26%	14%	33%
PIM and DAM	21%	11%	31%
Shopper Marketing agencies	19%	5%	15%
Search agencies	17%	9%	41%
Product content agencies	14%	16%	36%
Account management agencies	8%	6%	11%
Consultants	4%	12%	33%
Full-service brokers	2%	7%	16%

Source: 2018 Profitero eCommerce benchmark survey

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1 **Get eCommerce channel basics right**

Workstream	Who does the work?			Tools & Enablers
Account Management	Account Mgr.	Category Mgr.	Outside Broker	Retailer Vendor Portal

- Manage all account activities

- Drive online retailer sales, share & performance

- Draw insights from data, make strategic recommendations

- Generate reports, analysis and ROI assessments

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① Get eCommerce channel basics right

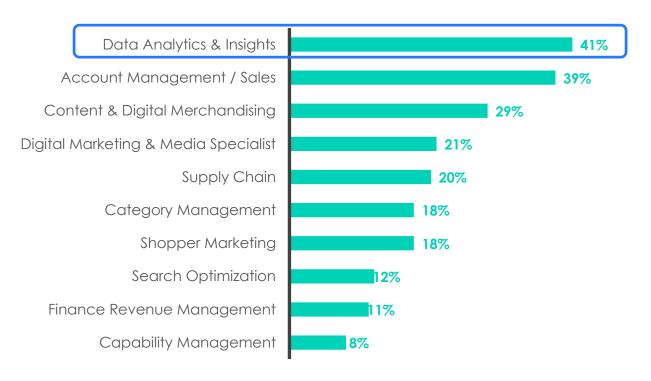| Workstream	Who does the work?			Tools & Enablers		
Product Content	Digital Merchandiser	Brand	Agency	PIM/DAM	Content Syndicators	Digital Shelf Analytics

- Benchmark what good content looks like

- Create content

- Store and centrally manage content

- Syndicate to retailer sites

- Audit for compliance & content integrity

- Analyze performance

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② Optimize sales levers

Workstream	Who does the work?		Tools & Enablers		
Measurement &Analytics	Data & Insights	Agency	Digital Shelf Analytics	ePOS Data	Panel Data

- Quantify and manage sales & share across retailers and channels

- Monitor & measure digital shelf presence and performance

- Connect digital shelf performance back to sales & share to measure ROI

Brands planning to add dedicated headcount in the coming year — by eCommerce specialist

Specialist	Percentage
Data Analytics & Insights	41%
Account Management / Sales	39%
Content & Digital Merchandising	29%
Digital Marketing & Media Specialist	21%
Supply Chain	20%
Category Management	18%
Shopper Marketing	18%
Search Optimization	12%
Finance Revenue Management	11%
Capability Management	8%

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Better Performance Through eCommerce Analytics

② Optimize sales levers

Workstream	Who does the work?			Tools & Enablers		
Consumer-Generated Content	Consumer Relations	R&D/NPD	Agency	Review Syndicators	Sampling Campaigners	Digital Shelf Analytics

- Set goals on metrics: star rating, review count & quality

- Conduct sampling campaigns

- Syndicate CGC across retailer networks

- Monitor, measure & analyze results

- Respond to negative reviews; conduct sentiment analysis

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2 **Optimize sales levers**

Workstream	Who does the work?			Tools & Enablers		
Paid Search & Media	Media & Marketing	Account Mgr.	Agency	Amazon Advertising	Paid Display Media	Digital Shelf Analytics

- Identify & optimize keyword search

- Sponsor relevant keywords

- Leverage paid display media campaigns on retailer sites

- Maximize return on ad spend & boost discoverability

- Monitor, measure & analyze results

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② Optimize sales levers

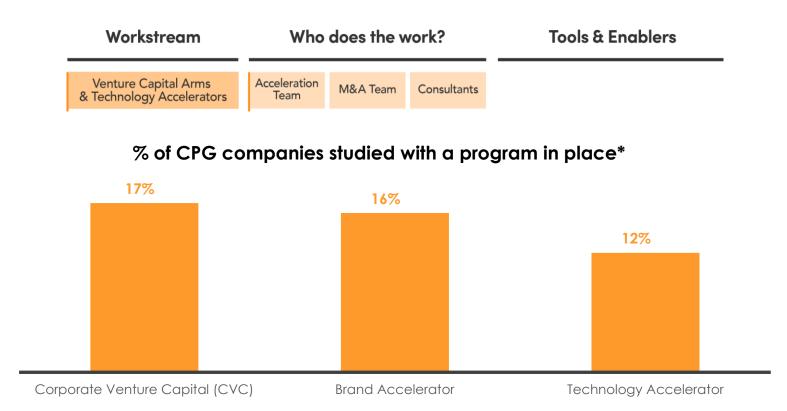| Workstream	Who does the work?			Tools & Enablers		
Distributed eCommerce	Media & Marketing	Brand	Shopper Marketing	Where to Buy Platforms	Recipes	Shoppable Ad Platforms

- Identify digital touchpoints to engage consumers

- Create and imbed digital commerce "buttons":
  - Buy Now
  - Add to Cart
  - Where to Buy

③ Achieve category leadership

Workstream	Who does the work?			Tools & Enablers
Packaging & Supply Chain Economics	R&D/NPD	Supply Chain	Agency	Packaging Testing Labs

- Manage price pack architecture

- Reconfigure product form or packaging

- Monitor CGC and competition to identify NPD / packaging opportunities

- Ensure products meet Amazon's packaging certification requirements

Achieve category leadership (3)

Workstream	Who does the work?			Tools & Enablers
Venture Capital Arms & Technology Accelerators	Acceleration Team	M&A Team	Consultants	

% of CPG companies studied with a program in place*

17% — Corporate Venture Capital (CVC)

16% — Brand Accelerator

12% — Technology Accelerator

Better Performance Through eCommerce Analytics

Source: 2018 Profitero research *169 CPG companies included in the research globally

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Some strategic considerations

- All-in-one or best-of-breed

- Build vs. buy / rent

- In-source or outsource

- Global standards vs. regional nuances

My feeling is you never build, always buy. There's no purpose to building. What's the differentiator? To me, it's the data that powers the tool, not the tool itself. It's only as good as the data you put in or take out of it.
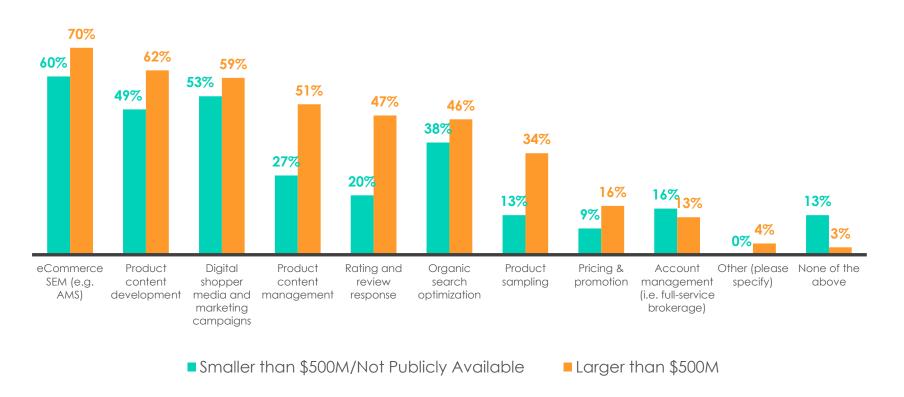
—**Andrew Freeman**
  Global Director, eCommerce Capability
  Kellogg

How to identify potential tools and partners

- Leverage past experiences

- Attend industry conferences

- Network and use back channels

- Scout new technologies internally

- Review objective third-party sources

- Use Profitero's latest guide and Partner Directory (coming soon)

How brands engage agencies or other third parties

	eCommerce SEM (e.g. AMS)	Product content development	Digital shopper media and marketing campaigns	Product content management	Rating and review response	Organic search optimization	Product sampling	Pricing & promotion	Account management (i.e. full-service brokerage)	Other (please specify)	None of the above
Smaller than $500M/Not Publicly Available	60%	49%	53%	27%	20%	38%	13%	9%	16%	0%	13%
Larger than $500M	70%	62%	59%	51%	47%	46%	34%	16%	13%	4%	3%

■ Smaller than $500M/Not Publicly Available   ■ Larger than $500M

Key questions to ask during the selection process

- How can you help me navigate the world of eCommerce?

- Can you grow with my company as eCommerce grows and evolves?

- How well does your technology / data integrate with my other digital assets?

- How willing are you to share what you know and have learned with me?

- How easy and flexible is setup and onboarding?

- Can you add value immediately to meet my needs and objectives?

Next Steps

Everyone

Download the full "Developing your Digital Toolkit" guide:

https://bit.ly/2RNOMhv

Brands

To learn more about our 30 day Free Trial, visit:

www.Profitero.com/Free-Trial

Agencies

To learn more about our partnership program, visit:

www.Profitero.com/agencypartner

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Questions?

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