

Decoding Consumer Behaviour and Winning the 2021 Festive season

A PLAYBOOK BY MMA, GROUPEM & AMAZON ADVERTISING



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Contents

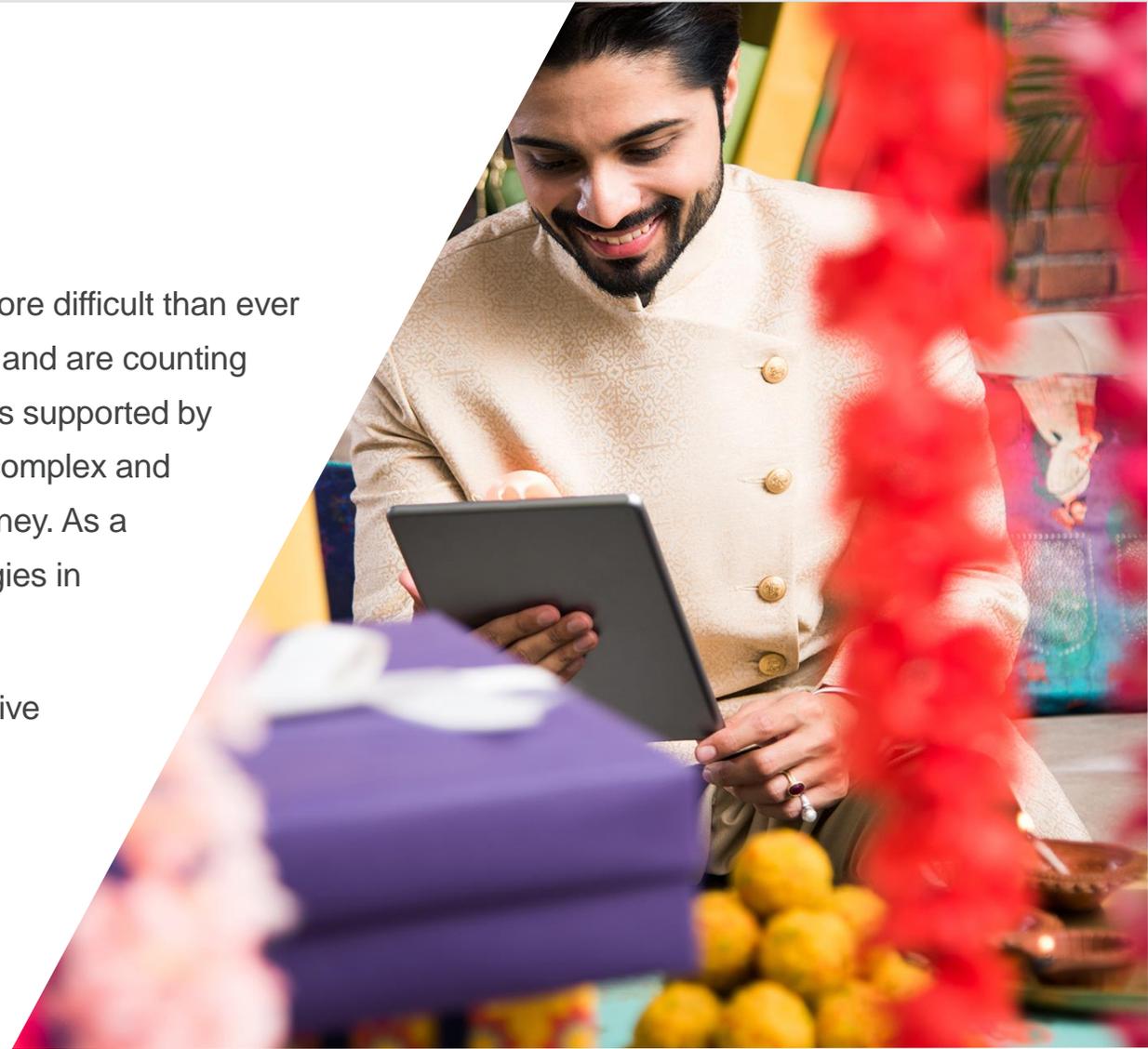
Introduction	03
Consumer sentiment expected this festive season	05
Role of digital channels	09
Recommended marketing strategies	17
Case studies	24
Key takeaways for marketers	30

Introduction

The 2021 Diwali festive season will be an unprecedented test for marketers.

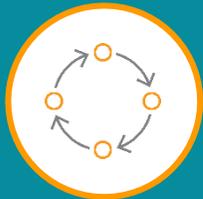
While consumption is on a natural upswing post pandemic restrictions, it is more difficult than ever for brands to stand out. Multiple brands have deferred their product launches and are counting on the festive season. Shopping aisles will be choc-a-block with new launches supported by high-decibel marketing campaigns. Consumer journeys are becoming more complex and non-linear, and the role of digital is becoming more prominent across the journey. As a result, this festive season will require marketers to re-think their media strategies in order to be successful.

This playbook presents insights which will help marketers prepare for the festive season. The first section of the playbook covers key findings from two recent surveys – a) consumer survey on festive season sentiment/decision journey and b) brand marketer survey on marketing objectives and expected challenges during festive season. The second section of this playbook covers implications and recommended strategies to efficiently drive recall and performance during the festive season.



Methodology used for primary studies

Consumer Survey



Format: Online survey

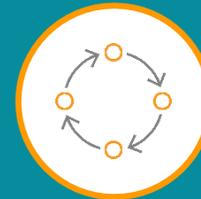


Target Group: Active Internet Users in India (n=3,031)



Time frame: August 2021

Brand marketer Survey



Format: Online survey



Target Group: Marketers in Mid-Large Companies across categories e.g. FMCG, Durables, Automotive, Banking (n=128)



Time frame: August 2021



**Consumer sentiment expected
this festive season**

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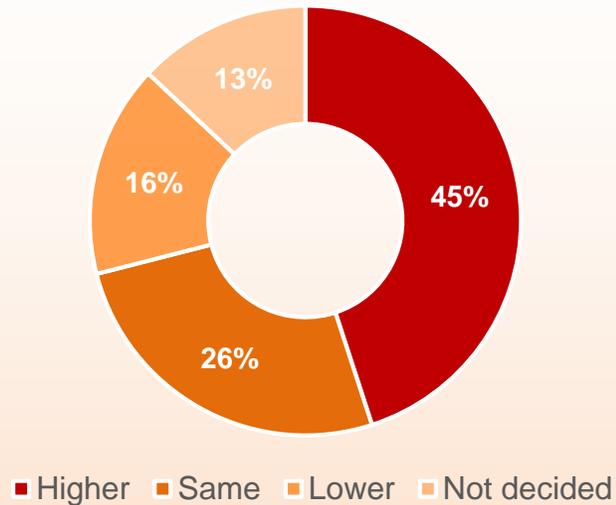
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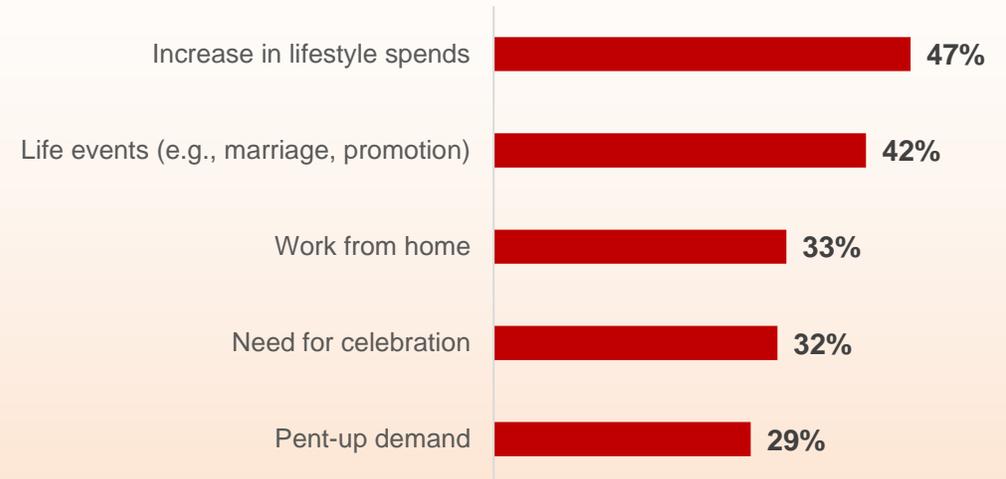
Consumer sentiments around festivity remains positive

45% consumers are likely to increase their spends this festive season; only 16% likely to reduce their spending

Change in festive spends (as compared to last year)



Reasons for increase in spends



Source: InMobi Pulse – Amazon Advertising Consumer study Aug'21, n=3031

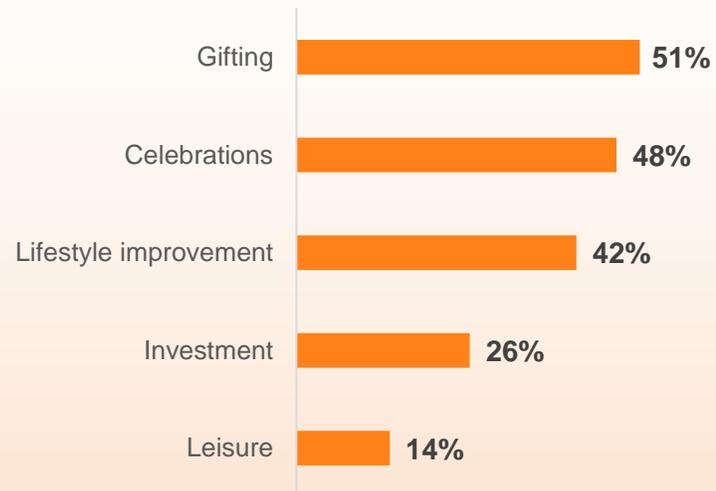
Survey question: Q1. Compared to your last year festive purchase on Diwali, how different will be your spends for this year's upcoming festive purchase?;

Q2. Please select the reasons due to which you think your spends for this upcoming festive purchase will increase this year.

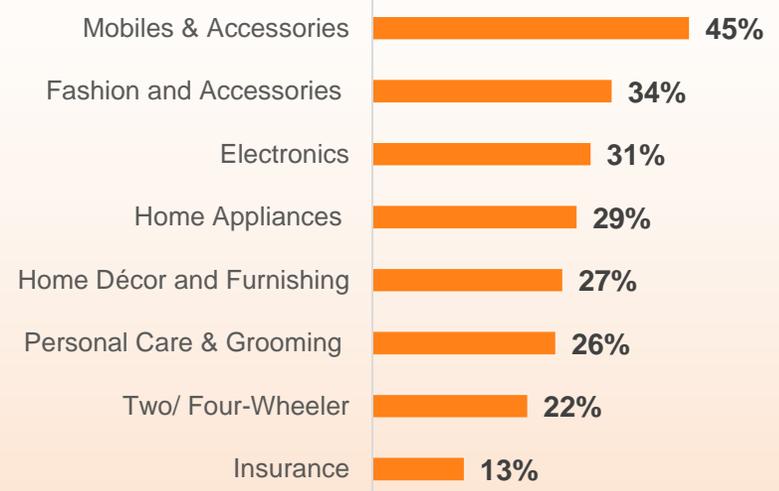
Giftng, Celebrations and Lifestyle improvements will be key consumption themes

Mobles, fashion, electronics, appliances, and home décor are the key categories of interest

Purpose of festive spends



Top categories of interest



Product quality, offers and discounts will be the primary deciding factors for consumers

Factors affecting consumer decision journey



Role of digital channels during this festive season

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62% consumers are currently undecided about the product/brand choice

Consumers would start researching products 1-2 months before Diwali

Current sense of product/brand choice



When will they start researching products



~80% consumers journeys will be 'digital' influenced



80%

Consumers will research/purchase products online



50%

Consumer journeys will be 'digital only'

Key channels for product research



Amazon.in will be a key product research and shopping platform

77%

Consumers journeys* will involve amazon.in

84%

Online shoppers likely to buy on amazon.in

*buy or research for categories which are listed on amazon.in, e.g., FMCG, Fashion, Electronics, Smartphones, Durables etc



First-time shoppers' spend comparable to regular shoppers, although they research more before buying

25%

online consumers will be celebrating the first festive season online this year*

As seen on amazon.in during the last Diwali festive season:

Spends during festive season



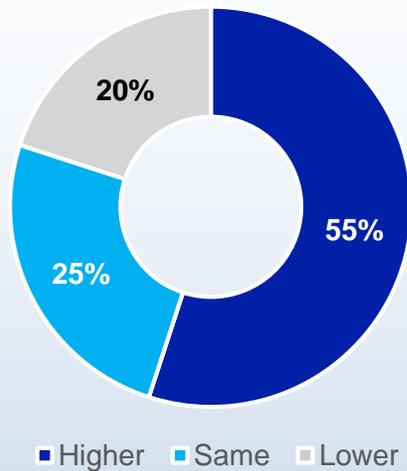
Page views / sub-category



Brand marketing spends are likely to follow the positive consumer trends

80% brands are looking to maintain or increase their marketing budgets for the festive season

*Change in marketing spends during festive season
(as compared to last year)*



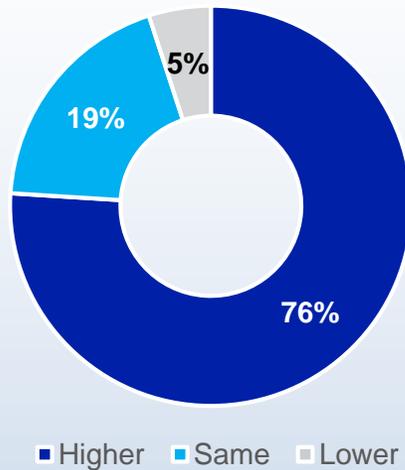
Marketing objectives for the festive season



Digital would be a key marketing channel across objectives

76% brands will be allocating more spends for digital as compared to last year

*Change in Digital spends during festive season
(as compared to last year)*



Key digital platforms

Preferred platforms

(opted by >50% brands for marketing)

Google | Facebook | Amazon

Other platforms

(opted by <30% brands for marketing)

Hotstar | LinkedIn | Flipkart | Tiktok
Bigbasket | Meesho | ...

Marketer Outlook : 'Digital' would be a crucial marketing touchpoint

“ *The Diwali festivities will be an opportunity to reach the new-age 'digital' consumers especially from markets beyond the metro cities. Digital has always been at the center of our marketing strategy to drive engagement across key content consumption and discovery touch points. Online shoppers form a critical chunk of the addressable target audience and we will drive additional focus on e-commerce to improve effectiveness and efficiency of our media-mix.* ”

- Garima Dikshit, Head-Ecommerce & Modern Trade , Mondelez India

“ *This year – not only will brands have to navigate consumer sentiment with appropriate communication and propositions, but also ensure that these are targeted with intent – to reach the right consumer at the right stage of the decision journey, and focus entirely on driving outcomes. The role of digital in resolving that famous 'messy middle' is therefore only magnified – as brands and businesses seek greater efficiency and control in spends, while attempting to maximize return after a disappointing first half.* ”

- Ruchira Jaitly, CMO, HMD Global

Recommended marketing strategies to create recall and drive performance



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Identifying relevant audiences, breaking the clutter, and measuring the true impact will remain the key marketing challenges during festive season

Challenges

top 3 challenges highlighted by brands*



1
Reaching relevant audiences at crucial points in their journey



2
Media-clutter during the festive season



3
Measuring the true impact of marketing channels

Approach

Reach 'intent' audiences through **micro-segmentation** based on actual product/services research /shopping/content consumption

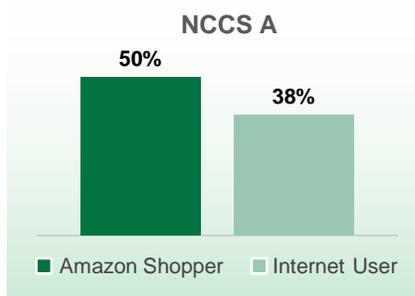
Identify 'intent' **touchpoints** to get into the consideration set of consumers

Holistically measure **impact** through efficiency related metrics

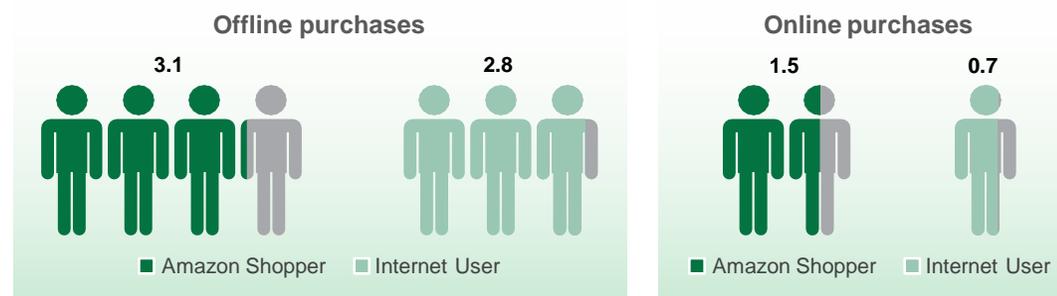
*Source: MMA Brand marketer survey Aug'21, n=128

Identify qualified audiences based on probability of consumption

Relative 'affluence'



Consumption propensity*



Refined lifestyle & self-care habits**

Health and Wellness

32% **Exercise Freaks**
Follow a exercise regime

Trend-setters

29% **Early Adopters**
First to try new products and tech

Travel and Leisure

23% **Domestic Tourist**
Takes frequent domestic trips

Source: Kantar-Amazon Advertising consumer study April'21, n=5186 ; *no. of product categories purchased during Oct.'20-March'21 ; ** amongst amazon.in audiences

Leverage audience signals across their daily routine and consumption indicators

2000+ Amazon audience cohorts: Relevant signals to identify relevant audiences based on life-stage, lifestyle, content consumption and in-market signals

Content consumption



Prime Video consumption-based audiences



IMDb consumption-based audiences

Persona segments*



Tech. enthusiasts



Exercise & fitness



Fashionistas -females

Consumption of services**



OTT subscription consumers



Food delivery consumers



Bill payments consumers

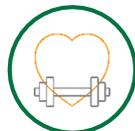
In-Market Researchers*



Large appliances



Baby



Fitness

Affluence, Demographic



Top Amazon consumers***



Geographic (Pin-code Level)

*based on consumer browse/purchase signals seen on amazon.in ; ** based on payments signals seen in the Amazon Pay environment; *** based on overall spends /no. of orders placed on amazon.in in the last 13 months

Drive visibility across digital touchpoints

Engage audiences with 'impact' awareness formats in the lead up to the festive season

Impact visibility to build recall



Video ads
Programmatic Instream through sites/apps



Fire TV Homepage takeovers,
Sponsored tiles

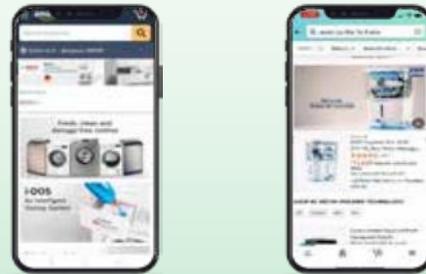
3-4 weeks prior to Dussera

Pre-festive period

Build Consideration with researching festive shoppers



Display ads on/off amazon.in



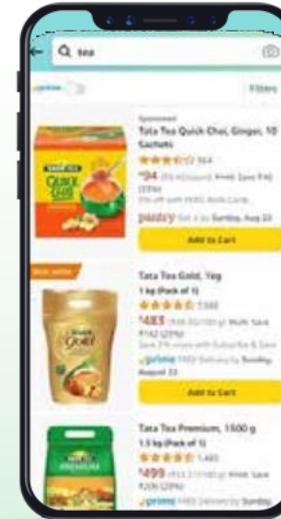
Stores

Sponsored Brands Video

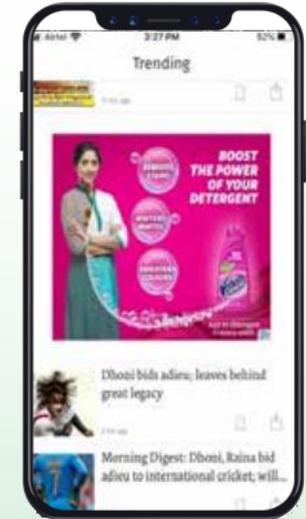
1-2 weeks prior to Dussera

Pre-peak festive period

Drive conversions



Drive sales from search through native placements



Remarket on non amazon.in inventory

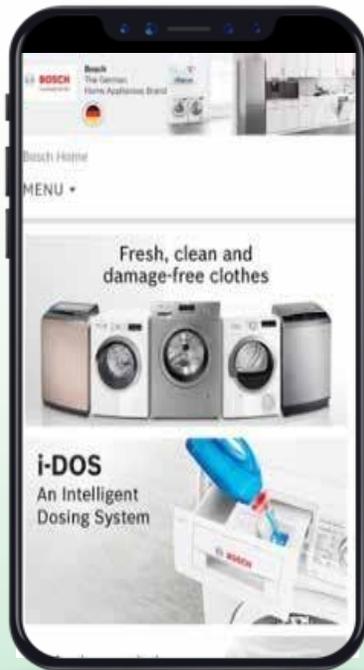
Dussera

Diwali

Peak festive period

Leverage content marketing and personalization to drive recall with shoppers

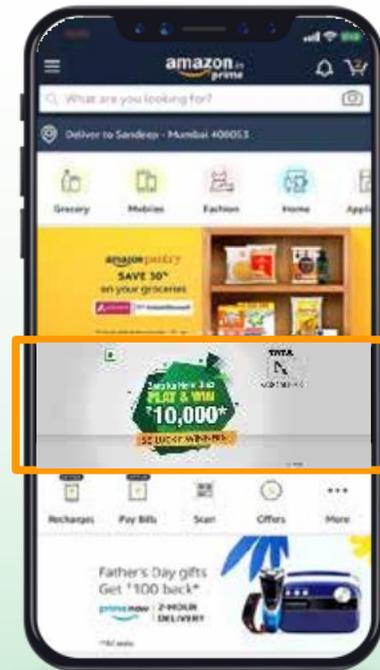
Amazon Stores



Rich detail pages (A+ content)



Gamification



Personalization*



*Dynamic Creative Optimization (DCO) creatives

Holistically measure impact through efficiency related metrics

Supplement primary metrics with efficiency metrics to evaluate performance at each stage of the funnel



Awareness



Consideration



Conversions

Primary metrics



Reach, CTR



Landing page-views



Sales

'Efficiency' metrics



Lift in Top of mind recall*



Share of page-views



% New customers**

*lift in branded searches on amazon.in ; ** through new-to-brand customers % amongst conversions on amazon.in



Case studies: How have brands achieved their festive objectives leveraging Amazon Advertising





ŠKODA AUTO India drove impact visibility for KUSHAQ car launch through Amazon Fire TV

Reached audiences through a full screen video experience on the homepage

Approach

Amazon Advertising and ŠKODA teams worked together to reach Fire TV audiences through :-

- a 1 day takeover of the 'Feature Rotator' slot on the home-screen
- audiences were exposed to an auto-play full screen brand video (which started playing as the user hovered on the Feature Rotator slot).The video covered various models of the new car to drive recall.

“ This activity aligns with the **target audience of our new SUV – KUSHAQ, as it will be delivered directly to users of FireTV devices – a befitting engagement.** It is the right time to be present in the line of sight of our audiences, since owing to the lockdowns the viewership and engagement have increased across digital mediums. Alongside PHD Media India, I'm certain that this category will be a differentiator for us as it promises a true-to-life experience. ”

- Tarun Jha, Head of Marketing, ŠKODA AUTO India



Results:



~6 mn

Ad-impressions



~1.1%

Click-through rate

Nokia leveraged Amazon Advertising to launch the G20 smartphone series

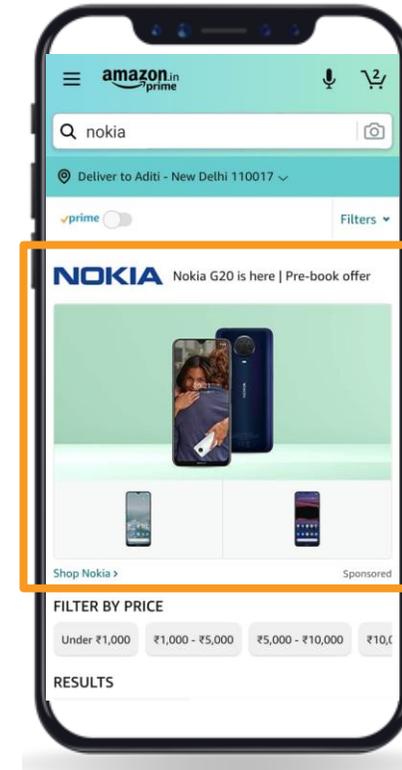
Reached audiences across amazon.in and other digital touchpoints to drive visibility

Approach

- Objective was to focus on communication of the functional capabilities and trial offers
- 3 pronged campaign :-
 - Awareness: display ads on Amazon.in, which featured a **“Notify me” call to action** for consumers to get updates around the launch
 - Consideration : Amazon DSP- programmatic display and video ads to reach relevant cohorts across sites/apps:-
 - Tech-enthusiasts
 - In-market smartphone shoppers in the mid-price range(10-15 k INR)
 - Smartphone category browsers
 - Consumers who displayed interest in the first phase of the campaign (“Notify me”)
 - Conversions : Sponsored(search) ads to drive performance

“ Nokia Mobiles followed a full funnel strategy for the exclusive online launch of the mid-range smartphone, Nokia G20. We leveraged Amazon’s audience solutions to reach relevant segments such as In-market audiences, price based segments, tech Enthusiasts and more to reach Nokia Tribes – consumers who have higher recall and connect with Nokia. This was supplemented with driving discovery amongst searching audiences through Sponsored ads. What this showed us beyond any shadow of doubt, was the scale and simultaneous efficiency that the activity was able to deliver. ”

- Ruchira Jaitly, CMO, India, HMD Global



Results:



~100 mn
Ad-impressions across search and display



~1.6%
Click-through rate



~2 mn
Video Completes



~40%
Better CPC*

*Vs campaigns run on other digital publishers during the festive season



Cadbury Celebrations leveraged Search & Display to drive scale during Diwali'2020 and achieved a 300% Sales lift

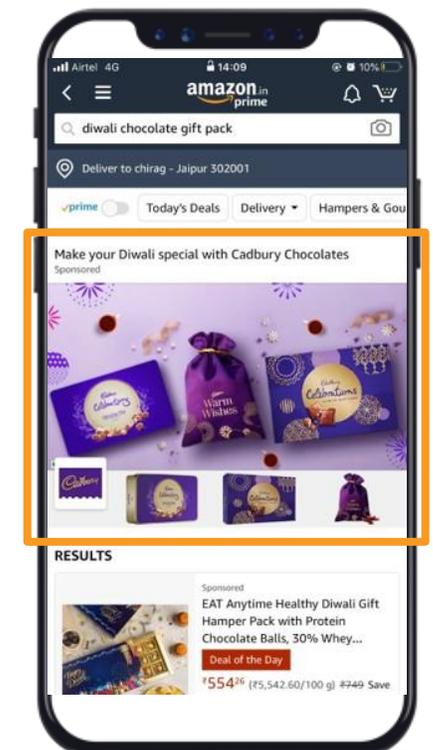
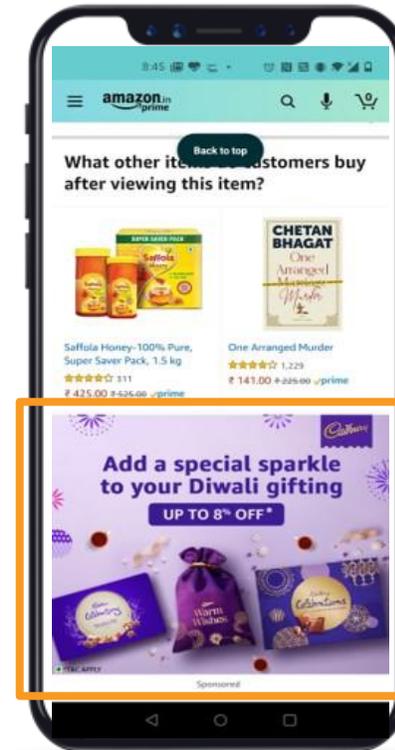
Focus product targeted search campaigns paid strong dividends

Approach

- Campaigns were segmented basis Gifting & Non-Gifting Cohorts enabling granular control for budget optimization
- 2 pronged approach:-
 - Sponsored ads campaigns to promote focus packs
 - Display ads to reach gifting cohorts with the creative highlighting Hero SKUs with offers

“In Diwali 2020, Amazon Advertising Solutions helped us effectively target the most relevant customer cohorts for Cadbury Celebrations. Amazon Advertising has helped scale-up our gifting business while maintaining strong ROAS.”

- Gautham Govindan, Media Manager, Mondelez



Results:



~222 mn
Ad-impressions across search and display



~0.75%
Click-through rate



30% Increase in consideration



300% Increase in sales

Bose leveraged Amazon Advertising to drive performance and achieved ~41x RoI

Leverage of search and display to build optimal visibility for headphones portfolio with festive shoppers

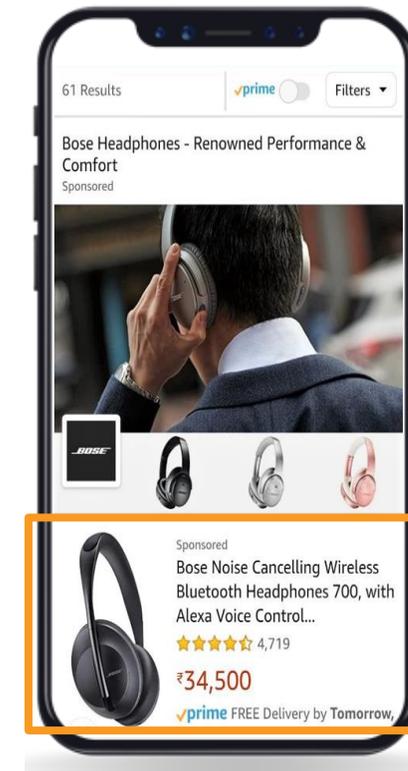
Approach

- Identification of relevant audience cohorts across **lifestyle** , **in-market** and **search** signals
- Deployment of a 3-pronged approach :-
 - Driving product discovery through display ads on the amazon.in homepage slots
 - Engaging intent shoppers in search through Sponsored ads
 - Remarketing to detail-page viewers to improve conversions
- Ad-creatives focused on product benefits and variants

“ We achieved a phenomenal ROAS during this highly competitive period. Team had preempted the high traffic and looked at trends for similar periods and carved out a strategy based on audience research and insights on the platform. The strategy was built around to drive higher consideration and conversions.

Our focus was balanced investment based approach which helped to yield better results. The team has shown remarkable talent and skills to fuel the brand on the platform. ”

- Kiran Antony, Marketing & Digital Lead, Bose Corporation



Results:

 **~24 mn**
Ad-impressions

 **~0.73%**
Click-through rate

 **65%** Increase
in consideration

 **40.7x**
Return on Ad Spend



Nutella leveraged Amazon Advertising to drive 49% new customer acquisition rate

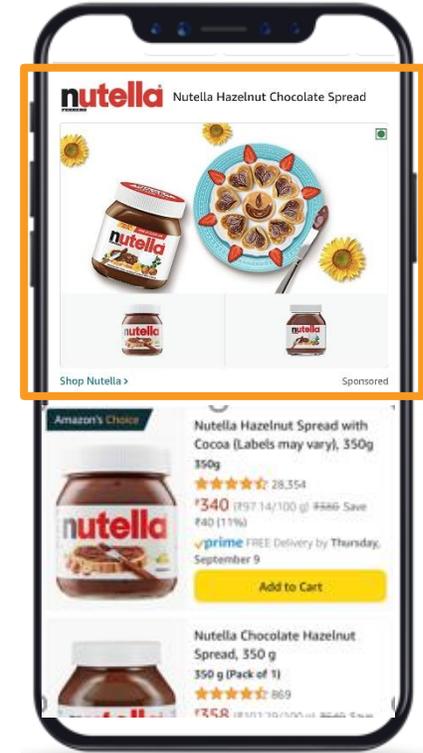
Combination of search and display advertising was leveraged to drive performance

Approach

- Objective was to promote Nutella's offering to 'intent' audiences during the Diwali festive season (incl. Amazon Super Value Days)
- 2 pronged campaign :-
 - Search ads: Reaching searching audiences through **lifestyle creatives** on homepage (Sponsored Brands) and establishing native visibility within search results (Sponsored Products) on amazon.in
 - Display ads: Reaching **in-market audiences** of the Pantry category on both amazon.in and 3p inventory to drive consideration

“ Amazon helped Nutella leverage the accelerated demand created due to the pandemic. The brand was quickly able to convert high intent and in-market audiences early on in their consumer journey. Media investments which were used to deploy a full funnel strategy on the platform along with relevant communication delivered healthy ROI's which continue to improve. ”

- Prarthana Parija , Region Media Manager – Ferrero India



Results:



Key takeaways



Consumption sentiment is positive around festive shopping and digital channels will play a key role in the decision journeys



Digital would play a significantly higher role in brands' festive plans as compared to last year



Leverage 'intent' signals and cover key digital touchpoints to get into consumers' consideration set



Leverage 'efficiency' metrics to enrich performance evaluation approaches

Thank you



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