KANTAR MEDIA

Integrated
Print and Digital Promotion

Understand the 2018 Landscape to
Create 2019 Opportunities

With a media landscape that's
more fragmented than ever,
Kantar Media transforms media chaos...

KANTAR MEDIA

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27 media platforms covered
The most comprehensive coverage anywhere
Access to nearly
10 billion ad occurrences
+ millions added every day
5,000+ clients
in North America (22,000 worldwide)
In-market ad activity for
4 million+ brands
Paid search data for
2 million+ advertisers
4x faster delivery
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Today's Agenda

1. 2018 Highlights
2. Seasonality
3. Buy One, Get One (BOGO)
4. Digital Rebates
5. What's Next

Media

Print

FSI Coupons
Consumer Magazines
Sunday Magazines
In-Store Coupon Machines

Digital

100+ Leading Network, Aggregator, Retailer and other websites, representing 95% of traffic to websites that distribute coupons

Metrics

- **Print Coupons Dropped –** The number of coupons on a promotion multiplied by the circulation of that promotion. Not to be confused with Page Circulation.
- **Pages Circulated –** The number of FSI pages that circulated a given offer (be it a cents-off coupon offer or a Retailer feature within the FSI, etc.)
- **Digital Estimated Prints –** Estimated # of prints (whether print to printer or digital paperless) that occurred while a coupon was active online*
- **Weighted Average Face Value –** The result of combining and weighting the carious coupon face values among a category or set of events and their respective coupon circulations.
- **Weighted Average Expiration –** The average expiration length for a given entity weighted by the Circulation or Estimated Prints for the offer.
- **Class –** We report at the Total Consumer Packaged Goods level as well as Food and Non Food
- **Area –** We report nine (9) various areas which include Cereals, Dry Grocery, Frozen Foods, Refrigerated Foods, Shelf Stable Beverages, Personal Care, Health Care, Household Goods and Other Packaged Goods

Note: Amazon has been excluded from the analysis


The View from Above

CPG YoY sales

It's the haves and have nots with **strong brands taking the lead for portfolios** while under-performers and to some extent new products are shelved

US CPG Total Retail Sales, by Product Category, 52 weeks ending Feb 19, 2017
billions and % change vs. prior year

	CPG total retail sales	% change vs. prior year
Frozen	$196.5	-0.6%
Liquor	$113.8	1.0%
General food	$101.7	0.4%
Home care	$74.8	1.6%
Health	$70.9	1.6%
Refrigerated	$56.5	-2.1%
Beverages	$50.5	1.9%
General merchandise	$48.8	0.7%
Beauty	$29.5	-0.2%
Total	**$759.5**	**0.5%**

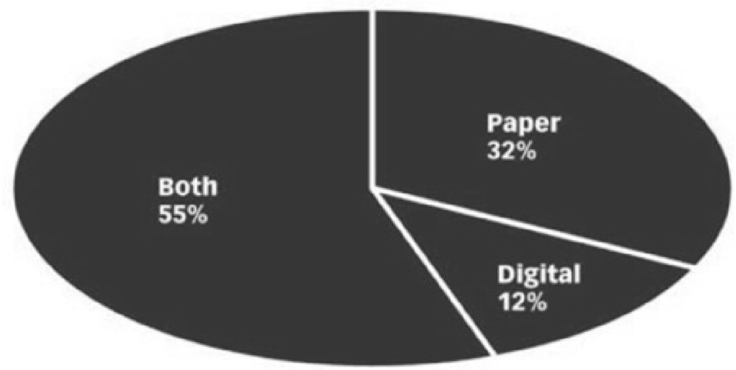
Note: includes ecommerce and in-store
Source: IRI, "IRI Channel Performance Report," July 26, 2017

229258 www.eMarketer.com

Digital vs. paper coupons

Consumers continue to rely on a combination of coupon types for savings with **55%** of those surveyed saying they use both **digital** and **paper** coupons

US Internet Users Who Use Digital vs. Paper Coupons, Jan 2018
% of respondents

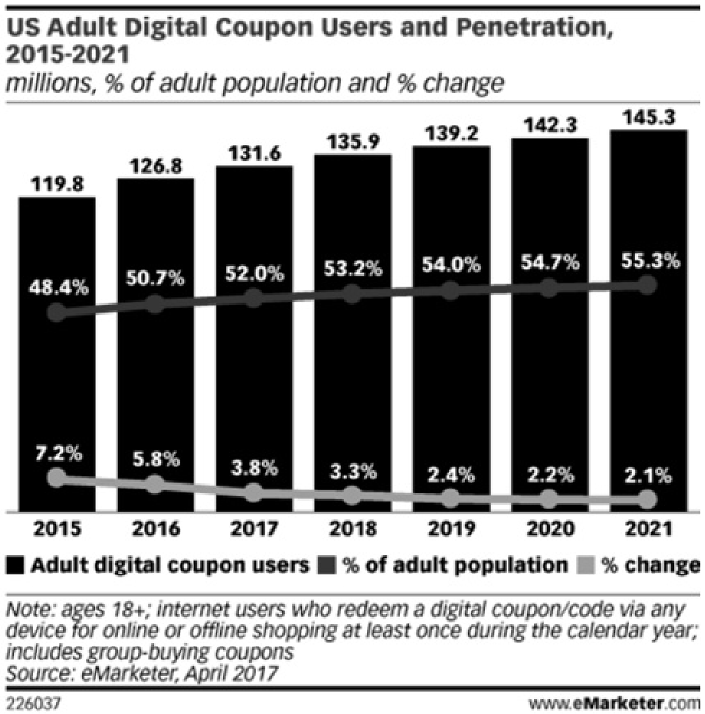


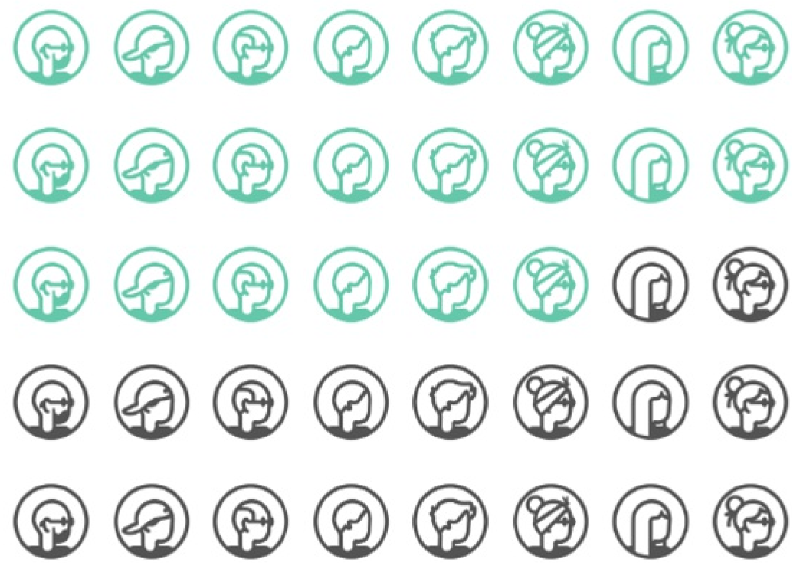
Note: ages 18+; numbers may not add up to 100% due to rounding
Source: Inmar, "Shopper Behavior Study," March 22, 2018

236590 www.eMarketer.com

Consumers going digital

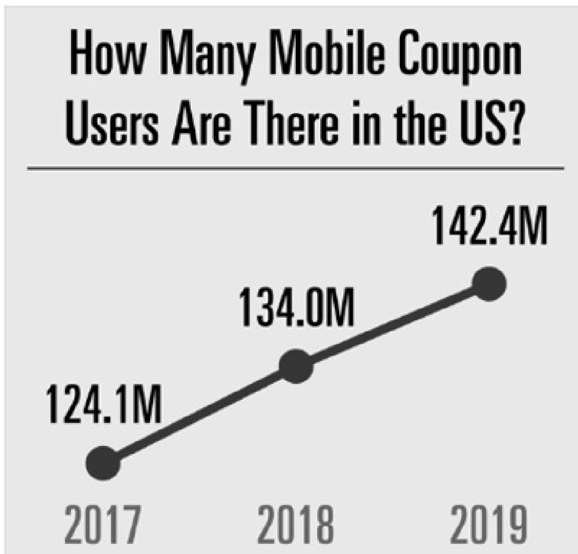
Over **139M (or 54%)** of the adult population **will use digital coupons** in 2019

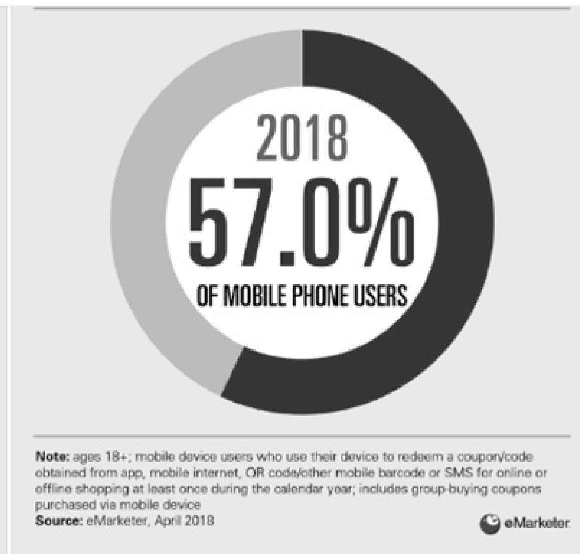




Mobile on the rise

Mobile coupon usage will keep climbing as consumers shift their shopping habits from desktop to mobile.

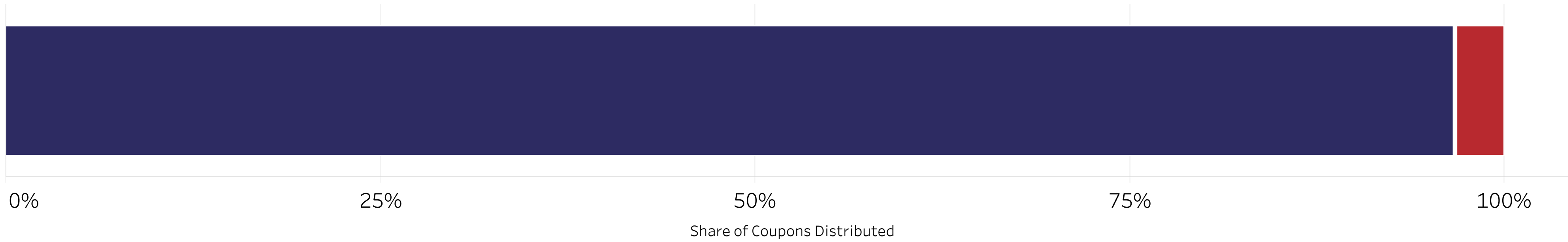





2018 Highlights

Quantifying the Promotion Landscape

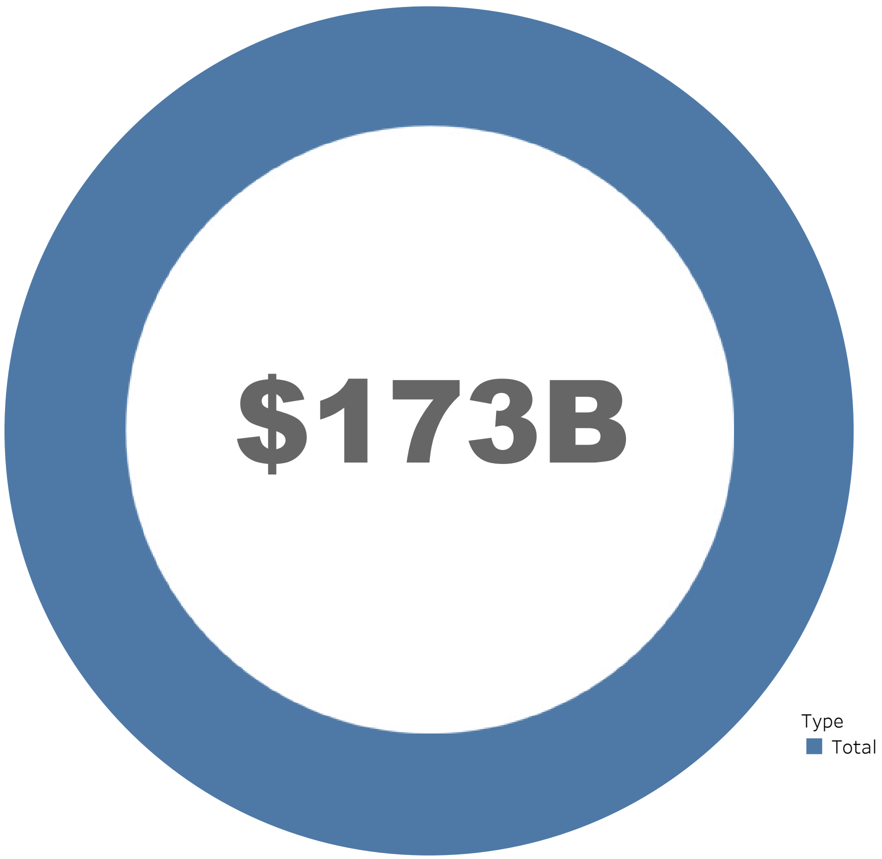
FSI still dominates within **Print and Total Promotion**



Print			Digital
Weekly Households	65 million	14 million	Monthly Visitors
Coupons Distributed	244 billion	8.4 billion	Coupons "Clipped"
Incentives Offered	$497 billion	$14 billion	Incentives "Clipped"
Pages Distributed	140 billion	4.5 billion	Pages Viewed

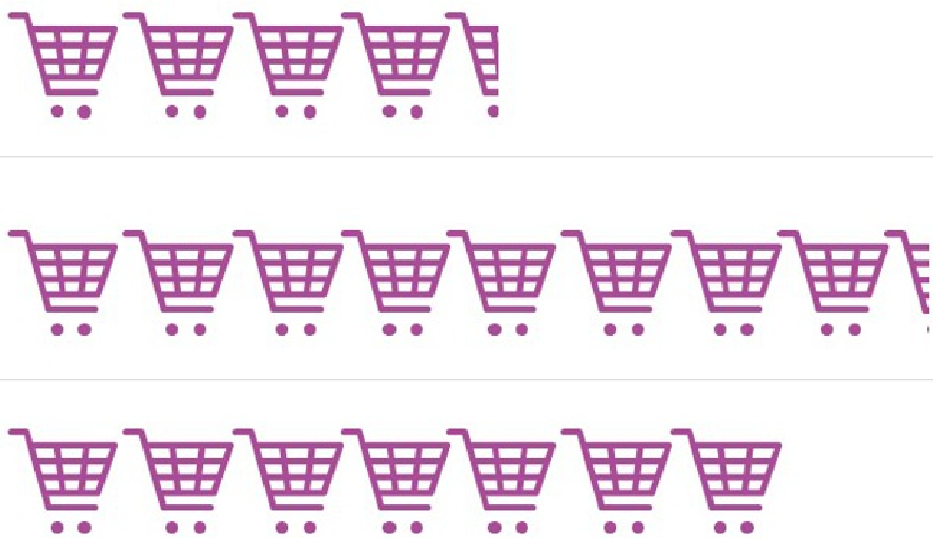
Highlights | Year End 2018

Total Ad Spend



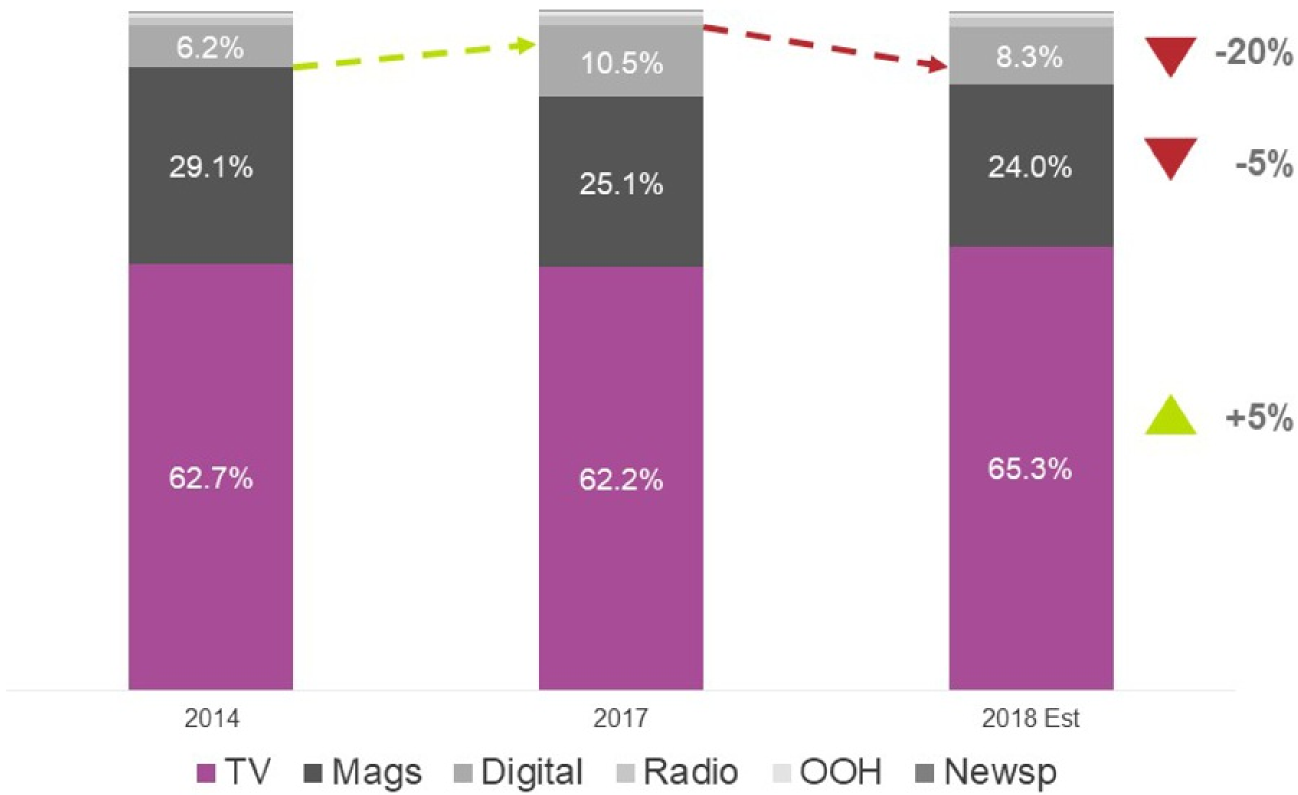
Total
Industry
Segment

More share of CPG ad dollars being concentrated at the top



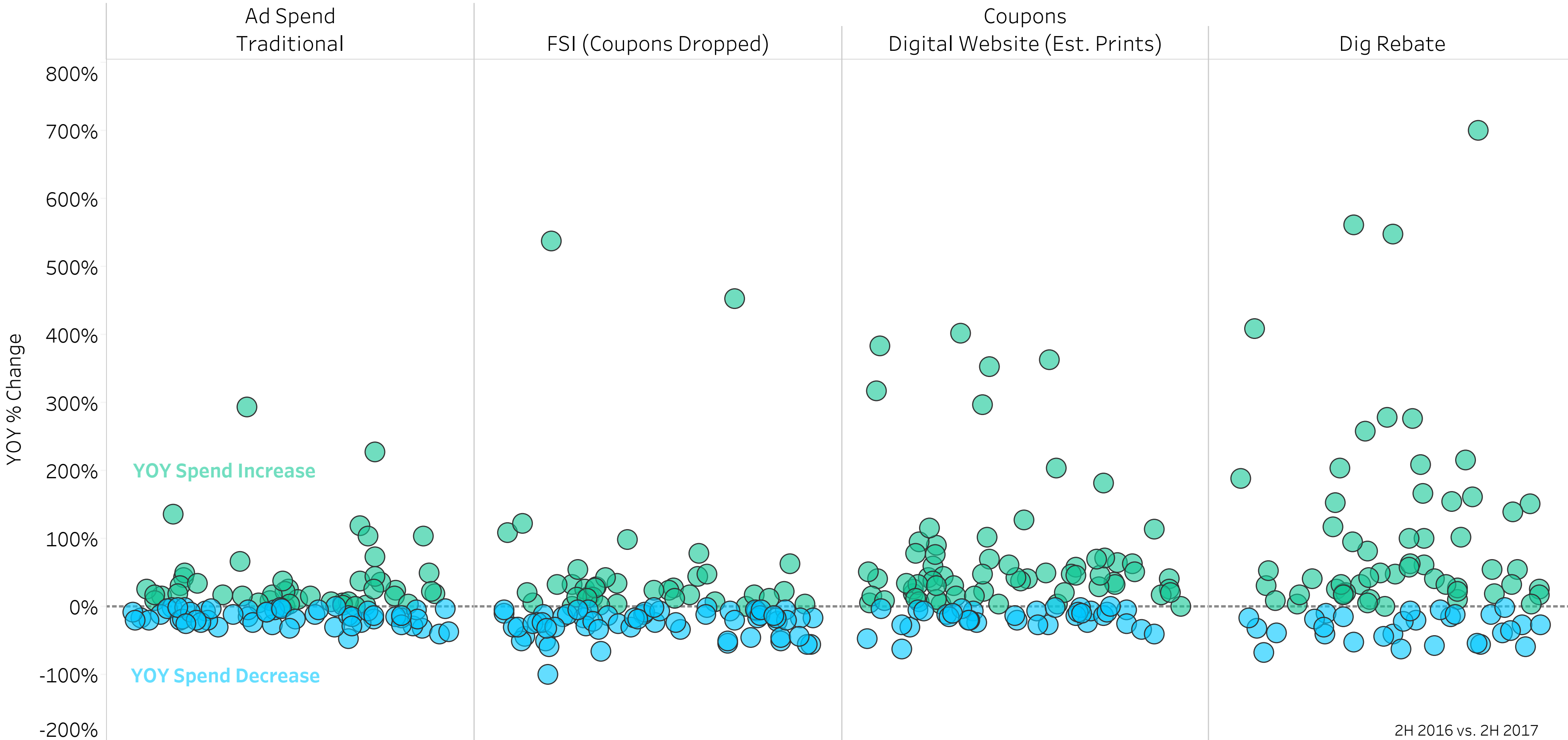
Top CPG Companies	2018 $OS	vs. YA
Top 10	44%	--
Top 20	83%	+38%
Top 50	76%	--

TV still dominates while Digital and Magazine have lost share



Highlights| Year End 2018

Manufacturers are growing in in Digital media activity while Traditional media activity adopts more of a focused approach



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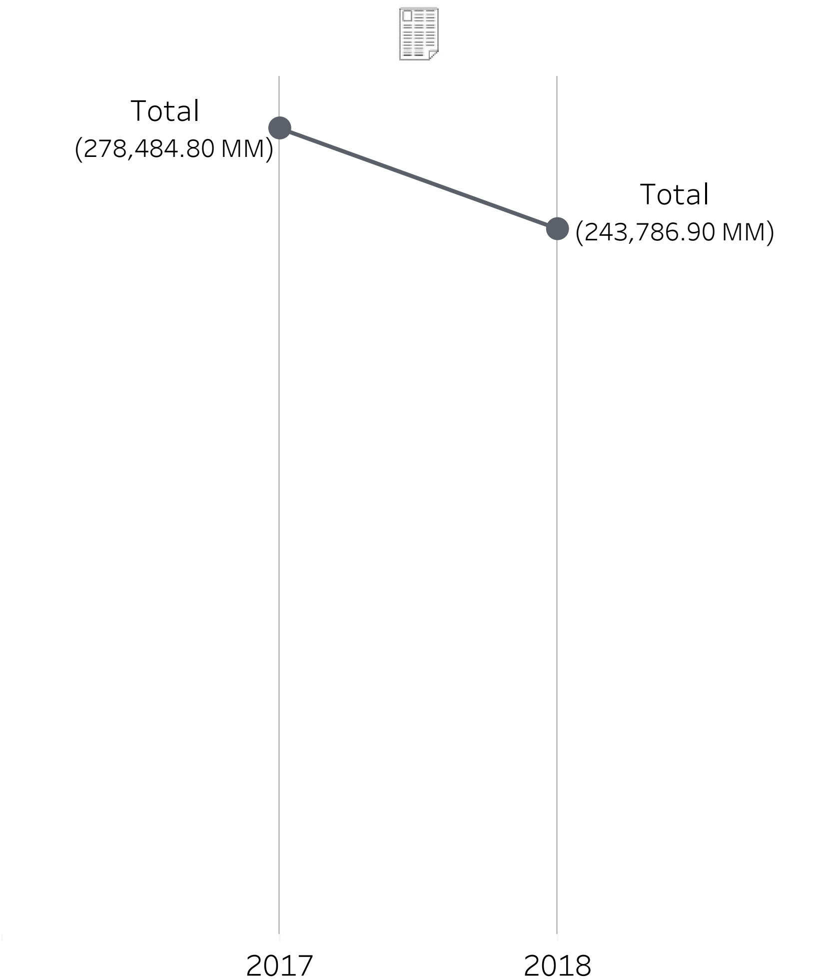
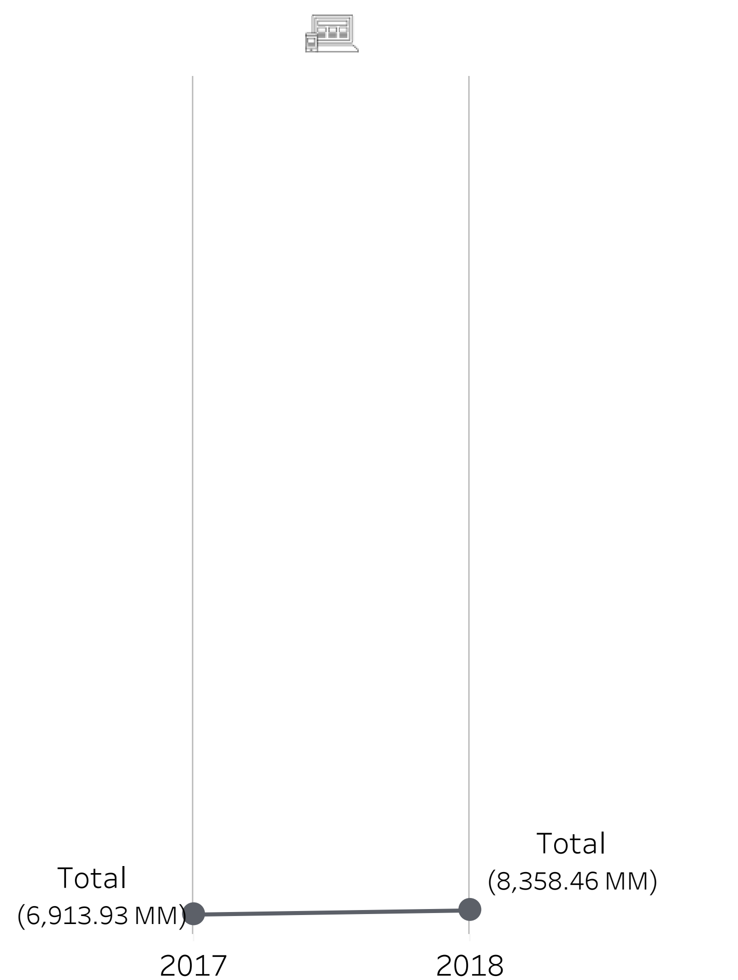
Highlights | Year End 2018





Media Type
All

Level
Overall
Class
Area

Class
All

Measure
Distribution (MM)
Wtd. Avg. Face Value
Wtd. Avg. Expiration (Weeks)

Color By
Class
Change

Total

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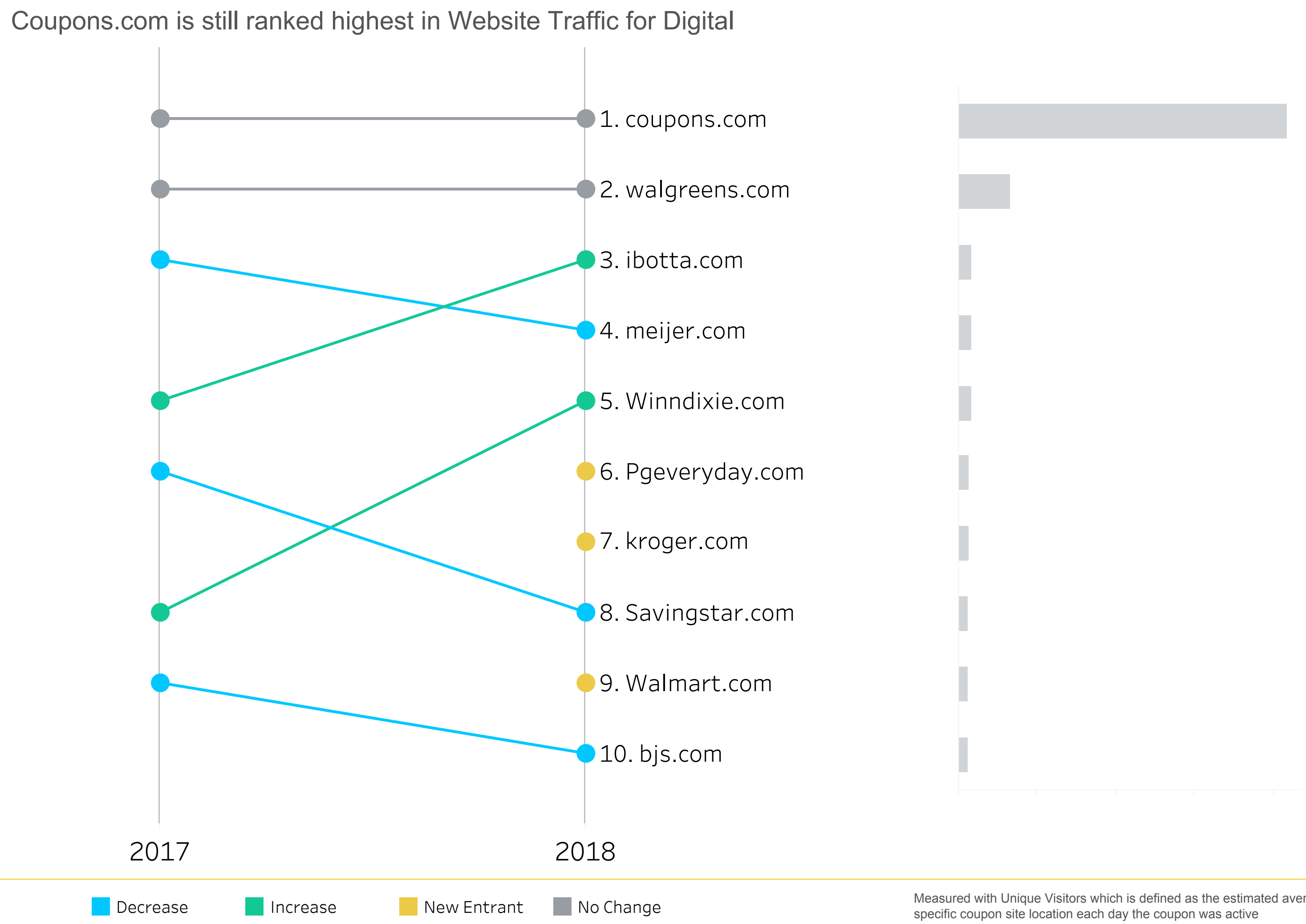
Highlights | Year End 2018



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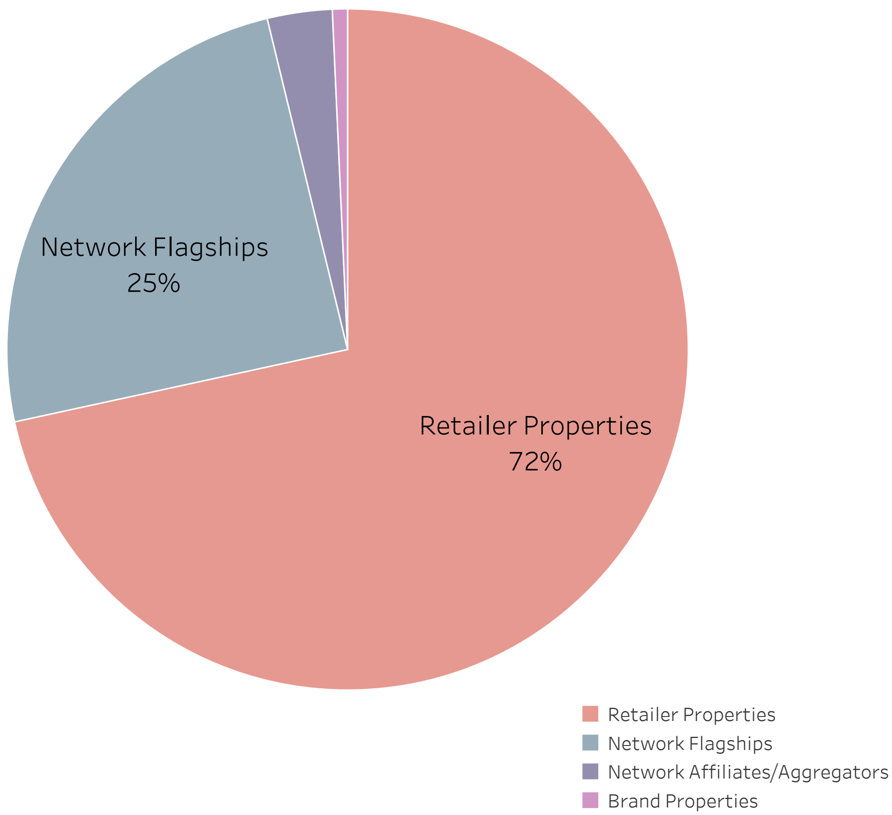
Measured with Unique Visitors which is defined as the estimated average # of people that visited a specific coupon site location each day the coupon was active

Highlights | Year End 2018

Retailer Properies do the heavy lifting with nearly 3/4 of the share.



Property
Program
Event

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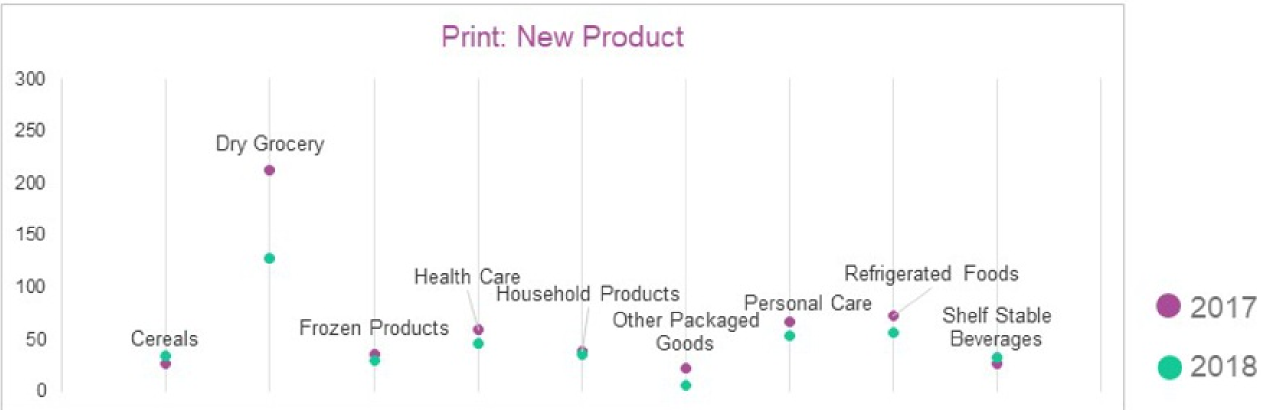
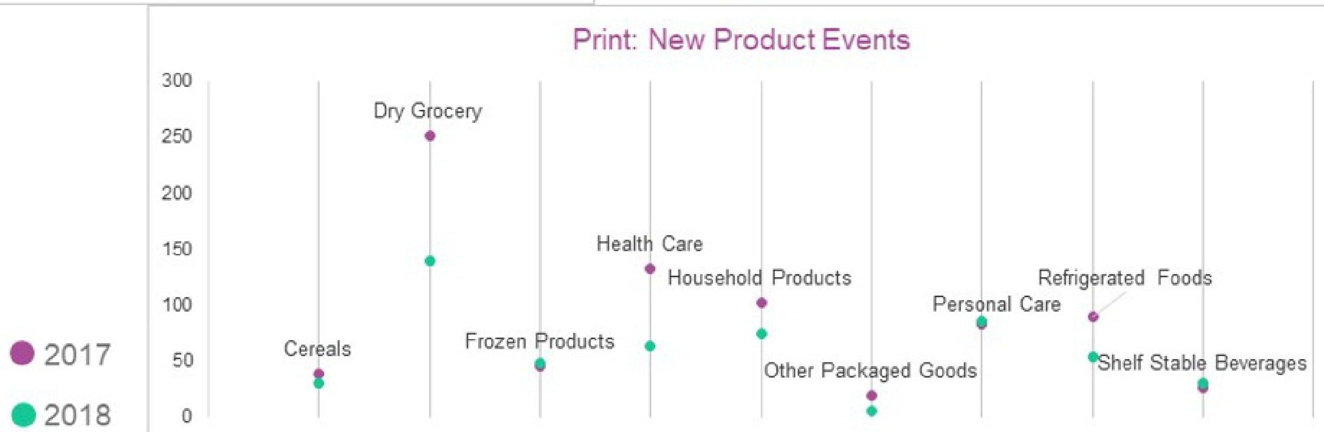
Property Type – high level groupings of website prints based on Retailer properties (i.e. Kroger.com), Network sites (i.e. coupons.com), Network Affiliates (i.e. coupon,mom.com) and Brand properties (i.e. pgeveryday.com)
Program Type – Digital offers including Load To Card/Load to Wallet and Print at Home found on Digital websites
National / Regional Events - National Digital defined as running on coupons.com, redplum.com, smartsource.com, target.com, walmart.com, cvs.com, dollargeneral.com or across 5 or more parent retailers.

New products AND new product events have declined across all areas in Print





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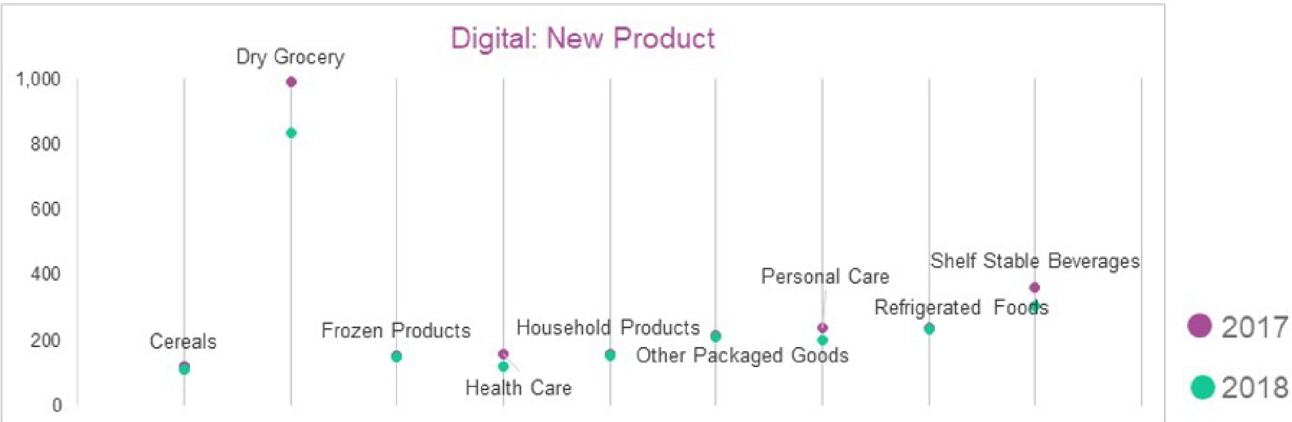
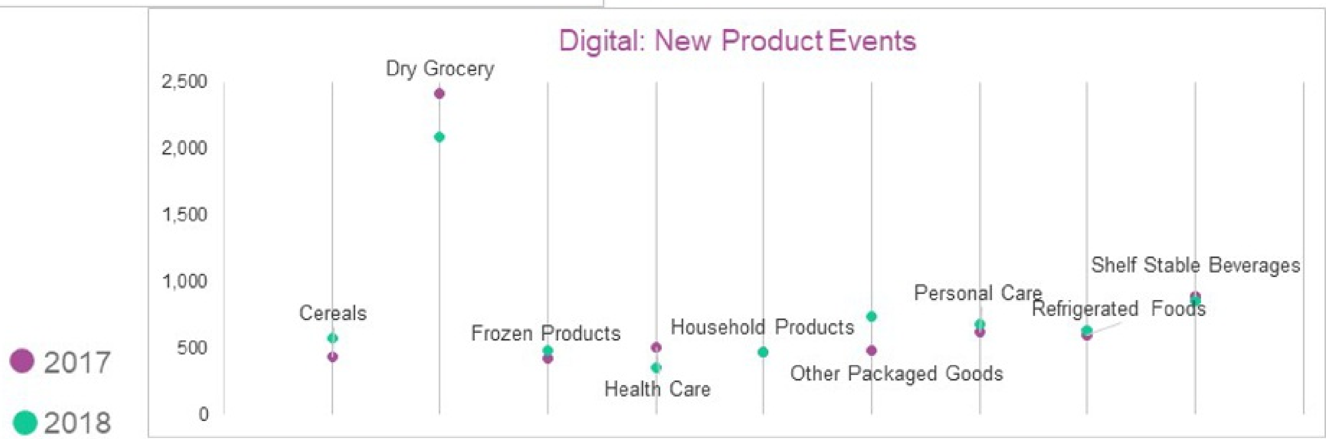
Digital mirrors what we saw for Print with across the board declines in new products

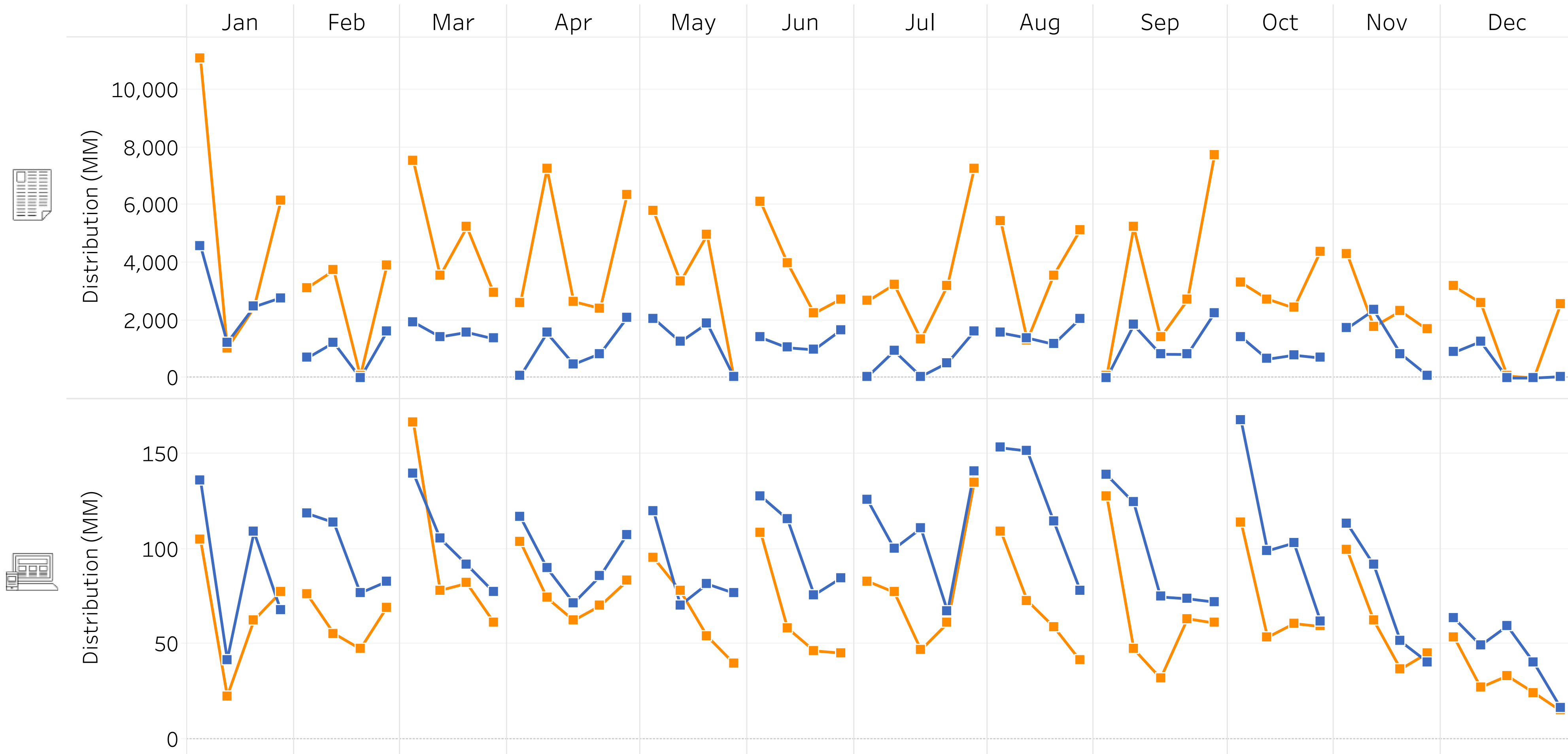





Marketers were
focusing on focus


Seasonality

Seasonality | Year End 2018



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Media Type
All

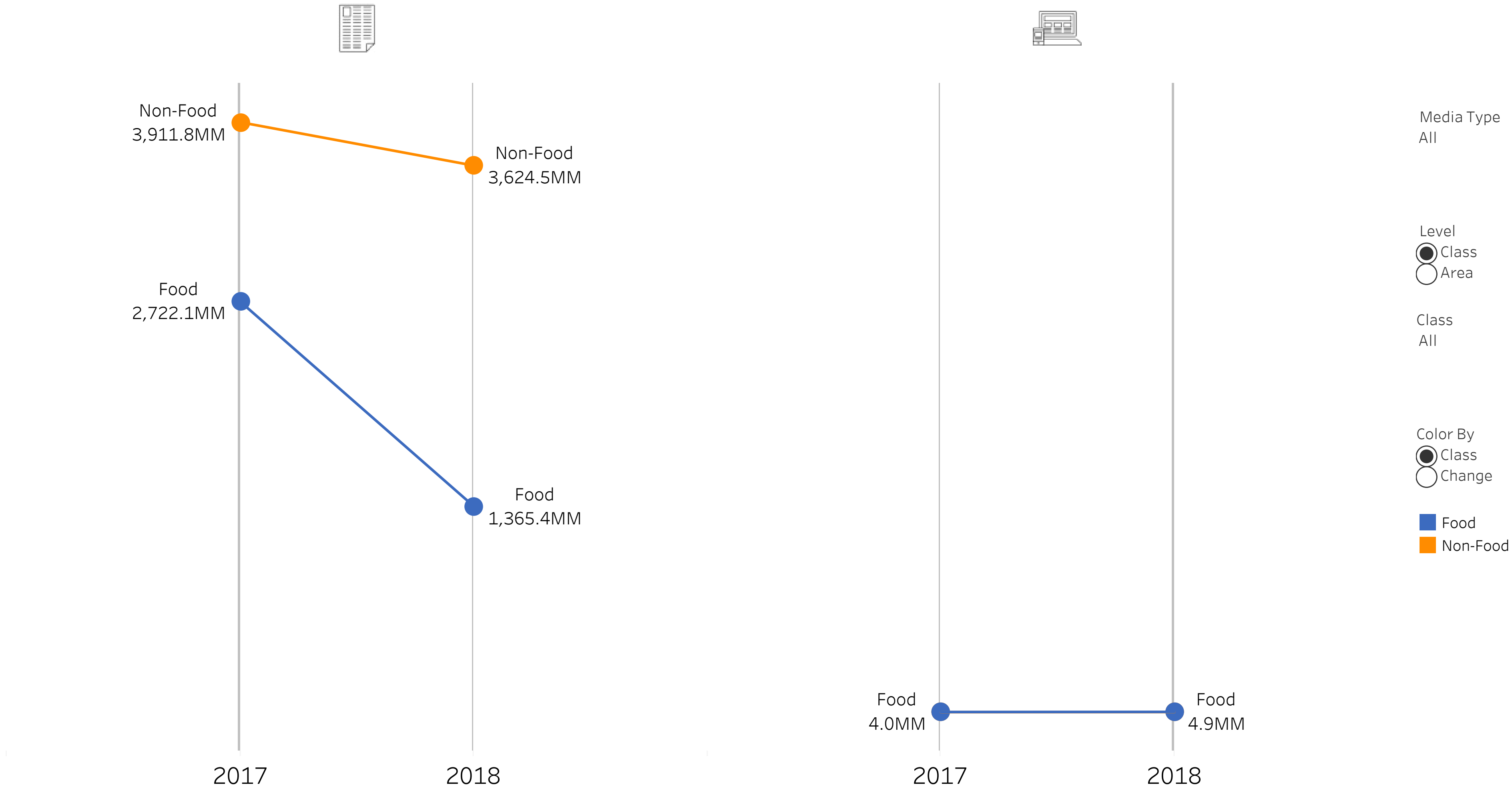
Class
All

Food
Non-Food


Playing to strengths first,
but with an eye on the competition


Buy One,
Get One
(BOGO)

BOGO | Year End 2018



Food share within BOGO Free Product Activity has declined in both Print and Digital

Print: BOGO Free Product Activity

Area	YoY Change
Health Care	▲ +78%
Refrigerated Foods	▼
Shelf Stable Beverages	▼
Dry Grocery	▼
Household Products	▼
Personal Care	▼
Frozen Products	▼ -100%
Cereals	No Activity
Other Packaged Goods	No Activity

Digital: BOGO Free Product Activity

Area	YoY Change
Health Care	▲ +225%
Other Packaged Goods	▲
Refrigerated Foods	▲
Personal Care	▲
Frozen Products	▲
Shelf Stable Beverages	▲
Household Products	▲
Cereals	▲
Dry Grocery	▲ +80%


Purposeful
Nutrition
Starts With
Purina ONE
Discover our full line at
PurinaONE.com/cats
SAVE $3
on one (1) bag of PURINA ONE brand
DRY CAT FOOD, any size, any variety
BUY 2, GET 1 FREE


COUPON
FREE
Arla® Cream Cheese
FREE on one (1) Arla® Cream Cheese 7oz ...
Expires: 02/02/18
CLIP COUPON


Get ONE (1) Arla Cream Cheese Item
FREE
with coupon
Available at meijer
Deliciously Simple
cream cheese.
TRY IT FOR FREE
Arla
LIVE UNPROCESSED
Available at
meijer


BUY 1 GET 1
Beneful®
Buy one (1) 10 oz tub or 3 ct/3 oz sleeve of Purina® Beneful® Wet Dog Food, get one FREE (up to $2.49)
Clip


FREE
RIMMEL MASCARA
WHEN YOU BUY
ANY ONE RIMMEL
EYE PRODUCT
RIMMEL
RIMMEL
FREE
RIMMEL MASCARA
WHEN YOU BUY ANY ONE
RIMMEL EYE PRODUCT

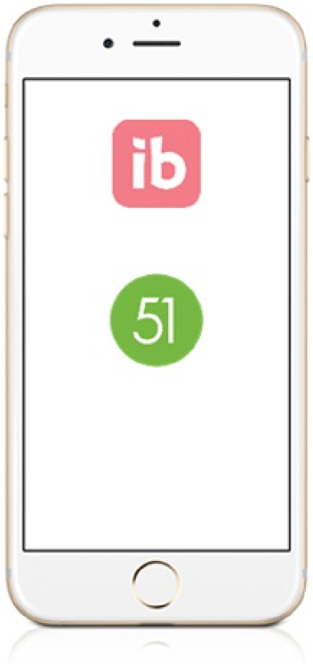

More value for consumers,
more value for marketers?


Digital Rebates

Methodology

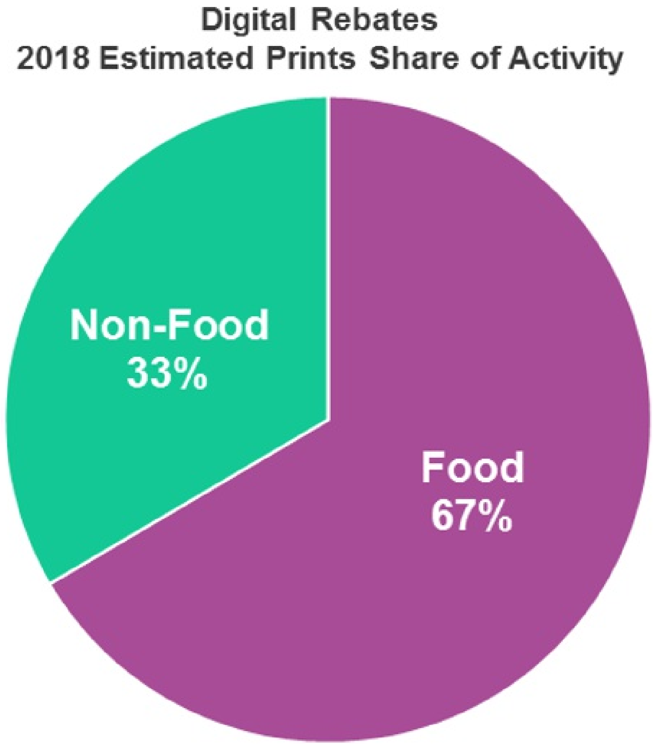
Digital Rebates

Digital Rebate: Digital offers where you get cash or points that can be redeemed later.



Digital Rebates:

Food is where it is at – mimics digital promotion

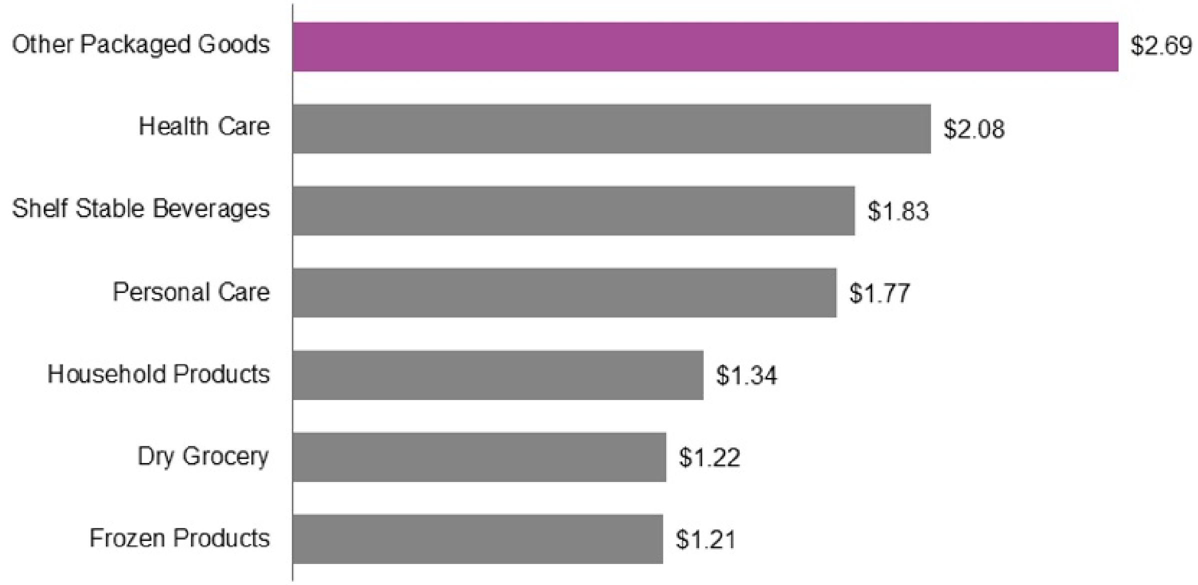


Overall activity is down -3.5%

Digital Rebates:

Higher incentives in Other Packaged Goods

Digital Rebate 2018 Weighted Avg Face Value



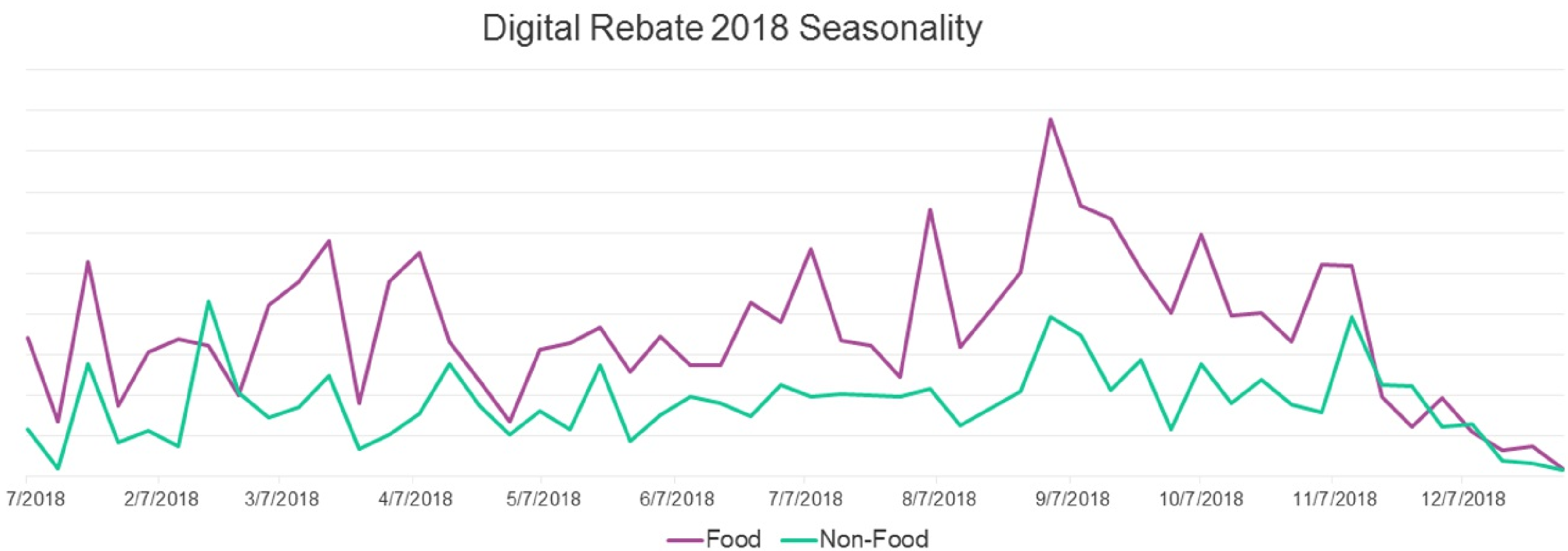
Other Packaged Goods has the highest WAFV at $2.69 for Digital Rebates

Top 5 Categories in Digital Rebates (based on activity)

	WAFV
Alcoholic Beverages	$2.39
Snacks	$1.24
Other Packaged Goods	$2.69
Cereals	$0.78
Beverages	$1.14

Digital Rebates:

Peak Season is Back to School – driven by Food



Digital Rebates:

Insight Summary

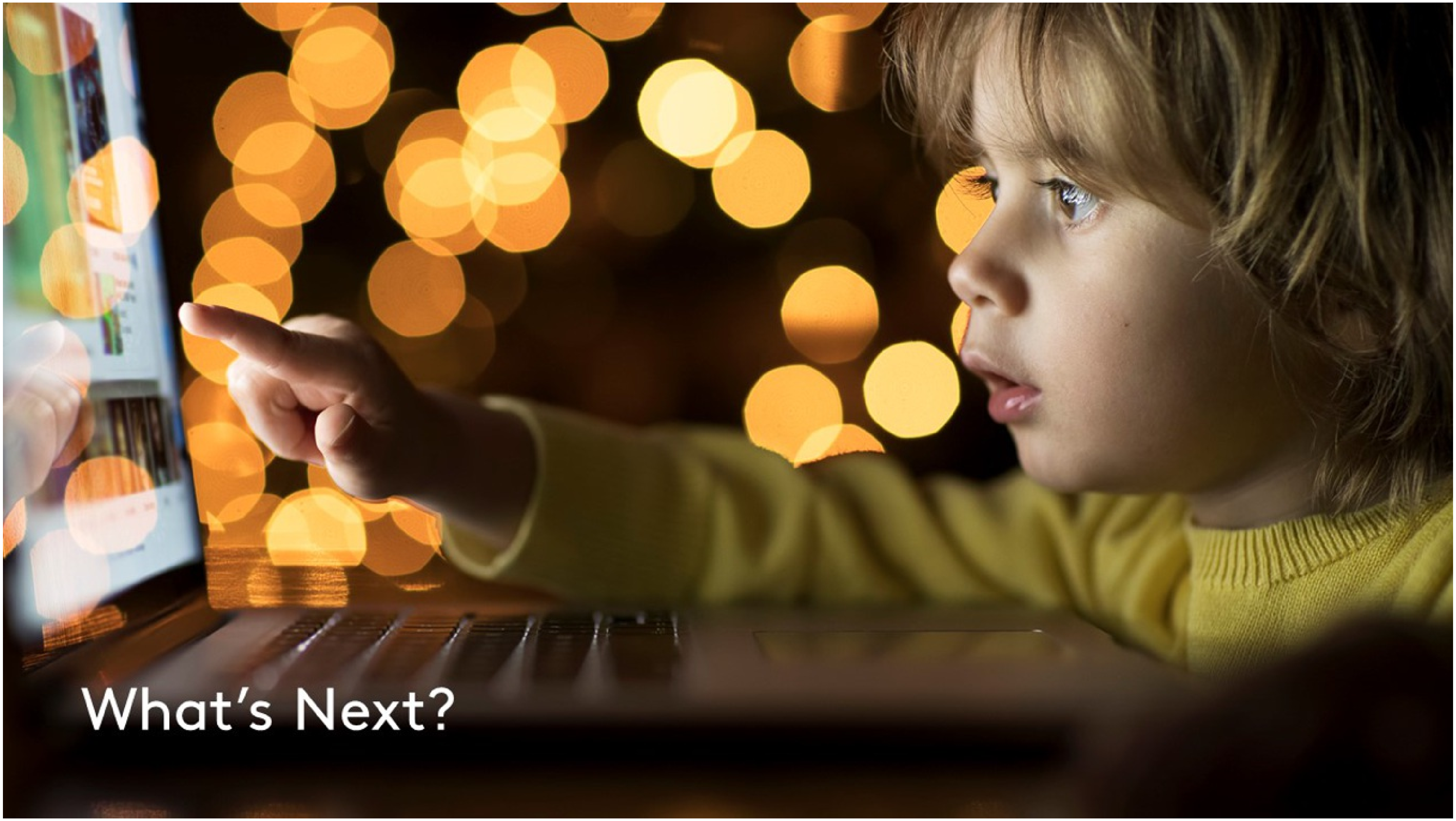
Digital Rebates are less than 7% of the total activity, and while relatively flat to last year, is an area of interest to shoppers and provides another resource for savings for shoppers. The ability to receive incentives post-purchase is a great way to reward a shopper and reinforce the brand selection.

This allows brands to receive two touch points: First, during the purchase and brand selection when shopping instore, and second, post purchase when the digital rebate is selected or 'redeemed' with the receipt upload / purchase confirmation.

Shoppers gain a great incentive that they can do on their schedule – and brands receive two positive touchpoints with the shopper. It's a win-win!

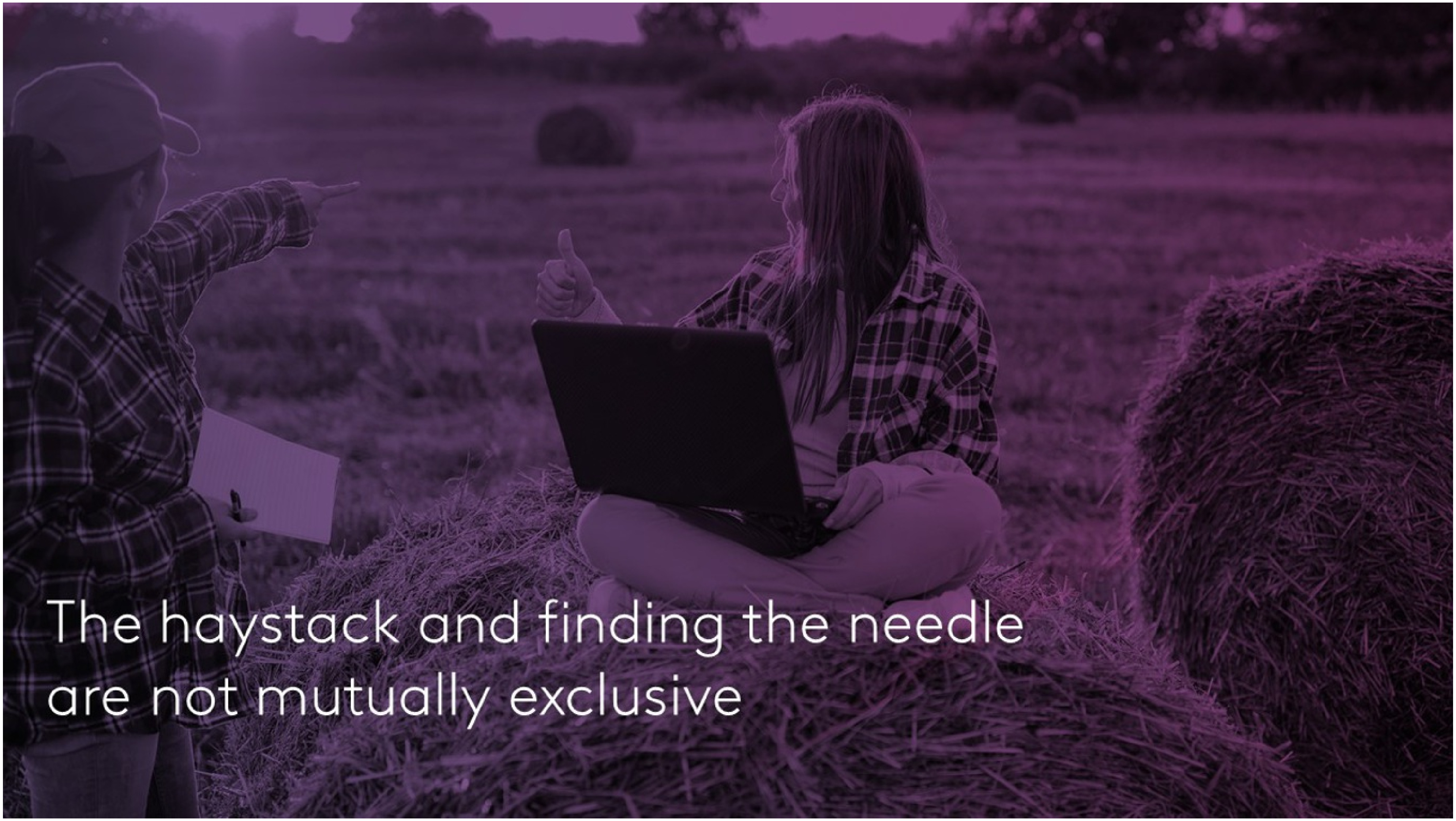
Kantar Media continues to evolve tracking of digital rebates and digital promotion offers – including our capture of Savingstar.com and Amazon.com for ecommerce.

Please reach out to me to share any feedback or additional questions about Kantar Media.
promotion_clientservicesteam@Kantarmedia.com


What’s Next?


The gap between paper and digital coupons is closing. Somewhat...


CPGs are rethinking and refocusing


The haystack and finding the needle
are not mutually exclusive


Q+A

Thank you

Learn how these industry trends affect your category and how key competitors use Promotion to support their brands

Contact your Kantar Media account manager
or our Client Service team to schedule a business review:

Promotion_ClientServices@kantarmedia.com

952-925-5272

About Kantar Media

We are a global leader in connected intelligence. Our data and insights provide clients with an holistic understanding of the changing media landscape.

Our global coverage and local expertise enable clients to better understand media audiences and their relationships with brands to optimise investment.

Where others see a fragmented reality, we see new opportunities. To find out more, visit us at www.kantarmedia.com