

9 BEHAVIORAL INSIGHTS

FOR IN-STORE PROMOTIONS THAT APPEAL TO CONSUMERS & DRIVE SUPERIOR ROI

Knowledge = ROI

Create more relevant promotions through a deeper understanding of consumer needs.



Get the language right

Steer clear of general or irrelevant language (Buy Now, Great Deal, Extra Savings, etc.), as it can significantly hinder an offer's performance.

Testing Revealed: Irrelevant language underperformed by as much as 60% compared to no language.

Bundle for success

Products that complement each other can be more attractive when sold together (think chips and a drink).

Testing Revealed: Bundling items that go well together for snack occasions can outperform by as much as 50%, even at same price point for each item.



Focus on timing

Time promotions around the pay check cycle for added effectiveness.

Testing Revealed: Discounts are more effective at the end of the month, particularly in discount channels.



Offer Structure is King

Tap into consumer behavior and psychology to structure offers that are useful and easy to understand.

Enable stock-up

When consumers prefer to stock up, promotions that help them do so can be very effective.

Testing Revealed: For a common household item, Buy "4 for \$5" had a significantly higher uptake than "1 for \$1.25", even though it is an economically equivalent deal.



Consider the shopper's mission

Aligning an offer with the consumer's "shopper mission" (e.g., the reason they came to the store) can markedly improve its performance.

Testing Revealed: Changing from "Buy [product a], Get [product b] for \$1" to "Buy [product b], Get [product a] for \$1" increased engagement by almost 50%, even though the latter was more expensive to the consumer.

Keep it simple

Ease of understanding can translate to significant improvements in the ROI of an offer.

Testing Revealed: When comparing "Buy 5 for \$2" vs. "Buy 4, Get One Free" for a product that normally sells for \$0.50, the former offer got 3x the engagement - in spite of being the same deal!



The Price is Right

Go beyond simple discounting with price-points that subconsciously drive purchase decisions.



Use "magic" price-points

"Magic" price-points can be found in almost any category. Uncover these atypical prices to get an extra boost.

Testing Revealed: For a popular snack item, price points like \$2.22 or \$3.33 were over 25% more effective than \$2 or \$3.

Treat free unlike any other price

"Free" might seem like just another price-point, but when used strategically it can lead to vastly different outcomes.

Testing Revealed: Buy One Get One Free was over 20% more effective than 2/\$4 for a item regularly priced \$4.



Avoid stale price-points

While prices ending in \$.99 often work well, they may no longer be effective in categories where they've been overused.

Testing Revealed: For a common toiletry item, a whole dollar price (\$X.00) outperformed a price ending in \$.99 by 10%, with a penny margin increase.

