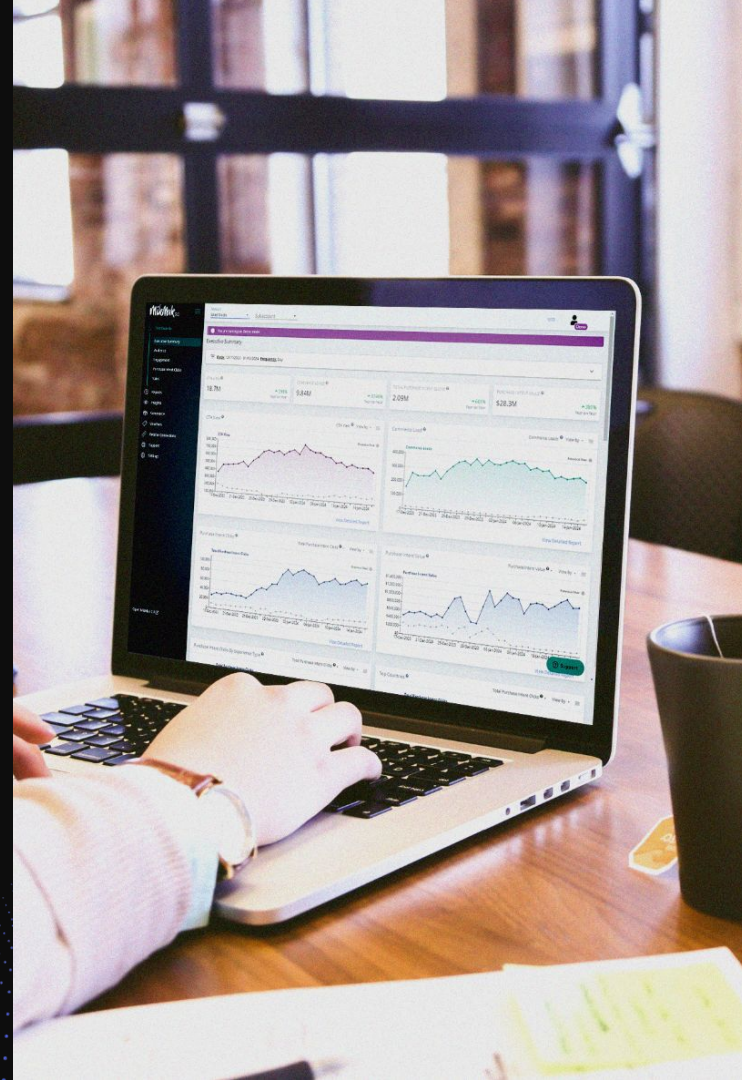


MikMak

Inflation and Commerce Marketing: How to Reduce Costs and Drive Profitability

Trends, Insights, and Best Practices for
Multichannel Brands

Featuring  Profitero



BRAVE COMMERCE

WITH RACHEL TIPOGRAPH & SARAH HOFSTETTER

“Consumers continue to spend. [...] Any time when the rest of the market is doing badly, if you are in a position, if you are financially able to invest, it’s a great time to gain share! [...] A downturn is an opportunity to gain share, for sure!”

- **Sucharita Kodali**
Vice President and Principal Analyst,
Forrester

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Brand manufacturers' [margins will continue to compress](#) in 2024. As a result, brands will need to perfect pricing elasticity, tap into consumer habits, and make sure advertising dollars are driving profitable growth.

According to the MikMak Shopping Index, online basket sizes have decreased over the past year. [Profitero's study](#) revealed that 58 percent of US shoppers and 55 percent in the UK will check deals and prices online before completing their in-store shopping trip. Similarly, 50 percent of US shoppers and 41 percent in the UK check prices online when shopping in a physical store. This data suggests an urgent need for brands to be more strategic in capturing those consumers who may spend more cautiously in the year ahead.

In the face of uncertainty, brands must keep advertising to maintain and grow market share. Carefully targeted marketing based on a true understanding of customer behavior makes every advertising dollar go farther.

In this eBook, we will explore the impact of inflation on shopping trends globally and by sector, based on current consumer insights. We will also share best practices for multichannel brands to drive Commerce Marketing profitability.

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+ Overview

W

In this guide, we begin by examining how inflation is affecting shopping trends globally, in Europe, and in the US. We then dive into the shopping patterns impacting specific sectors. Finally, we outline the best ways to capitalize on these trends and increase Commerce Marketing profitability.

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How Inflation is Affecting Shopping Trends

Global Inflation Trends

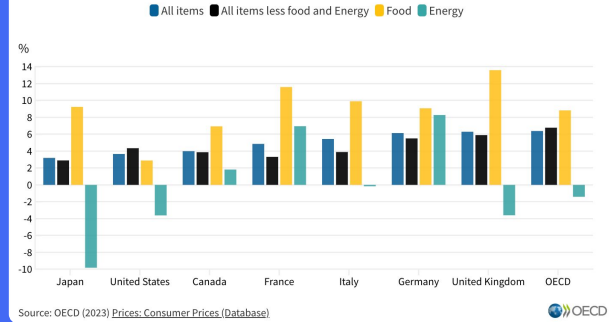
Inflation is simmering, but it's likely to continue to put pressure on consumers throughout the next year. According to a [Euromonitor](#) report, global inflation is expected to drop to 4.4 percent in 2024 from 6.8 in 2023. Here are a few factors the report says are pushing inflation lower:

- Slowing economic growth
- Stabilizing commodity prices
- Cooling real estate prices
- Supply chain enhancements

Europe Inflation Trends

In Europe, inflation [tumbled to 2.4 percent](#) in November 2023, hitting its lowest point in over two years. However, prolonged high prices have cut into the typical shopper's wallet, with inflation peaking in the region at 10.6 percent in October 2022. Sluggish growth may also accompany this downtick in inflation, creating an environment with even more price-sensitive shoppers.

Figure 1 - Consumer prices, G7 economies and OECD - Total inflation and its components August 2023, year-on-year inflation rate



Measuring inflation – the Harmonised Index of Consumer Prices (HICP)



Key Predictions From MikMak and Profitero For 2024

More Strategic Consumer Spending

At [MikMak](#), we've observed a year-over-year (YoY) decline in eCommerce conversion rates, and online basket sizes have decreased over the past year. This trend coincides with inflation and rising interest rates.

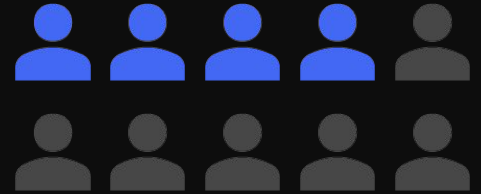
Based on basket-level sales data at MikMak, we expect consumers to keep spending. However, they will continue being strategic, hunting for deals, settling for more affordable options, and focusing on essentials.

Digitally Influenced Shopping

In today's dynamic market, consumers hold unprecedented power, driven by a desire for choice in their purchasing decisions. The impacts of COVID-19 and inflation over recent years have resulted in a customer who heavily relies on digital validation, whether shopping online or in-store.

[Profitero's study](#) reveals that 4 in 10 shoppers research on Amazon before visiting physical stores, a trend consistent across diverse markets. Additionally, digital influence surpasses the impact of in-store marketing, with 7 in 10 consumers in the United States, 6 in 10 in Canada and the United Kingdom, and 5 in 10 in Germany leaning towards online content.

These insights underscore the growing dominance of digital influence in shaping consumer behavior.



4 in 10

shoppers research on Amazon before
visiting physical stores

Calming Inflation, Stubborn Costs

Overall inflation is starting to decline. However, for brand manufacturers, it's more expensive than ever to bring a product to market, keep it on the shelf, and market it to consumers. Here's why we expect brand manufacturers' margins to tighten in 2024:

- As supply chains are moved out of China, it could disrupt brand businesses
- The cost of materials is likely to remain high
- More regulation for retail media may creep in from governing bodies

Given the current economic uncertainty, retailers and brands will become more and more conscious of their spending, and they'll need to make sure their investments are paying off.

How Brands Can Get Ahead in a Tight 2024 Economy

As eCommerce businesses fight high inflation, pinched margins, and limited cash in 2024, there are still pathways to growth:

1. **Increase marketing effectiveness:** Brands need to leverage their marketing investments better to combat inflation pressure without raising prices. That means targeting the most profitable sales channels in the most strategic way possible.
2. **Make every dollar count:** In order to combat margin compression, brands experimented with price hikes throughout 2022 and 2023. Consumers are now pushing back. That means brands need to start asking the question, "How do we make every dollar we spend work harder and smarter for us, from ideation and insights to content, media, experiences, and measurement?"



"The "e" will be dropped from "eCommerce" and it will just be "Commerce." In many categories, eCommerce growth rates have slowed post-pandemic; yet, time online has not. As a result, brands will be looking to demonstrate that digital investments are driving offline sales too."

—Rachel Tipograph, CEO & Founder, MikMak

Inflation and Shopping Trends by Sector: Europe vs US

1. Consumer Electronics & Appliances

Europe Consumer Electronics & Appliances Trends

In Europe, [Statista](#) estimates online prices for Consumer Electronics will maintain a positive inflation rate of 0.82 percent by 2025. Online prices for these products dropped in 2020, and the deflation may have dulled the impact of rising inflation. Electronics and Home Appliance brands have also benefited from relatively low interest rates in recent years, along with a growing demand for innovative products. Overall, Europe's Home Appliances market is predicted to increase by [\\$13.8 billion](#) by 2028.

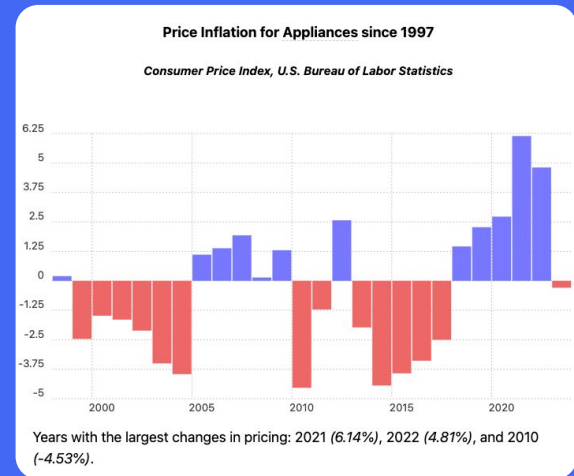
Here are a few additional trends shaping the European Consumer Electronics and Appliances market, according to Modor Intelligence:

- In Western Europe, there's a growing demand for premium appliances
- Multifunctional appliances are in high demand
- Germany holds the largest chunk of market share for Home Appliances in the region

US Consumer Electronics & Appliances Trends

Prices for Consumer Electronics in North America also deflated in 2020, and they are predicted to increase by 1 percent by 2025.

The price for US appliances has swung in both directions in recent years, but average inflation has dipped into the negatives since 1997. According to the [US Bureau of Labor Statistics](#) (BLS), the cost of appliances was more than 11.72 percent lower in 2023 than it was in 1997.

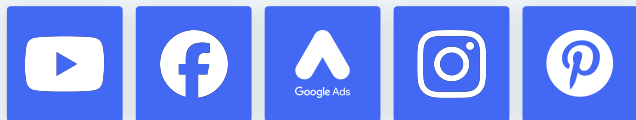


eCommerce Consumer Electronics Brands Are Struggling with Consistency

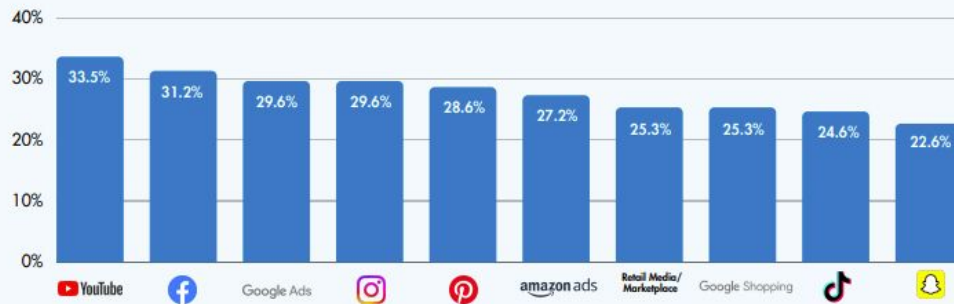
Leaders in the Consumer Electronics space are already investing in social eCommerce to connect with customers. However, many are struggling to send out consistent product information across different platforms. According to [ChannelAdvisor](#), 65 percent of brand leaders find it difficult to strike this type of consistency.

The same report found brand leaders plan to invest more money in different social media channels including:

1. YouTube
2. Facebook
3. Google Ads
4. Instagram
5. Pinterest



Which advertising channels are you looking to invest/ invest more in 2023, if any? (Tick all that apply)



MikMak & Profitero Insights: Listen to These Brave Commerce Episodes from the Consumer Electronics sector:

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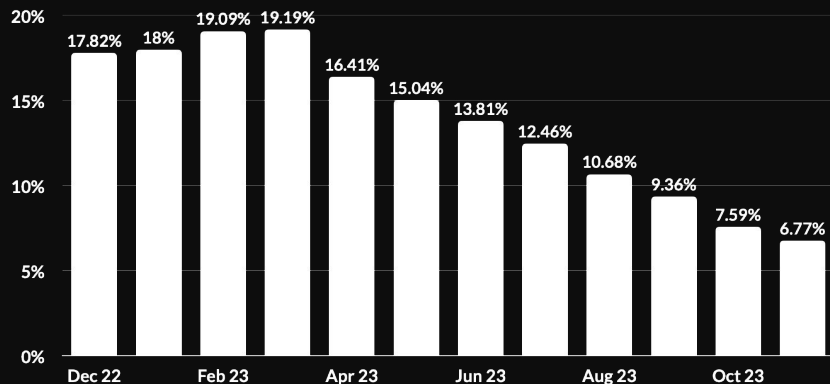
Lenovo's Carlo Savino on what you can control during unprecedented supply chain issues [Listen Now](#)

Chris Cowger of Dell on Navigating Turnarounds [Listen Now](#)

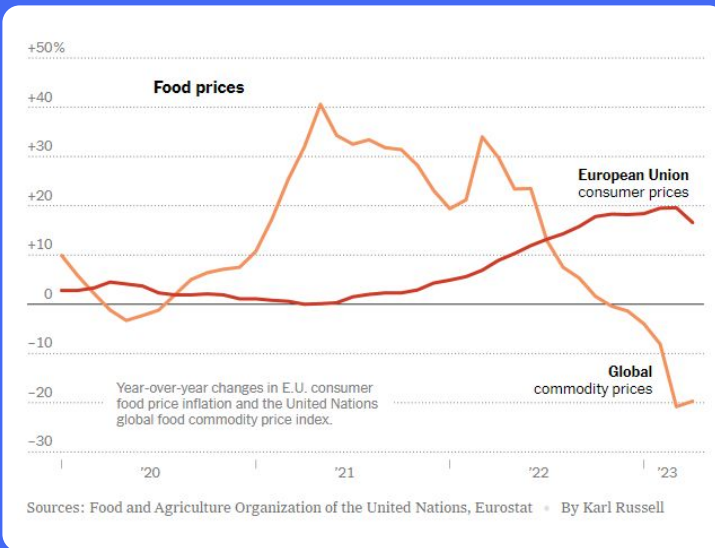
2. Grocery

Europe Grocery Trends

Food prices in Europe have skyrocketed in recent years. According to [Trading Economics](#), EU food costs rose 9.36 percent in September 2023, compared to September 2022. Despite remaining high, inflation for food prices is tumbling from a March high of just over 19 percent.



British shoppers have seen food prices rise even more, and the food inflation rate hit record high 19.1 percent in March 2023. Since then, the rate has dropped to around 10 percent. According to [Statista](#), food prices are still rising in the UK, but at a slower pace.



European Grocery Shoppers Are Adopting More Cost-Conscious Attitudes

The [MikMak Shopping Index](#) found European customers are adopting more cost-conscious attitudes. Shoppers' basket sizes are remaining steady despite a surge in food prices, but the average value of a grocery retailer basket has decreased. That means it's likely consumers are choosing more lower-priced products, or private labels, and might be shopping less food and beverages altogether, to keep a budget for other items.

European shoppers are increasingly digitally influenced. [Profitero's study](#) revealed that 30 percent of German shoppers and 25 percent in the UK are checking prices and deals online while completing their shopping in a physical store.



of German shoppers are checking prices and deals online while shopping in-store.

Here are a few more important European eCommerce Grocery insights from MikMak's "[New Year New Me 2024 - Europe](#)" report:

- [64 percent](#) of consumers still prefer buying groceries offline, but today's consumers are focused on digital, impacting both eCommerce and brick-and-mortar purchases
- Throughout the UK and France, Grocery brands are landing a category benchmark Purchase Intent Rate* of 8.2 percent
- Tesco is the top retailer for Grocery shoppers in the UK, and Intermarché in France, based on the share of Purchase Intent Clicks*.

*Purchase Intent Rate:

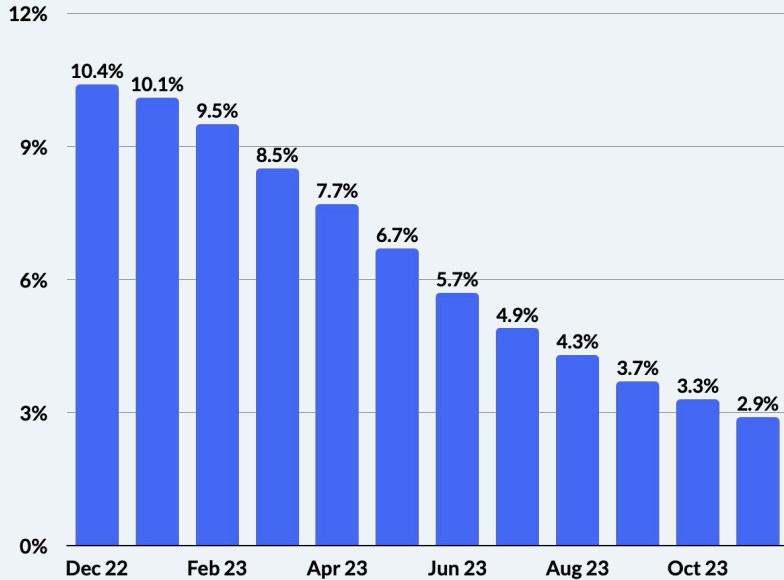
The percentage of shoppers who clicked through to at least one retailer

*Purchase Intent Clicks:

The number of times a shopper has clicked through to at least one retailer during a single session

US Grocery Trends

In the United States, food inflation slid to 2.9 percent, year-on-year, in November 2023, according to [Trading Economics](#). That's a more than 3x drop from August's 11.4 percent peak food inflation.



US Shoppers Are Turning to Essential Grocery Items

Despite falling from towering highs, many US shoppers are keeping a close eye on prices. [Profitero's Digitally Influenced Shopper study](#) found that 34 percent of US shoppers will check prices and deals online when shopping in store, the highest share of all research markets covered in the report.

A recent [Dunnhumby report](#) also found that:

- 40 percent of consumers shop at multiple grocery stores to find the product with the best value
- 52 percent of shoppers say it's "extremely important" for brands to give them relevant coupons

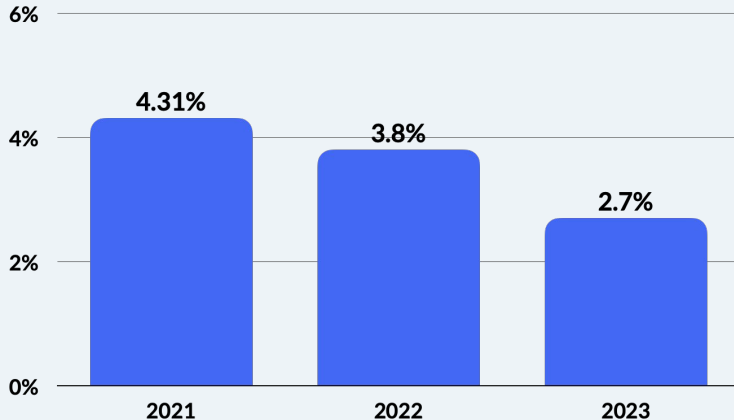
That same report also suggests high US food prices have eaten into shoppers' bank accounts with 36 percent saying they've skipped or downsized meals because of their finances.



US Grocery Trends

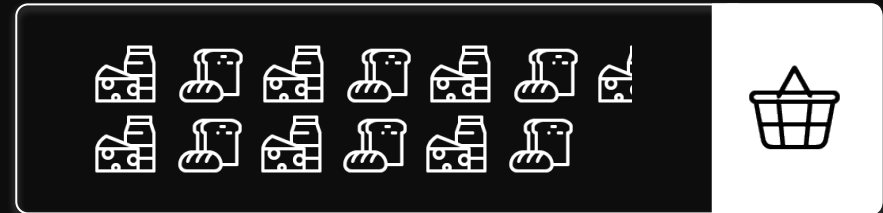
According to the [MikMak Shopping Index](#), eCommerce YoY Grocery Purchase Intent Rates have ticked lower in recent years. They fell from 4.31 percent in 2021 to 2.7 percent in 2023.

Grocery Conversion Rates



Even though high food prices have hit consumers, shoppers are still spending. They just appear to be buying more essential items. Here are some other key MikMak Shopping Index findings about Grocery consumers in the US:

- The average Grocery cart includes 12.4 items.
- Walmart drives the most in-market traffic for Grocery brands among the top five retailers with 41.2 percent of Purchase Intent Clicks. Target and Amazon are second and third with 22.1 percent and 18.6 percent, respectively.
- Retailers are relying on hot Grocery sales to offset merchandise pullbacks: For retailers like Walmart, strong Grocery sales are offsetting slower merchandise sales. That may mean shoppers are cutting down on other purchases, such as technology, furniture, or technology.



3. Alcohol Trends

As shoppers cut back on groceries, they're dropping alcohol from their shopping lists. According to a [Just Drinks](#) article, more than 50 percent of shoppers who report reducing their grocery shopping say they have cut alcohol spending.

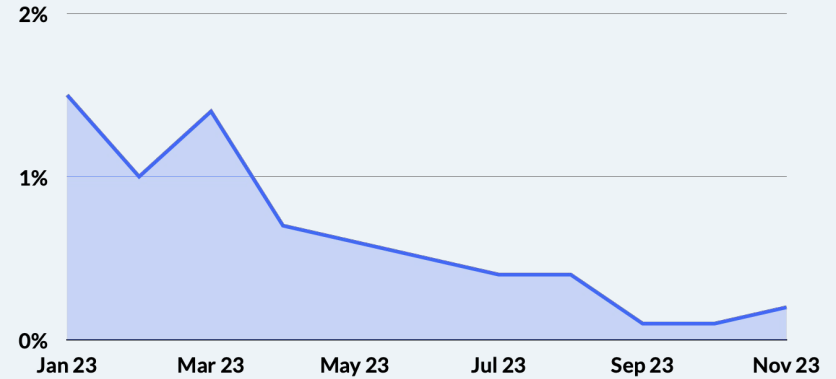
Still, not all shoppers are dropping alcohol altogether, and many may be opting for lower- priced alternatives (like sparkling wine instead of champagne). The earlier cited report found 33 percent of shoppers have started buying less expensive alcohol.



Europe Alcohol Trends

In Europe, Alcohol prices may be on the rise this year. According to [Eurostat](#) data, Alcohol prices rose 9.8 percent in the last year, while the overall consumer price index for countries on the euro sat at 5.3 percent.

European Union Monthly Inflation Rate: Alcoholic Beverages and Tobacco



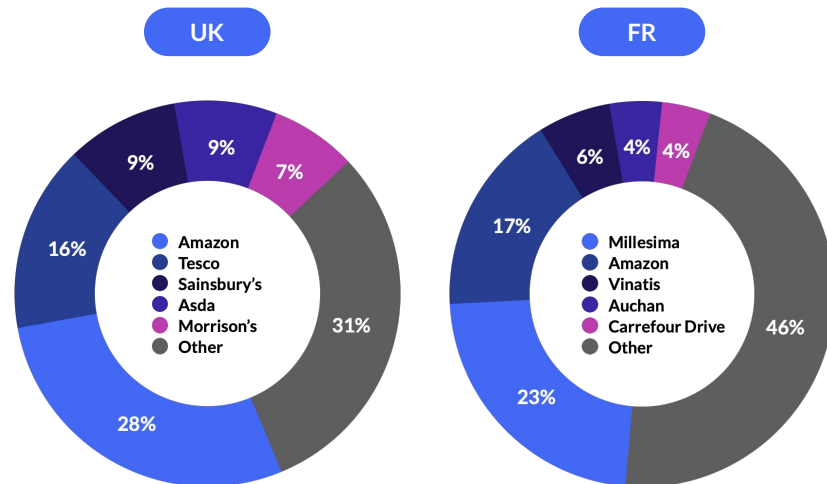
[Source](#)

A Surge in Alcohol eCommerce Launched the New Year

In the UK, the best months for Alcohol eCommerce by Purchase Intent Rate in 2023 were February, January, and April. In France, January, March, and May have seen the best conversion rates for Alcohol. It seems that Alcohol brands in Europe should not slow or stop campaigning after the end-of-year festive season. Especially for occasion-based opportunities at the beginning of the year such as Valentine's Day, St. Patrick's Day, and the Six Nations rugby championship. A few more insights from [MikMak's "New Year, New Me" - report](#) here:

- Following Search (paid and organic), Social Media drives the second most in-market traffic with 20 percent of Purchase Intent Clicks in the UK and 37.9 percent in France.
- Facebook is the leading social media platform driving Alcohol eCommerce in Europe.
- In the UK, Amazon gets the leading share of in-market shopper traffic, with 28.4 percent of Purchase Intent Clicks, followed by Grocery giants Tesco at 15.7 percent, and Sainsbury's at 9.4 percent.

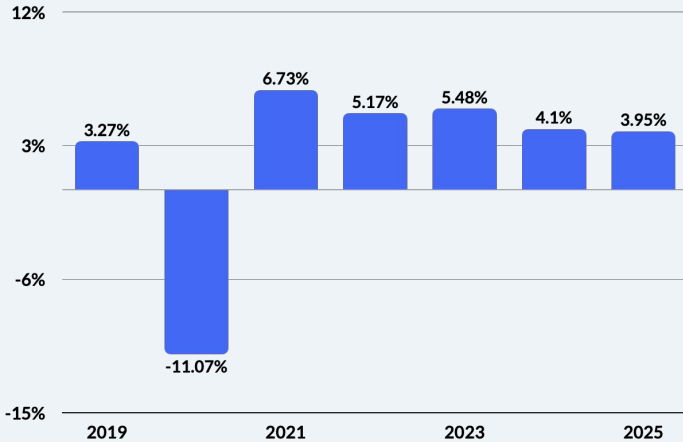
Top 5 Retailers for Alcohol Brands by Share of Purchase Intent Clicks



US Alcohol Trends

In North America, prices for online alcoholic beverages were expected to climb by more than 5 percent in 2023, according to [Statista](#). This inflation is predicted to roll back to 3.95 percent by 2025.

Estimated year-over-year change of alcoholic beverages' online prices in North America from 2019 to 2025



At-Home Drinking Is on the Rise

Inflation may be causing more US drinkers to pour their own beverages at home. According to [The Spirits Business](#), 26 percent of US shoppers are spending more on alcohol for at-home consumption than at bars. Those at-home drinkers may still opt for premium products despite higher prices. The earlier cited report found 45 percent of those same shoppers are more willing to buy premium alcohol products at home than at an outside venue.

Alcohol Shoppers Fill Their Carts With Nearly 6 Items Per Trip

MikMak found the average Alcohol cart includes 5.9 items. Whiskey is most often a top 10 product, along with vodka, rum, beer, and liqueur.

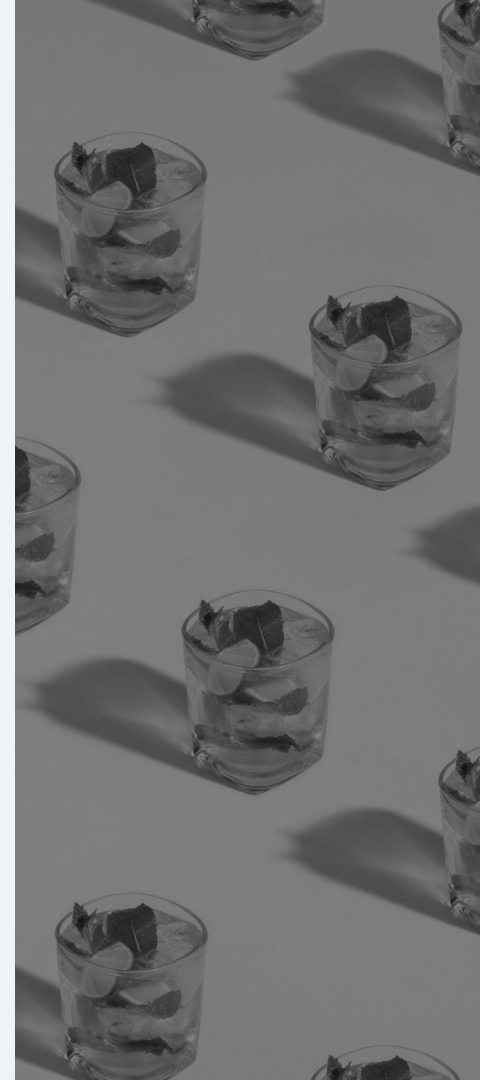
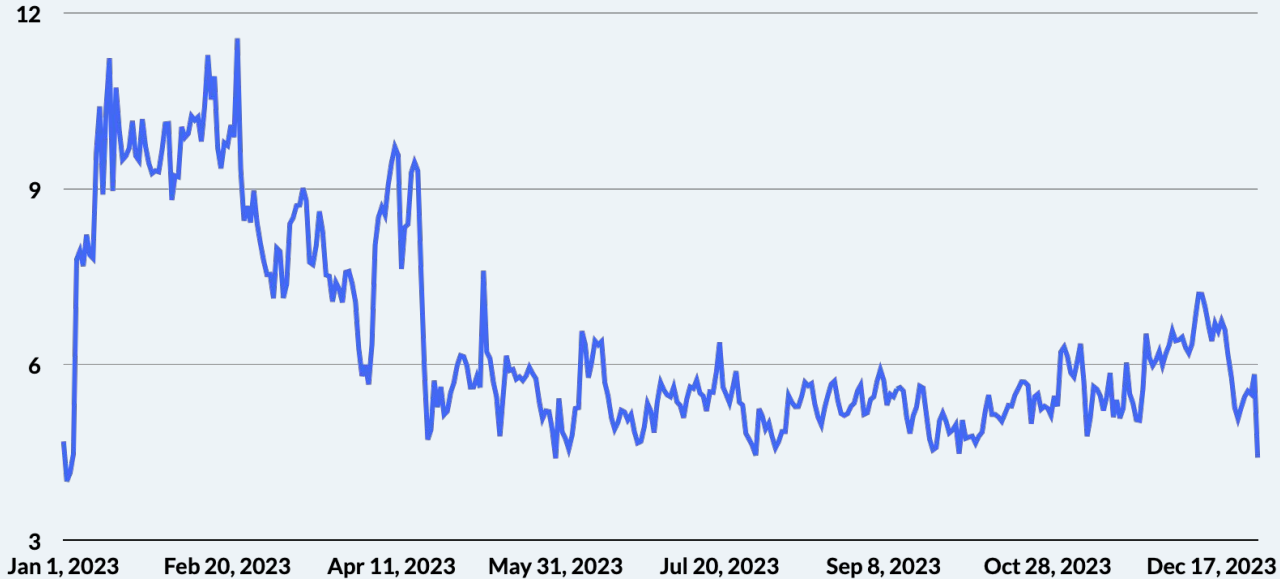
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Carolyn Brown of AB InBev on innovation and inspiration in the beer & spirits industry

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Alcohol Purchase Intent Rates Soar at the Beginning of the Year

In the US, Purchase Intent Rates for Alcohol were high at the beginning of 2023, similar to the European trends. From April onwards, they took a nosedive. We observed an upward trend towards the last quarter and the end-of-year holiday season, and we expect this to continue starting 2024.



4. Beauty & Personal Care

High inflation put a dent in Beauty and Personal Care sales. Even as inflation calms, it's still impacting how shoppers buy and what they buy. Here are a few trends to watch for in 2024:

Many Hot Pandemic Products Are Turning Cold

According to [Euromonitor](#), as economic pressure squeezes consumers, they're cutting down spending on some popular pandemic products, such as supplements and vitamins.

Health Products Are Performing Well

Euromonitor also notes that over-the-counter drugs remain popular, and sales are expected to remain steady as experts anticipate another rough [cold and flu season](#).

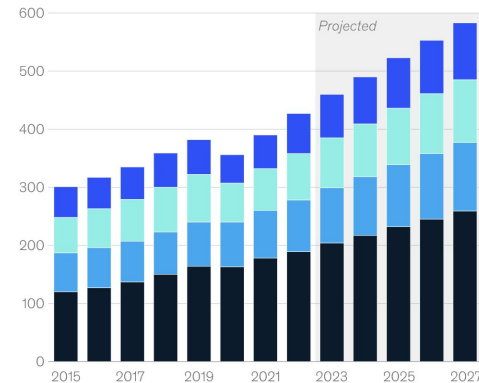


Main Beauty Categories Are Expected to Grow

According to a [McKinsey study](#), demand for products across the four main beauty categories; Fragrance, Makeup, Hair care, and Skin care, is expected to climb. Fragrance is projected to grow most, at a rate of 7 percent YoY through 2027. The next three leaders are all projected to grow at a rate of 6 percent each during that time frame.

The four main beauty categories are projected to grow in the next few years.

Global beauty market retail sales, by category, \$ billion



Year-over-year growth, %

2015-19

2019-22

2022-27 projected

	2015-19	2019-22	2022-27 projected
Total	6	4	6
Fragrance	3	5	7
Makeup	8	-1	6
Hair care	3	6	6
Skin care	8	5	6

Source: Euromonitor; McKinsey analysis; McKinsey Global Institute analysis

Europe Beauty & Personal Care Trends

In Europe, high economic pressure appears to be causing Beauty and Personal Care shoppers to reduce spending and shop more strategically. According to [Cosmetics Design](#), 45 percent of French shoppers expect to cut down on Beauty product spending. Additionally, [Cosmetic Labs](#) found that 37 percent of French cosmetics shoppers say they don't purchase until they find a discount.

More Selective Shopping Due to Price Hikes

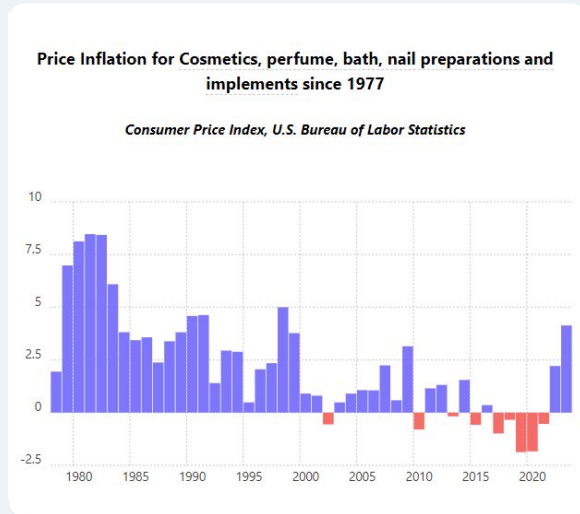
According to the [MikMak Shopping Index](#), Beauty basket sizes are shrinking while basket values are rising. That may mean European shoppers are shopping more strategically and pouncing on quality items they see as essential. Here are a few more important insights this guide found:

- Beauty has climbed the ranks to become the third most popular eCommerce category in Europe.
- Amazon is driving the most Personal Care Shopper traffic in five key markets. Of the [top five online Personal Care retailers](#), Amazon draws in the most Purchase Intent Clicks, and is the category leader in Italy and France. The retailer also holds the No. 1 spot for Beauty in France.
- Meta is dominating among Social eCommerce platforms. Meta has a higher Purchase Intent Rate than any other social eCommerce platform in Europe and leads across all five key markets.



US Beauty & Personal Care Trends

In the US, consumers have been stung by high prices within the Beauty and Personal Care market. In an interview with [Glossy](#), Charlotte Palmerino, co-founder of skincare brand Dieux, says many brands hiked prices to stay ahead of rising inflation. As of 2023, the inflation for cosmetics stands at 3.82 percent according to the [US Bureau of Labor Statistics](#).



Beauty and Personal Care Inflation Lags Behind Other Categories

According to [Nielsen IQ](#), 24 percent of shoppers say they plan to spend less on Beauty products. In comparison, 29 percent say they expect to spend more. Inflation doesn't appear to have hit the Beauty industry as hard as others. Inflation within the Beauty sector has increased by low single-digit figures, whereas categories like Food streaked to double-digit highs in recent years. This could provide opportunities for eCommerce brands to emphasize savings.

MikMak's [2023 Beauty eCommerce Benchmarks and Insights](#) report found that luxury spending is declining as high costs pinch shoppers' finances. But some major retailers, such as Amazon, are widening their Beauty product offerings. Here are a few more findings from the report:

Amazon Is Leading Beauty Retailers

Amazon is bringing in the most traffic among retailers, with a 32.1 percent share of Purchase Intent Clicks. Walmart is the runner-up with 25.2 percent. Ulta and Target are in the third and fourth spots, with 18.4 percent and 17.8 percent, respectively. CVS is in the fifth spot with 6.5 percent.

Shoppers Are Buying Items in One Trip

According to the MikMak Shopping Index, the average Beauty shopper's cart is filled with 6.3 items.

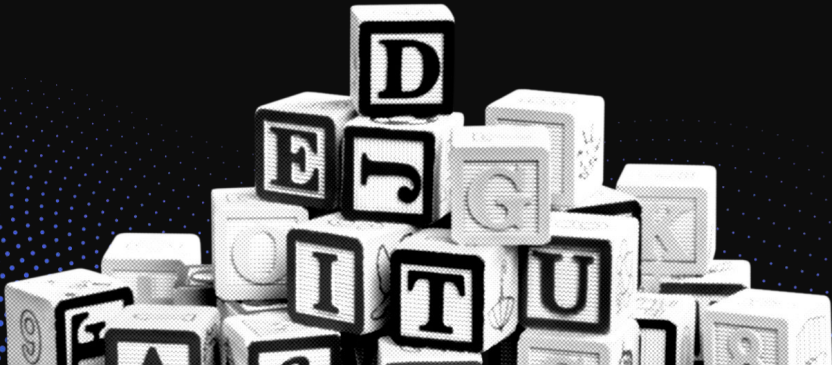
5. Toys

Europe Toy Trends

High inflation, supply chain issues, and economic concerns could all be contributing to the negative outlook for Toys in Europe. However, [Euromonitor](#) still expects Western Europe's Toy industry to grow at a rate of 2 percent CAGR through 2027.

US Toy Trends

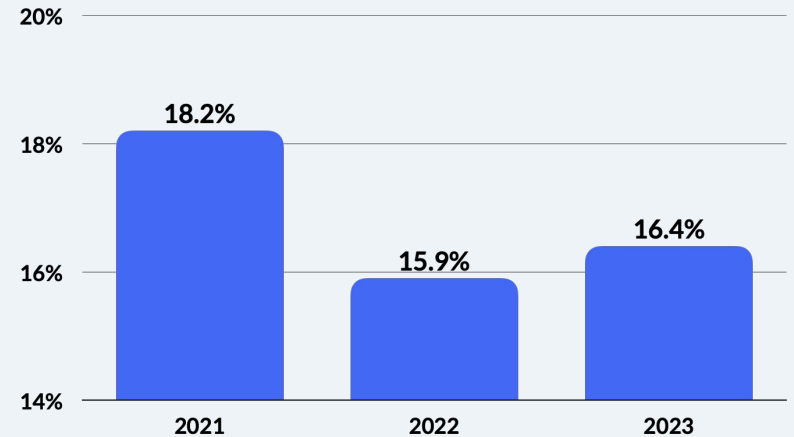
In the US, Toy sales fell 8 percent through September 2023, according to a [Circana report](#). However, sales may be peeling back from lockdown highs and leveling off. Some Holiday sales data might also signal a turnaround in Toys, with the category being among the top-selling categories during 2023's [record-breaking Black Friday](#).



Toy Conversion Rates Ticked 0.5 Percent Higher

At MikMak, we've seen eCommerce conversion rates trickle down slightly from 2021, although they were a fraction higher in 2023 compared to 2022.

Conversion Rates for eCommerce Toys



Here are a few other Toy trends, according to the [MikMak Shopping Index](#):

Single-Child Households Are Top Buyers

In 2023, US households with one child were most likely to buy toys online.

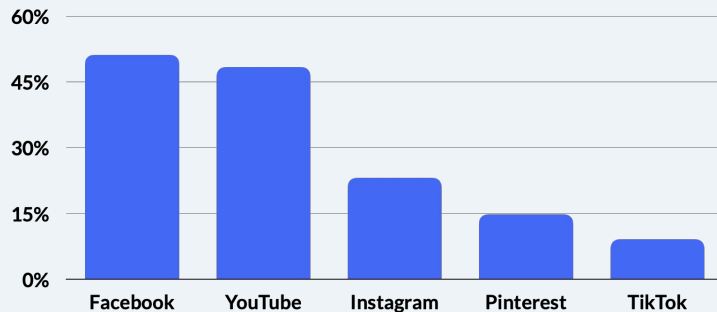
Walmart Is the Top Retailer for Toy Brands

Right now, Walmart is driving the most in-market Toy shopper traffic in the US, with 40.5 percent of Purchase Intent Clicks.

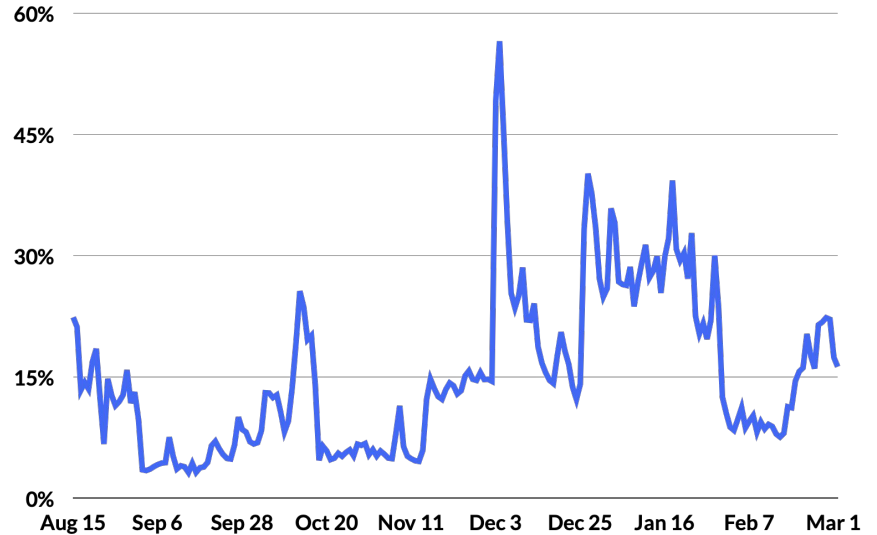
Facebook Drives the Highest Purchase Intent Rates

With 51.1 percent Purchase Intent Rate (3x the category benchmark), Facebook is the leading social media platform for Toy eCommerce.

Purchase Intent Rate by Social Platform



Purchase Intent for Toy Brands Peaks in the Holiday Season and in Spring



When looking at the past year, as expected, the MikMak Shopping Index saw a peak in Purchase Intent on December 4th, leading up to the holiday season. However, the highest Purchase Intent Rates in the past year happened on May 9th, reaching 57.5 percent (3.4x the category benchmark). Late spring and summer showed consistent Purchase Intent Rates.

6. Pet Care

Europe Pet Care Trends

The war in Ukraine appears to be upsetting pet food supply chains in parts of Europe. According to [All Pet Food](#), Germany and France eCommerce Pet Care companies are seeing a drop in available SKUs. Germany's SKUs have plummeted by 39 percent and France's have fallen by 35 percent.

This slowdown in availability may be causing prices to leap. According to [Petfood Nation](#), last year saw major price hikes for European Pet Care products, including the following price increases:

- Denmark: 12 percent
- Finland: 12 percent
- Netherlands: 12 percent
- UK: 13.3 percent

These are the top European Pet Care markets:



[Source](#)

Demand for Pet Care Products is Climbing

Despite high prices, demand for Pet Care products is expected to jump in the future. According to Future Market Insights, the European Pet Care market is anticipated to grow by \$11.5 billion by 2033.



US Pet Care Trends

High pet food price inflation dropped to 8.7 percent YoY in August, according to the [US BLS](#). That's almost a 2 percentage point fall from July highs. But those costs are still high. According to [The Petfood Industry](#), Pet Care and Food inflation are running 3x higher than the consumer pricing index.

Cat Products and Amazon Lead the Way

Here are a few insights from [MikMak's 2023 Pet Care Benchmarks and Insights](#):

Cat Litter is the Most Popular Pet Care Product

Top 5 Products by Type (Based on Sales)

1. Cat Litter
2. Chicken flavored cat food (13.5 lb bag)
3. Chicken flavored cat food (3.15 lb bag)
4. Enalapril maleate tablets for dogs
5. Carprofen tablets for dogs



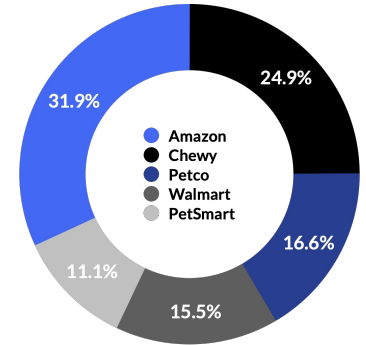
Average
Basket Size

5.4 items

Amazon and Chewy Lead Retailers

When it comes to share of Purchase Intent by top five Pet Care retailers, Amazon is the leader with 31.9 percent. Chewy is next with 24.9 percent. Petco is in the third slot with 16.6 percent. Walmart is fourth at 15.5 percent, and PetSmart rounds out the top five with 11.1 percent.

Share of Purchase Intent by Top 5 Retailers



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Petco CMO Tariq Hassan on keeping up with changing consumer trends in eCommerce

How to Drive Profitability and Reduce Costs with MikMak

Because of its impact on consumer behavior, inflation inevitably shapes brands' advertising and marketing strategies. Consumer data and sales conversion analytics are more essential than ever before to optimize (and justify) budget allocation and spending.

MikMak allows multichannel brands to create frictionless commerce experiences across all media and brand websites, accelerating sales both online and in stores. By using our technology, brands get to collect first-party data at all stages of the shopping journey and monitor and analyze customer conversion consistently. Here's how industry-leading brands increase their digital marketing profitability with MikMak:



"At MikMak we believe that every day consumers are indicating to brands the perfect recipe of how to drive them to the point of sale, brands just haven't been in the driver seat to collect, analyze and action that data. With MikMak they can, our data shows brands how to make every marketing dollar they spend work harder/smarter for them."
—Rachel Tipograph, CEO & Founder, MikMak

Improve Marketing Effectiveness

To optimize profitability and digital marketing ROI, you need to be able to measure and look at your performances from every angle.

Traditional Media Mix Modeling is time-consuming and not able to provide enough granularity to identify the best performing marketing combinations to drive sales (products+platforms+creative+retailers, etc.). With MikMak you can:

- **Leverage real-time transactional insights** from your marketing initiatives to understand how audiences, channels, influencers, and retailers convert.
- **See what else is in your consumers' shopping carts.** Check if your product positioning and pricing match to your audience and their current needs. How does your brand stack up against other brands in your category?
- **Compare your performance over time** to quickly understand changes, identify new conversion opportunities, and adapt your strategy.

Due to inflation and an increased cost-of-living, consumers will spend more cautiously. In many categories, shoppers might not hesitate to switch to less expensive alternatives. Knowing when and where these decisions are happening will allow you to detect risks and opportunities to gain competitive advantage and increase your market share.

How Brands Improve their Marketing Effectiveness with MikMak

Bioderma incorporated MikMak Commerce on its websites and social media to provide a frictionless path to purchase across 32 countries.

Data collected from these shopper interactions has allowed Bioderma to optimize and refine its strategies to simultaneously increase volume and efficiency in its brand site and media spend.

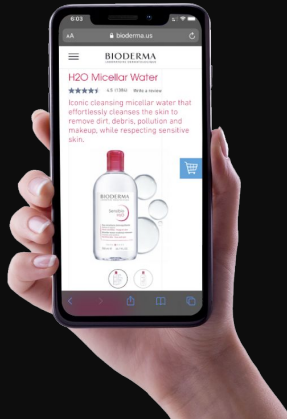
+126%

Increase in Purchase Intent Clicks from 2022 to 2023

+109%

Increase in Purchase Intent Rate from 2022 to 2023

[Read Case Study](#)



The VELCRO® Brand launched a back-to-school campaign leveraging updated creative and optimized toward Add-to-Cart with conversion campaign objectives to increase Purchase Intent and sales.

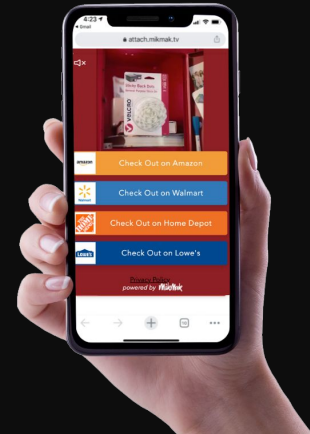
2.2x

Increase in Purchase Intent Rate compared to the previous month

5.61x

Increase in Total Attributable Sales after launching the BTS campaign with updated campaign objective

[Read Case Study](#)



Top Tips from Profitero to Leverage Consumer Reviews

Consumers have become reliant on retailer websites for confidence, social validation, and certainty. For multichannel brands, optimizing their product content on retailer sites, and highlighting value propositions and benefits, is therefore key to stand out from the competition. During inflationary times, it is even more crucial, to avoid losing customers to alternative brands and private labels.

[Profitero's study](#) found that checking reviews is the second most popular reason that shoppers consult retailer websites before and while shopping in-store. Here are some best practices to strategically leverage Consumer Reviews:

- **Build a word cloud based on your product reviews** to better understand review sentiment. Sentiment analysis can be used to inspire overall messaging and marketing programs and in advanced cases, used to reverse engineer desirable product attributes and features.
- **Leverage review content when collaborating with NPD, R&D, and brand teams** on product features, innovations, or needed improvements.

How a vitamin & supplement brand used consumer reviews to detect issues with their new product launch, boosting sales by \$55k

[Read Case Study](#)

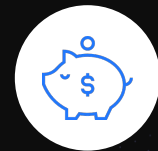
Results

Within a month of the content updates, the product's conversion rate increased 41% (from roughly 12% to 17%), which translates to about \$55,000 in additional sales on Amazon.

Now, with each new product launch, Profitero data is used as the source of truth to help identify and remedy any potential product issues sooner.



41%
increase in
conversion rate



\$55k
in additional sales for
this SKU on Amazon

Collect First-Party Data

MikMak allows you to collect, measure, and analyze first-party data across all your digital channels in one place, with coherent and consistent Key Performance Indicator metrics. This means you can build your own shopper knowledge base and compare performances independently of any platform through which you are selling your brand products. To save money and reduce costs:

- Use first-party data to build and segment qualified shopper audiences within your ads managers/DSP to improve media targeting
- Create distinct audiences based on product interest, retailer preferences, and channel behavior
- Retarget or build lookalike audiences to be leveraged across your entire media plan
- Leverage MikMak Audiences over audience segments from third-party vendors



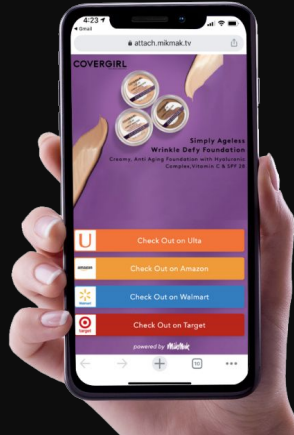
How Brands Collect and Leverage First-Party Data with MikMak

COVERGIRL increased sales and gained valuable first-party data insights about their consumers by making viral influencer content shoppable on TikTok.

5.4x
Higher Purchase Intent Rate than the category benchmark on TikTok

38%
Higher Purchase Intent Rate than the next highest performing channel in the time period

[Read Case Study](#)

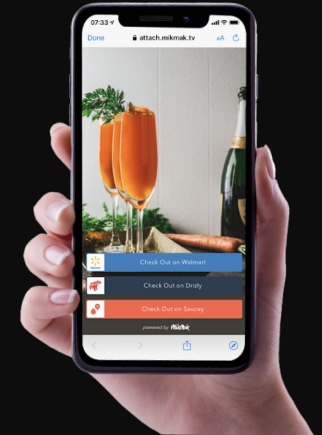


A leading Spirits Brand increased purchase intent using MikMak-powered audience segments in just one day.

48%
Increase in Purchase Intent Rate

64%
Of Purchase Intent from MikMak-powered Audiences

[Read Case Study](#)



Top Tips from Profitero to Optimize Retail Media Investments

Retail media is a hot investment area right now, and 1 in 2 brands expect to increase their budget for retail media in 2024, according to Profitero's [2023 eCommerce Organizational Benchmark Study](#). But more spend doesn't guarantee growth, especially when competition is heating up. Brands that want to maximize the ROI of their retail media spend will need to differentiate themselves. With any retail media strategy, success starts with clear and relevant (i.e. retailer-specific) goals and KPIs. Here are some best practice tips to get started:

- **Tip #1: Identify the shoppers you're aiming to target at each retailer, and set KPIs accordingly:** On Amazon, you might be aiming to stand out from a crowded sea of advertisers to drive brand awareness and inspire shoppers. In that case, you might choose to assess performance on new brand buyers. At an omnichannel retailer, the goal might be incremental sales. However brands choose to set their KPIs, it's important to consider the types of touchpoints your buyers will encounter during their shopping journey. To do this, you need to consistently measure shopper behavior, and its evolution, on all your digital touchpoints, not just on retailer-specific platforms.
- **Tip #2: Make sure your product listings can capitalize on the media spend:** Any media-driven sales growth will magnify existing bottlenecks or pain points in your operations, so it's important to think about what support tools, such as [Profitero Autopilot](#), your product lineup needs behind the scenes for your media strategy to pay off.
- **Tip #3: Experiment with AI:** AI solutions can help streamline workflows, generate content, and extract insights from large datasets. According to Profitero's 2022 Benchmark Study, 52% of brands are experimenting with AI for digital shelf workflows, however, only 4% have adopted AI-driven processes that accelerate their eCommerce performance. The [Ask Profitero generative AI solution](#) allows users to quickly extract insights from Profitero's digital shelf data as well as create and push new content to product detail pages.



Save Time and Money with “Commerce Intelligence”

At MikMak, we believe the future success of brands lies in “Commerce Intelligence,” a strategic combination of media, commerce, psychographic, and demographic data that will pave the way for their continued growth and relevance.

MikMak offers **one easy-to-use global platform** that automatically enables consistent reporting and fast decision-making across the entire organization. With the MikMak Platform, brands can also leverage direct integrations with third-party Product Information Management (PIM) platforms including Salsify and Syndigo; as well as Data Visualization Platforms and Data Lakes like Salesforce and Google Data Studio.

Centralizing digital marketing KPI management and monitoring in one place helps leading brands’ internal teams and agencies save a ton of time and money.

If you couple your performance analysis on MikMak with best practices we provide, your team will be sure to gain market share and drive profitability time and time again.

Use Granular Data to Power Your eCommerce Brand

During times of economic turbulence, brands need to advertise in order to retain customers and maintain a competitive edge. But in the current climate, consumer spending patterns can turn on a dime.

The good news is that, with MikMak, multichannel brands can easily collect and access real-time shopper conversion data on their consumers in a consistent way across their media and retailer mix.

The time has come to replace historical media mixed models, expensive brand lift studies, and time-consuming focus groups with actionable real-time eCommerce signals. Couple this invaluable information with an agile test-and-learn mindset across your organization, and you’ll be sure to succeed for years to come.

BRAVE COMMERCE

WITH RACHEL TIPOGRAPHI & SARAH HOPSTETTER

“When things get tough, this is where the brand really steps into its own and instead of cutting investment, in many cases we need to lean in. Its really important to be very clear on what the brand is, what it stands for, and get out there and talk about that.”

- [Heather Malenshek, Land O'Lakes](#)

Recommended Reading



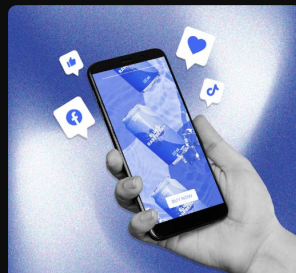
"New Year, New Me", Analyzing consumer-focused shopping trends for a successful 2024

[Read Now](#)



YouTube Benchmarks and Insights for Multichannel eCommerce Brands

[Read Now](#)



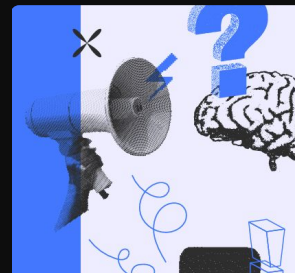
State of Social Commerce Report: 2024

[Read Now](#)



The Digitally Influenced Shopper

[Read Now](#)



The eCommerce Organizational Benchmark Study 2023

[Read Now](#)

Want to learn more? We're here to help.

To speak with our teams:

[Schedule a call with MikMak](#)

[Schedule a call with Profitero](#)

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