

Push the button

Powering up ads for electronics brands during promo periods





Welcome

The world is increasingly geared toward technology. Every aspect of our lives is continually being enhanced by apps and electronic devices.

As we look forward to the year ahead, readiness for promotional periods is more important than ever. Devices are essential to our modern lives, as well as being the go-to gifts for special occasions – but consumers are feeling the squeeze of a tough economic climate and are looking for bargains. Meanwhile, brands are challenged by an ever more competitive online marketplace.

This guide has been designed to help electronics retailers and producers identify the critical sales dates throughout the year and plan campaigns in advance, with a particular focus on the holiday season. We'll talk about how to align branding and performance campaigns, activating sales while building long-term relationships that turn casual customers into brand evangelists.



It's ON

Stand by for insight that will empower your electronics brand.

1. Continual ExpansiON

The growth of the electronics e-commerce market.

2. ON Trend

5 trends that are shaping the electronics industry.

3. The Importance of PromotiON

Key dates on the e-commerce calendar for promotional activities.

4. Consumers are Switched ON

The behavior of online electronics customers during sales periods.

5. Staying ON Top

Strategies for making the most of promo periods.

6. Use Your ImaginatiON

5 campaign strategies to try in upcoming sales events.

7. How Electronics Brands Can Reconcile Branding and Performance

Branding and performance campaigns.

8. It's ON the List

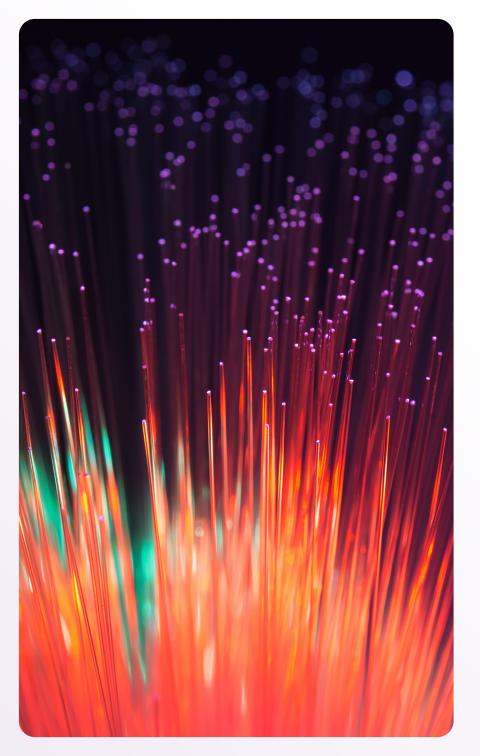
A checklist for creating campaigns for promotional periods.

9. About RTB House

10. How to Contact Us

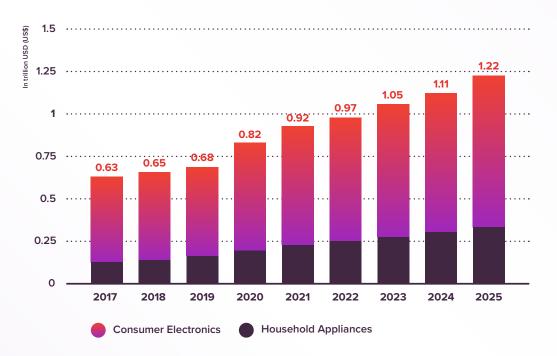
1 Continual ExpansiON

THE GROWTH OF THE ELECTRONICS
E-COMMERCE MARKET



Continual ExpansiON

The consumer electronics industry shows no signs of slowing up. Globally, it almost broke the 1T USD revenue barrier in 2021, hitting a revenue value of 0.92T USD, up 46% from 2017 after six years of continual expansion. There is sustained and consistent growth each year and that trend is set to continue with the industry adding around 25% to its overall value by 2025.



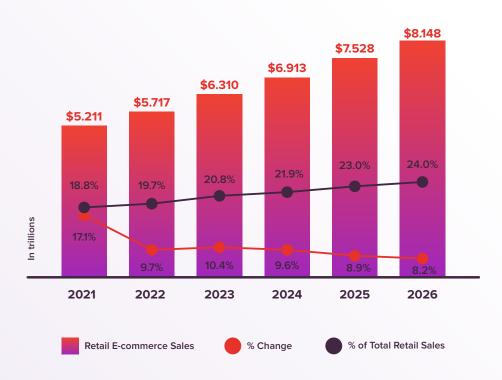
Source: Statista

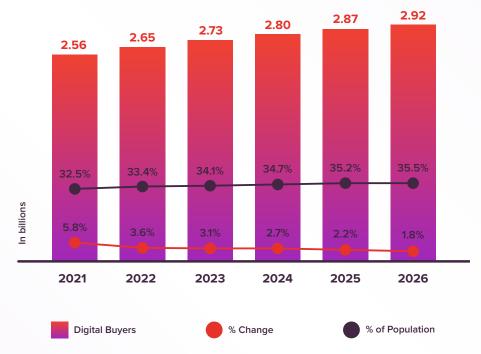
Retail Ecommerce Sales Worldwide, 2021-2026

The electronics market is also part of the wider trend towards online purchasing. Across all retail, e-commerce accounts for around 20% of sales in 2022 and will account for almost one in four purchases by 2026.

Digital Buyers Worldwide, 2021-2026

What's more, more than one-third of the global population aged 14 and over now buys online. That's a staggering 3 billion individual shoppers each year.





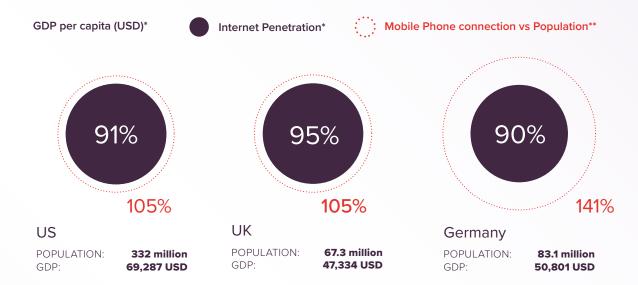
Source: eMarketer | insiderintelligence.com

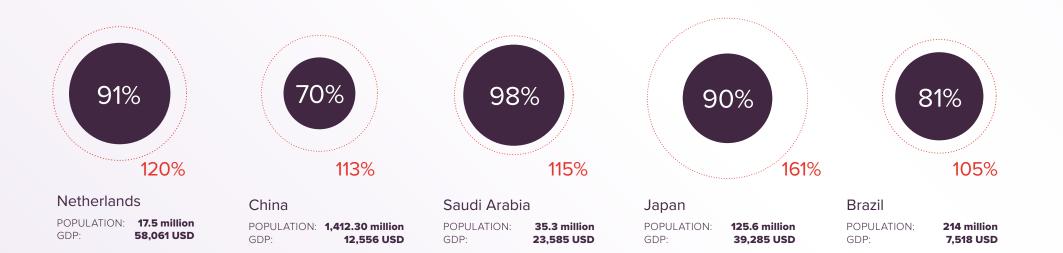
Source: eMarketer | insiderintelligence.com

The rise in connectivity and technology adoption is now a global phenomenon.

While some regions lag behind with internet penetration, and GDP differs from country to country, the world's biggest markets are all up at above 70% penetration with most above 90%. Moreover, mobile phone connections are above 100% around the globe, which is important with the rise of mobile commerce and app shopping.

Source: *World Bank, **Digital 2022 Global Overview Report





INDUSTRY GROWTH IN 2021

From an industry perspective, electronics is leading the way.

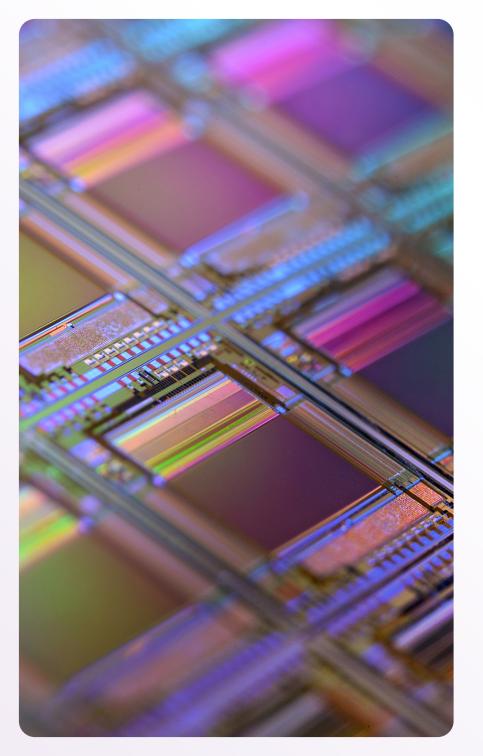
In 2021, customer online spending on electronics was around 1T USD, ranking in the top two industries alongside fashion. While the annual growth of e-commerce is less for smaller industries like food and beverages, electronics is set to maintain its position for years to come.

Source: Statista's Digital Market Outlook 2022



2 ON Trend

TRENDS THAT ARE SHAPING
THE ELECTRONICS INDUSTRY



ON Trend

Electronics is a broad category, but it is united by one thing: constant evolution. Brands don't just focus on the offers they have on sale right now; they are looking at the next generation of technology, and the one after that...

The rate of innovation is incredible, but so is the speed at which customer expectations change. Here are 5 trends shaping the electronics industry right now.



Omnichannel experiences



ROPO



Click and collect



Sustainability



Innovation

ON TREND

5 trends shaping the electronics industry right now



Omnichannel experiences

Deliver meta-experiences. Everything is hyperconnected and consumers expect high-quality interactions and seamless brand messages across all channels. This needs to be carefully designed and curated by brands, as 73% of shoppers say customer experience plays a key role in what they choose to buy.



ROPO

E-commerce is thriving for electronics brands but in-store is still an even more important sales channel than in many other sectors. Particularly with highvalue goods and dream purchases, 54% of customers say they enjoy a "research online purchase offline" (ROPO) journey. But it's not one-way traffic; 53% of customers will also happily check goods in-store and then buy online. By focusing only on one channel, you miss all these opportunities.



Click and collect

There's one more good reason to elevate both online and offline channels. 70% of shoppers have picked up an online purchase in-store. It's common across all branches of retail but is even more popular with electronics items which can have high shipping and delivery charges. Allow your customers the freedom they need to get the best deal.



Sustainability

We can't avoid hard conversations. All technological progress comes at some cost to the environment. Customers want and need innovations, but they now expect their choices to have more positive consequences. 43% of US consumers say that the environmental impact of electronics packaging is extremely or very important.



Innovation

We come full circle, back to innovation. While customers are driven by experiences and the impacts of their choices, the future is still shaped by the brands that are designing the world around us and the devices we use. The internet of things, 5G connectivity, artificial intelligence, and parallel worlds, such as the Metaverse, will reshape expectations and opportunities.



EXPERT COMMENT

"There are many ways to look at trends.

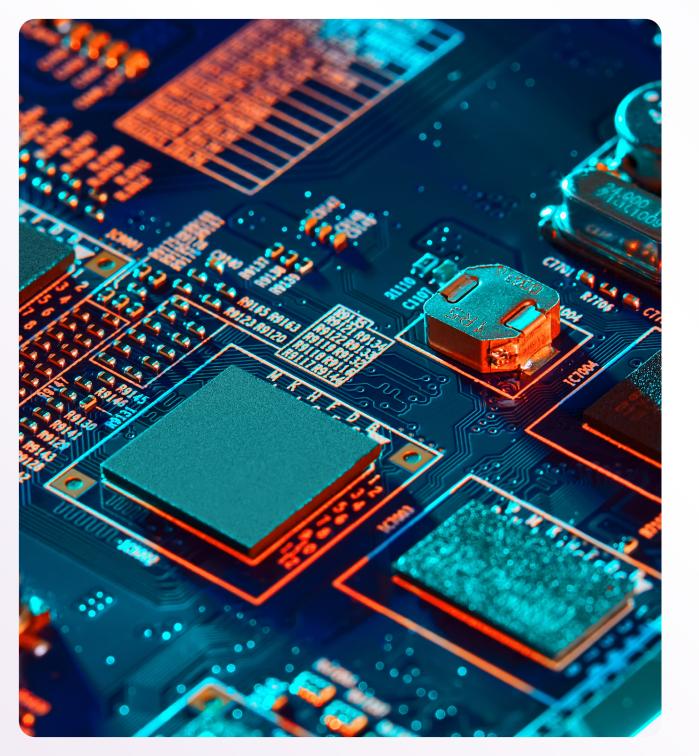
What is the market doing over the long term? What is happening right now? And what is everyone else doing to make the most of the opportunities? Good strategists take all of these into account during promo periods: looking for niche revenue streams while going with the overall flow of the market and what competitors are doing.

However, the very best strategists also ask: 'What are our competitors not doing?' They look for activities that competitors are missing in promotional periods as well as ways to enhance campaign performance. We always say that if your competitors are not working with us, they are missing out on Deep Learning technology, which is the most effective form of Al on the market – and there is literally nothing other solutions can do to bridge that gap."

Gordon Plomp, Sales Director Benelux, RTB House

3 The Importance of PromotiON

KEY DATES ON THE E-COMMERCE CALENDAR FOR PROMOTIONAL ACTIVITIES



The Importance of PromotiON

The electronics industry is not dictated by seasonality. Instead, it is governed by opportunity.

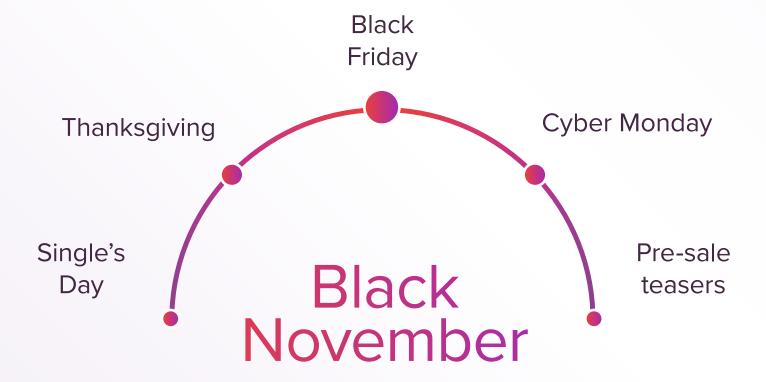
Great products can win over consumers at any time, but the major spikes in customer interactions with electronics brands are around major sales events throughout the year when shoppers are on the hunt for bargains. The biggest of those opportunities is the Q4 mega-sales season.

PROMOTION

Black Friday is becoming Black November

Black Friday remains one of the year's biggest shopping events in the Americas and many European countries. However, the idea of a single-day shopping event is dying out and being replaced by a full month of shopping opportunities – Black November.

In the US, Cyber Monday sees a 181% increase in add-to-cart actions from shoppers.



PROMOTION

Key dates for 2023

As we pass Black November and the holiday season, the new year ahead still presents plenty of new chances for electronics producers and retailers to reach out to consumers with compelling offers. Don't just look at the most obvious events and local opportunities: think globally and look at the full calendar of special shopping days.

7 Jan-28 Feb

Winter Sales

14 Feb

Valentine's Day

9 Apr

Easter

1 Jun

Children's Day

20 Jun

Summer Sales Start

Aug-Sept

Back to School

31 Oct

Halloween

24 Nov

Black Friday

27 Nov

Cyber Monday

24/25 Dec

Christmas Day

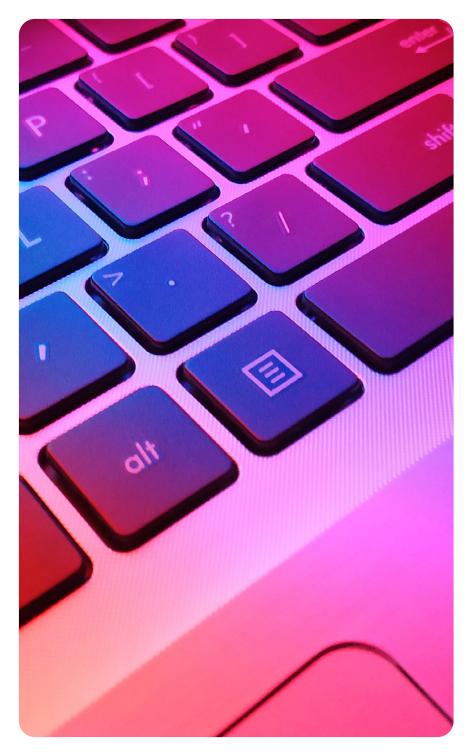
26 Dec

Boxing Day Sales

+ dozens of regional and country specific shopping days across the globe

4 Consumers Have Switched ON

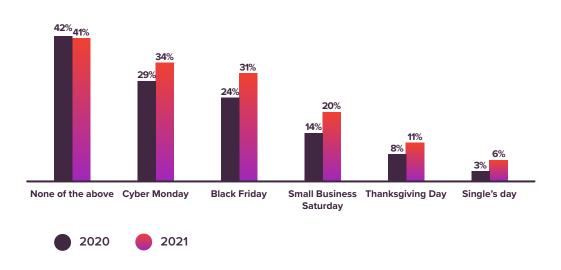
THE BEHAVIOR OF ONLINE ELECTRONICS
CUSTOMERS DURING SALES PERIODS



Consumers Have Switched ON

This year-round calendar of e-commerce events is changing customer habits. In the past, stores and consumers in the West built up to one major event, Christmas, months in advance. Nowadays, savvy consumers are more aware of the different opportunities to find bargains. In fact, just from 2020 to 2021, most sales events saw a 3% to 6% rise in shoppers.

Share of holiday shoppers by shopping event day



Source: Deloitte, 2021 Holiday Retail Survey (US market)

It's not just existing customers that are checking out offers. Studies have shown that:

more **new users** engage with brands during the Black November promotional season

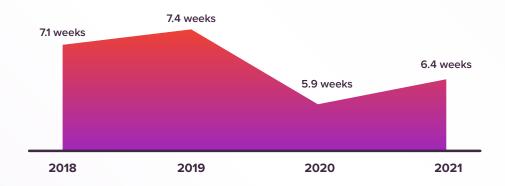
3.7x

more lapsed users, who have not visited websites in the 30 days prior to campaign launches, place orders during November promos

Customers are more engaged in shopping holidays and their habits change from year to year.

With the uncertainty around store openings in 2020, consumers started holiday shopping later. However, the numbers recalibrated in 2021; this new brand of aware online consumers generally start shopping six to eight weeks before the holidays.

Average Shopping Duration

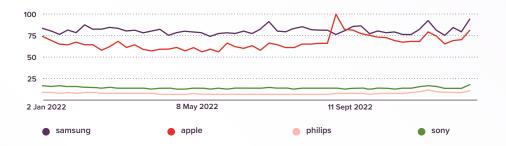


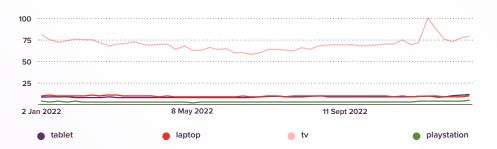
Source: Deloitte Retail Buyer Survey – Holiday Season 2021

Of course, this long lead creates opportunities for brands.

Searches for Black Friday start a full month before the actual day, so electronics producers and retailers need to have awareness ads ready weeks in advance and move to performance campaigns that allow consumers to add bargains to carts close to the promotion's start. Timing is everything though because there is no long tail. Once one sales event is over, consumer interest drops within days and they are looking for the next shopping holiday on the e-commerce calendar. Major shopping events dictate the volume of searches, while brands and products see very little change relative to one another.

Customers rarely switch from searching for laptops to TVs on a specific date. Instead, it is the sales calendar that creates a uniform spike for all brands and all categories.





Interest Over Time



Source: Google Trends, "black friday", 1/10/2022-31/12/2022

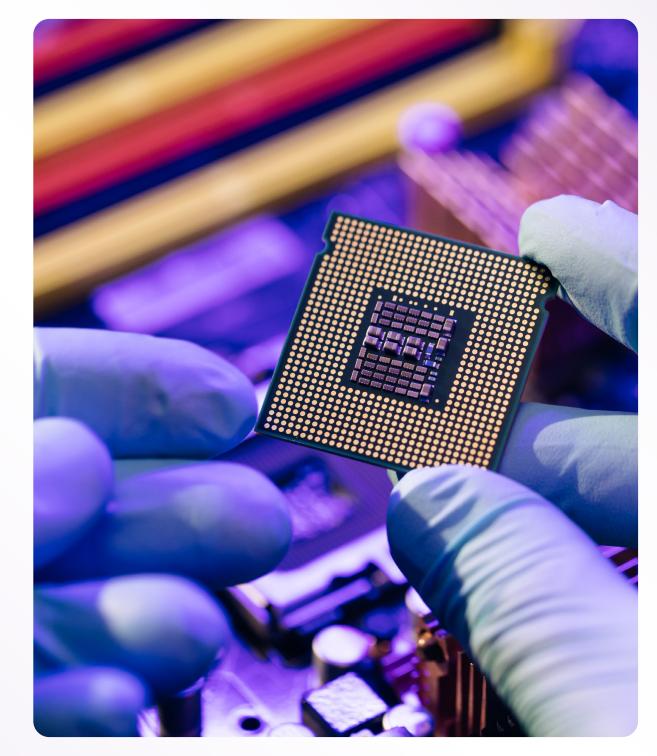
Source: Google Trends, 1/01/2022-31/12/2022

THE KEY MESSAGE FOR YOUR BRAND?

Innovate and create brilliant products

Focus on key events across the year to make the most of the spikes in customer interest. This is where retargeting is essential, as our internal data shows that, in 2022 alone, there was a 45% sales increase for retail brands around Black Friday.

No electronics producer or retailer can afford to miss that opportunity.





"Electronics customers are, by definition, usually more tech-savvy than in other domains.

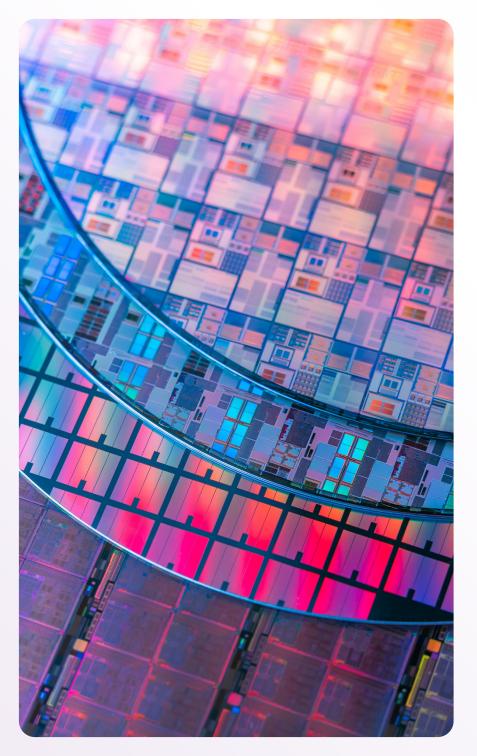
Particularly with phones and new devices, younger customers and tech lovers are hyper-aware of what is coming soon and when new products will be released. They are also constantly on the lookout for the best offers, as electronic products can be expensive. We see intensive searches before promo periods and high customer engagement. By the time the sales periods arrive, people know what they want, have a price point in mind, and often know where they will buy. So, it's no good just pitching ads to customers at the last minute. You need to be visible throughout the lead-up to a promotional period, otherwise, you'll miss these knowledgeable customers."

Roy Ben Ezra, Vice President of Account Management US, RTB House

5 Staying ON Top

STRATEGIES FOR MAKING

THE MOST OF PROMO PERIODS



Strategies for Making the Most of Promo Periods

There are different opportunities in different markets throughout the year. But there is one more difference that needs to be taken into consideration: every electronics brand is unique and will have its own goals.

There is not one single strategy for promotional events that can be applied across the board (or perhaps we should say, across the circuit board). We've identified three broad approaches to making the most of shopping events, based on the size of a business, its market position, and its growth trajectory.



Go with the flow



Grow above the market



Acquire new customers

STAYING ON TOP

Before you start planning for major events, think about which strategy best fits your needs right now.



Go with the flow

- Best for mature, competitive markets
- Balances discounts and margins for **stable return of** investments
- We provide expert daily flexibility on goal delivery (ROAS/COS/CPA)



Grow above the market

- A wide-ranging strategy to increase market share and get on top of minds
- High risk, high reward strategy to put pressure on margin and supply chain for solid results
- Should be bundled with large discounts to be really effective



Acquire new customers

- Many users wait months before making their first purchase
- Convert them for the first time during promos to **obtain future** loyal customers
- Prospecting scenarios can achieve these specific goals



EXPERT COMMENT

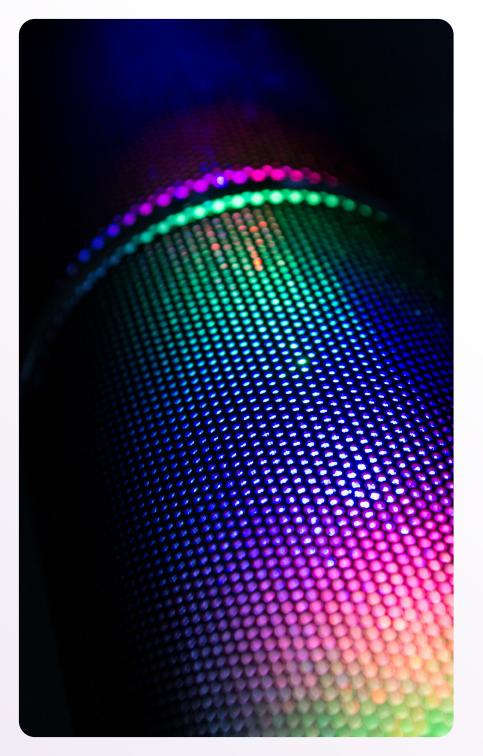
"Everything electronics brands need is right there in the data.

We know when people are starting their buying journeys, how they engage with brands, and when they make purchases. We can also clearly see when sales drop off and make strong predictions about the future of the market. Therefore, there's no reason for any brand to be unaware or unprepared for promotional periods. Our work at RTB House involves sitting with brands and finding ways to merge these overall trends with the specific needs of their business."

Jitka Zieba, Senior Sales Manager DACH, RTB House

6 Use Your Imagination

5 CAMPAIGN STRATEGIES TO TRY
IN UPCOMING SALES EVENTS



5 Campaign Strategies to Try in Upcoming Sales Events

Once you've decided upon your strategy as a business, you can choose your mix of personalized retargeting and pure branding campaigns. More about that later...

However, it's also worth thinking outside of the box. As every electronics brand is different, some tactics will be more effective for your brand than others. Rather than limiting your campaign to traditional activities, consider more advanced tactics that might fit your products and your business goals. Here are 5 types of campaigns that can be highly effective during promotions.



Reacquisition/ Reengagement Campaigns



Teaser Campaigns



Low Valuation Users Campaigns



Omnichannel Campaigns

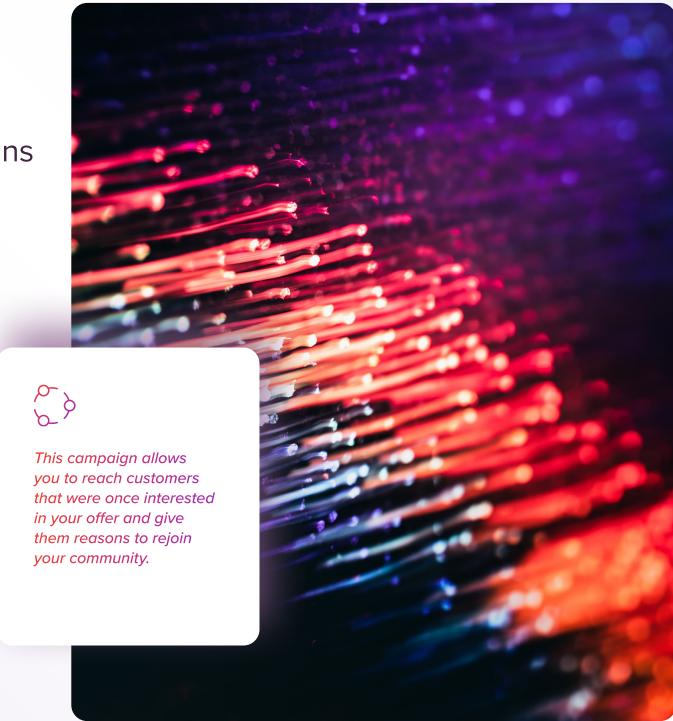


Featured Category Campaigns

1. Reacquisition/ Reengagement Campaigns

It is wise to take advantage of strong positive emotions to improve or regain customers' trust. All businesses have a group of customers that have been inactive for some time – the ones that bought something a while ago and never came back.

The Reacquisition Campaign uses historical data about users' previous activity to target those who have been inactive for a few weeks and show them products and services they might find interesting.



2. Teaser Campaigns

With this promo method, you can help people get ready for shopping events. Teaser Campaigns allow you to generate interest and excitement about forthcoming promotions or even product launches.

By promoting your services and products this way, you can be sure that consumers will be more positive about your brand when the moment comes to move to conversion.



3. Low Valuation **Users Campaigns**

Window shoppers enjoy browsing and comparing products, but don't often make purchases. They usually start to feel more pressure to buy on special occasions such as Christmas. With the right promotion, you can turn some of these users into active customers.

These so-called Low Valuation Users may not become frequent or high-volumes buyers, but they will still bring sustained revenue to your brand if you can engage them over a longer period of time.

Low Valuation User Campaigns can identify products and categories which are most frequently viewed by these users and find the right price point offer to turn them into buying customers.



4. Omnichannel Campaigns

During the holiday period, many users move through your shopping platform but do not always make actual purchases or come back to the website again. There are several reasons for this "bounce". Some are browsing for the best deals and find them elsewhere, while others are simply checking out so many different shopping destinations over the holiday period that they forget where they have looked before.

By leveraging the Omnichannel Campaign, you're making sure that you did all you could to promote your offer and encourage consumers to buy.



5. Featured Category Campaigns

A Featured Category Campaign allows you to bring more orders and revenue from chosen categories. You can analyze potential customers' activity and check what categories they are most interested in. With the right promotion, you can significantly improve your sales during promo periods.

This type of campaign can bring value to the business in a number of ways. You can use it to push products that have a high margin, or promote categories that generate the highest volume of sales, or even try and shift stock from slow-moving categories which is in danger of becoming dead inventory.





EXPERT COMMENT

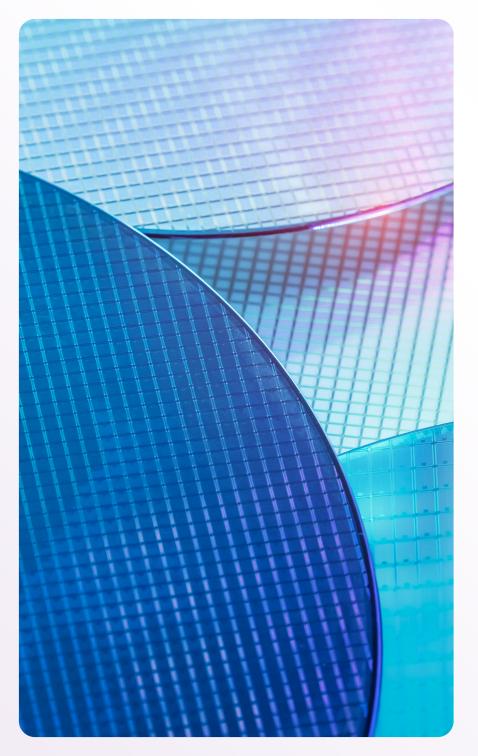
"Businesses often shy away from experimentation

because deviating away from tried-and-tested methods can seem like a risk — especially in key moments like sales periods. However, if brands only stick to the same tactics as competitors, they are unlikely to find the niche opportunities that unlock extra value or calibrate campaigns to their particular needs. Marketers need to find the right balance. It is possible to be bold and test new strategies, and without taking unnecessary risks. Firstly, identify what strategy you think will work for your business, then implement it in iterations. Start small and test the results. If it works, keep scaling up for as long as the strategy is successful and brings value. You can even test numerous sub-campaigns simultaneously and choose the ones that are most successful in real time, giving you absolute certainty that you are using the right tactics."

Owen Tyzack, Head of Commercial UKI, RTB House

How Electronics Brands Can Reconcile Branding and Performance

BRANDING AND PERFORMANCE CAMPAIGNS



How Electronics Brands Can Reconcile Branding and Performance

Wise spending of the campaign budget is essential. There are many types of campaigns but most marketing managers will be looking at two broad categories: branding and performance.

For consumer tech brands, it is important to choose the right one, or a mix of both, to get the most from promotional periods.



Branding Campaigns
Build Awareness



Retargeting Campaigns Keep Customers Engaged



Deep Learning Helps Maximize the Benefits of Brand Awareness and Retargeting Campaigns BRANDING AND PERFORMANCE CAMPAIGNS

Branding Campaigns Build Awareness

Branding campaigns can feel a little fuzzy compared to conversion-focused campaigns. The goal generally isn't to directly convert users (although a good campaign will drive some conversions). Instead, marketing managers should be looking to maximize campaign reach or the number of impressions and interactions with a given ad.

Done correctly, a branding campaign can help to forge deep connections with new and former customers, and increase the potential of users reacting positively when they next interact with a brand-thus leading to an eventual conversion.

Branding campaigns are particularly useful because they can target users which are typically missed by performance campaigns. You are able to introduce new users to your brand and boost brand visibility.

In a consumer technology context, this is all about reaching users who may not have heard of your product or brand. Let's say you're

launching a flagship phone with a killer camera, like the Google Pixel 7 Pro. Your brand isn't as well known for great cameras as Samsung's S22 Ultra, or Apple with its iPhone 14 Pro. This means that you need to educate users about the camera quality on the Pixel 7 Pro. The best way to do this is to reach users who have shown an interest in photography in the research or consideration phase.

While branding campaigns are not directly driven by ROAS, they generate a range of results. Looking to improve the visibility of its high-performance sub-brand, Excalibur, computer manufacturer Casper used Video Streaming Ads from RTB House to strengthen its position on the local market. The ads, which had an incredible 95.7% viewability rate, boosted clicks by 106% compared to other campaigns.

This kind of activity can influence both the short- and long-term success of the brand. However, while branding campaigns are about visibility and might increase conversion rates as a consequence, if you are focused on hard sales results, you should be looking at retargeting campaigns.





BRANDING AND PERFORMANCE CAMPAIGNS

Retargeting Campaigns Keep Customers Engaged

Let's assume that your branding campaign has been a huge success. You've got millions of eyes on your Pixel 7 Pro, and customers are seriously considering it as an option. How do you tip the balance, and ensure they don't go with a Samsung or Apple model? By ensuring that you have as many opportunities as possible to make connections with your customers.

The best way to do this is retargeting. You know that users browsed your site, or even placed a product in the cart and then abandoned it. Since you know that this user is interested, it makes sense to show them creatives that highlight the best of your products. Done intelligently, this allows you to show customers highly personalized content that will help keep moving them toward a purchase.

This type of campaign is more focused on results than branding campaigns. We are not only looking at brand visibility and awareness; we are counting how many people clicked on

ads, and how many of those users then got right through the purchase journey. At RTB House, the 2022 Return on Ad Spend (ROAS) for electronics brands was a startling 10:1, meaning that for every dollar spent, ten flowed back into the business. This is what we mean by performance.

Of course, we need to address the issue of third-party cookies. Traditional retargeting has relied heavily on cross-site tracking cookies to understand the behavior of specific users, and many people believe that strong results will not be possible in the near future when Google limits user-level cross-site tracking.

RTB House has worked closely with Google, and other stakeholders, on implementing alternatives for advertisers that retain the efficacy of traditional retargeting solutions.
RTB House has helped to pioneer a solution based on interest-group-based bidding that enables advertisers to retain the ability to target users without identifying any single individual.

The major challenge for most retargeting providers is that this new approach requires the ability to process much more complicated datasets, fast. There are a few ways to deal with this, but RTB House has something of an edge thanks to our Deep Learning algorithms.

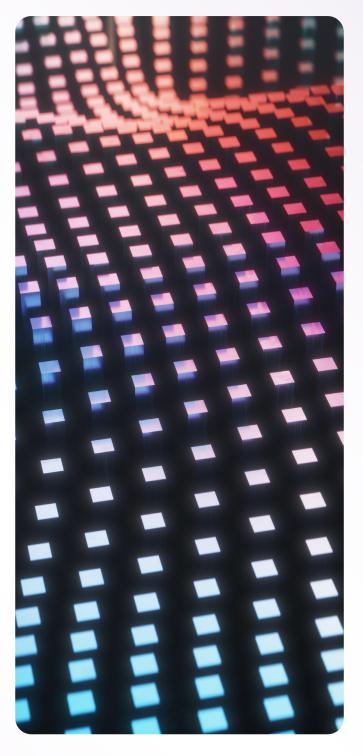
BRANDING AND PERFORMANCE CAMPAIGNS

Deep Learning Helps Maximize the Benefits of **Brand Awareness** and Retargeting Campaigns

Deep Learning is already at the core of every single one of RTB House's marketing campaigns. It represents an evolution in machine learning, with an algorithm capable of not just processing unstructured data, but actually learning to better process data without direct human input. Ad campaigns that find the best ways to make relevant impressions are up to 50% more efficient than those using standard machine learning.

It does this by breaking data into layers. Each layer is capable of creating an increasingly complicated insight. It can then autonomously use these insights to optimize and constantly improve any campaign, while marketing managers can also draw conclusions from the results and use them to create focused campaign strategies.

As we enter the cookieless world, this limited reliance on third-party cookies means we are a step ahead of competitors. Deep Learning is already able to take advantage of more diverse data sources to understand and reach potential customers and then make a bid for an ad that maximizes value. RTB House is already testing retargeting and branding campaigns using cookieless tools





"The world is hyperconnected and people are also strongly connected to the technology they choose.

Far from just being tools, users are fiercely loyal to devices and appliances from particular brands. This translates into a huge value over time, through generations of devices and innovations. However, you can never assume that a loyal relationship will last forever. Branding advertisements are essential both for getting your message to new people and for keeping your existing customers up to date-especially as the cost of losing a customer to a competitor increases if they become loyal to another brand and do not return. Finding the balance of awareness and performance ads is vital for electronics brands."

Agnieszka Gilewska, Business Development Director Poland, RTB House

8 It's ON the List

A CHECKLIST FOR CREATING CAMPAIGNS
FOR PROMOTIONAL PERIODS



YOUR CAMPAIGN CHECKLIST

It's ON the List

This small report covers a lot of ground. To make it easy, we've compiled this all-in-one checklist for running a successful online promotional campaign for your electronics brand



Use targeted ads with a higher conversion and a reduced bounce rate

- ☑ Target customer segments and categories with specific content that drives conversion
- with ease
- ☑ Calibrate campaigns to meet your expectations...instead of compromising your goals to the capabilities of lesser technology



Boost results from promotional activities

- ☑ Plan ahead for major shopping events, or create promotions on the fly
- ☑ Sub-campaigns for special offers allow you to better serve customers while ramping up revenue in real time



Make the difference with amazing creatives

- **☑** Electronics are not just about the functionality, the look and feel of products is just as important as how they work
- ☑ Online ads should also be perfectly packaged and highly designed
- ☑ Create eye-catching banners that stand out from the competition, utilizing Dynamic Creative Optimization (DCO) to curate ads and videos in real time direct from your product feed



Serve both online and ROPO shoppers

- experiences
- ☑ Serve customers who research online but purchase in-store
- ☑ No matter how people shop, make sure your brand and your offers are front of mind

YOUR CAMPAIGN CHECKLIST

It's ON the List



Leverage Deep Learning to outperform competitors



Target relevant audiences on safe placements

- **☑** Superior technology makes all the difference and drives greater results for business
- **☑** Deep Learning algorithms are the greatest evolution for online ad campaign results
- ☑ Find and target relevant users, display hyper-personalized content, make better product recommendations, and trigger client purchase decisions

- ☑ The RTB House ContextAl engine displays communications in the context that matters, placing ads on site with content relevant to your offers
- ☑ Our multi-layer brand safety mechanism filters out sensitive context that might harm your image



Reach different audiences

- ☑ Target active users, lapsed users, and brand new customers with different content
- ☑ Define the scenario that suits your needs or let our engine target the right audience based on Deep Learning and conversion rate prediction
- ☑ User tailored banners for each user, ranging from video to static banners, and hybrid options inbetween

- ☑ Set different KPIs for different types of users: from complete video views to final conversions
- **☑** Get insights about how the targeted audience flows down the funnel during the promo period



EXPERT COMMENT

"R&D is hard-coded into the DNA of any electronics brand.

Developing a new product is essentially a checklist of identifying what customers need now and what they will need in the future, then finding innovative ways to deliver. The checklist we've created for electronics brands is in that same spirit. We've spent hundreds of hours researching how to make the most of promotional periods and then developing a way that any brand can approach these critical moments in the e-commerce calendar with total confidence."

Karolina Klijer, Business Development Director Nordics, RTB House

9 About RTB House



About RTB House

We are a global company that provides state-ofthe-art marketing technologies for top brands and agencies worldwide. Our proprietary ad-buying engine is the first in the world to be powered entirely by Deep Learning algorithms, enabling advertisers to generate outstanding results and reach their goals at every stage of the funnel.

Founded in 2012, the RTB House team comprises 1200+ specialists in over 30 locations around the globe. We serve more than 3,300 campaigns for clients across the EMEA, APAC, and Americas regions, such as Casper, MEO, and Hoang Ha Mobile.

We partner with global retail brands, helping them to meet client needs during both sales opportunities and more challenging moments.

RTB House and the electronics industry

We work with producers and retailers around the world.

200+

Active campaigns for electronics brands

1.3%

Median percentage of site sales

0.8%

Average CTR from our electronics ad campaigns 10.0

Average ROAS from RTB House electronics campaigns

75%

Viewability for Pure Branding video ads



Contact Us to Turn ON Ads that Super-Charge Conversion Results.









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Email us electronics@rtbhouse.com

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