



in-store events

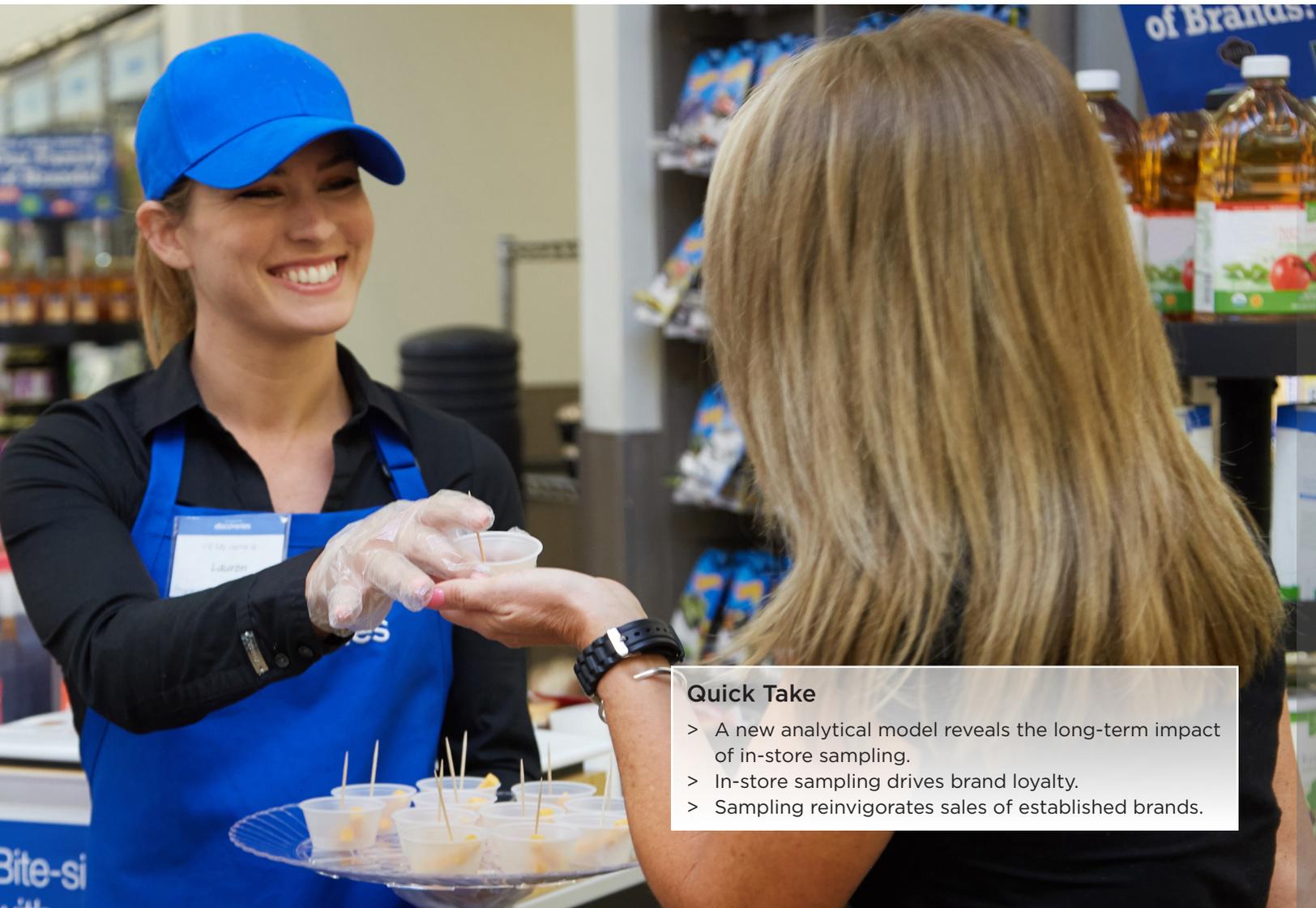
# Proof Positive

## Sampling Brings Long-Term Value

It's widely accepted that in-store sampling is effective from a short-term perspective — driving incremental same-day sales, unit movement, basket size and category growth. Advantage Customer Experience, the experiential marketing collective within Advantage Marketing Partners, sees average product sales and unit lifts

upward of three times on in-store sampling days compared to four weeks prior to the event.

It's easy to see why sampling converts on event day. First, sampling is disruptive in the most positive way. There's nothing like a live person to draw the attention of shoppers on “autopilot” and invite them to try



### Quick Take

- > A new analytical model reveals the long-term impact of in-store sampling.
- > In-store sampling drives brand loyalty.
- > Sampling reinvigorates sales of established brands.

an item. Second, it lowers the risk of having a bad new product experience. Third, it can inspire shoppers with a new recipe or solution, perhaps leveraging items already in their pantries at home. Polite reciprocity and the element of touch have been cited as factors influencing shoppers to purchase the products after sampling them.

Less understood and documented is the effectiveness of in-store sampling beyond same-day trial and sales. While it fundamentally seems that in-store sampling can — and should — drive long-term results, the industry has struggled to prove the tactic’s long-term value.

To address this, Advantage Customer Experience developed and conducted a proof-of-concept test on an analytical model that measures the long-term impact of sampling. The model used six months of pre-event loyalty data to segment shoppers who purchased the item on event day into three buyer groups: existing brand buyers, new brand buyers and new category buyers.

Then, 12 months of post-event loyalty data were analyzed to assess behavior change and long-term impact on shopping trips and product and category sales across these three groups. Most previous analy-

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ses on sampling effectiveness have not incorporated purchase history information and long-term behaviors after sampling. Access to various data views and a baseline helped ensure in-store sampling was causing the behavior change observed among the new buyer group, as well as quantify the impact.

The overall results of the test showed sampling was a strong trial driver and captured new buyers for brands — 88% of the shoppers purchasing on event day, over half of whom were new to the category. Just as important, the impact was a lasting one, as the brand repurchase rate among new buyers for the 12 months post sampling event was 78%. These new buyers purchased more than twice the sales volume of the existing buyers segment.

## The Value of In-Store Sampling

Segment Purchasing Item on Event Day	Event Day Impact		Long-Term Impact (Year 1)		
	% of Purchases	% of Sales	% Repurchase Rate	% of Purchases	% of Sales
<b>Existing Buyers</b> (Purchased brand 6 months prior to the event)	12%	13%	181%	45%	32%
<b>New Buyers</b>	88%	87%	78%	55%	68%
<b>New to Brand</b> (Purchased the category, but not brand, 18 months prior to event)	43%	38%	79%	33%	32%
<b>New to Category</b> (Purchased neither brand nor category 18 months prior to event)	45%	49%	60%	22%	36%
<b>Total</b>	100%	100%	NA	100%	100%



Events and data from multiple categories, such as yogurt, crackers, cookies, and beer and wine, were included to understand a holistic view of in-store sampling's long-term impact, as well as the differences across categories.

This work is prompting Advantage Customer Experience to partner with retailers to reconsider how they evaluate in-store sampling efforts. With the initial test confirming that the tangible value and ROI of in-store events go beyond sampling day, Advantage Customer Experience plans to deepen and expand the scope of the analysis. Incorporating additional factors, such as halo effect (purchases of other products from the brand, such as line extensions), will demonstrate even greater benefits of in-store sampling.

"Today's marketing budgets require more productivity, efficiency and effectiveness," Sherif Fahmy, senior vice president, business arts at IN Connected Marketing, says. "Marketers want to do more with less, so it's critical for us as their partners to have new measurement models that foster experimentation and ensure they will be getting the best return."

"As with other marketing strategies, in-store sampling and experiences are most powerful when they are solving a problem," echoes Andrea Young, president, Advantage Customer Experience. "Further, with the evolution of our models to be so data- and insight-centric, we are partnering at new levels with our brands and retailers to shape programming that is driving both great experience and great business return. This work by our team validated just that."



Advantage is a leading provider of technology-enabled sales and marketing business solutions designed to help manufacturers and retailers across a broad range of channels drive consumer demand, increase sales and achieve operating efficiencies.

## Key Findings

**The value proposition of in-store sampling goes well beyond event-day sales. It has a long-term consumer impact.**

In-store sampling drives newly converted shoppers to repeat purchase, setting the stage for brand loyalty. New buyers exhibited a 78% repurchase rate within the following 12 months and accounted for 68% of the long-term product dollars spent by sample-day item buyers.



**Beyond same-day product sales, retailers holding in-store sampling events benefit from short-term and long-term category conversion.**

Among the retailers studied, 49% of product dollars on sampling-event day were from shoppers new to the product category — and these shoppers had a 60% repurchase rate in the 12 months following the sampling event.



**Adult beverage in-store sampling helps drive change to shopping behavior, creating a new opportunity for retailers to capture category share over time.**

Advantage Customer Experience found 61% of shoppers who purchased an adult beverage product (beer, wine) on sampling day were new to the category and 84% of those shoppers purchased again at the same retailer within one year.



**In-store sampling can reinvigorate sales of well-established products.**

Sampling events offer an opportunity to reengage lapsed purchasers to experience the product again and add it to their ongoing consideration set. In one example, 88% of sampling day shoppers of a popular, category-defining snack had not purchased the product in the 18 months prior — and nearly 20% of them repurchased it within the next 12 months.

