



The retail marketer's essential guide to martech

How retailers can use marketing technology to take advantage of evolving customer trends and economic changes.





Retail means change. Hardly any other sector is experiencing changes as strongly as today's retail industry, which has undergone a significant transformation over the past decade and continues to evolve quickly.

Deloitte

Foreword

The retail sector is in an unusual place. Due to recent shifts in market trends and consumer preferences, retailers are forced to innovate faster than ever. On top of this, many organisations are still feeling the lingering effects of market volatility from previous years, as caused by the pandemic, supply chain disruptions and more.

Naturally, the uncertain nature of current economic conditions means that retail marketers are under intense pressure to deliver bigger and better results, such

as greater brand awareness, increased sales and higher return on investment.

However, with great change comes great opportunity. Retailers have learned much about resilience and creativity in recent years – and marketing leaders are embracing advanced martech tools and retail analytics solutions to help them take advantage of changes in the sector.

This eGuide will explore what these changes are, and discuss

how great martech can help marketers make the most of the opportunities that arise from evolving trends.

Katie Harvard

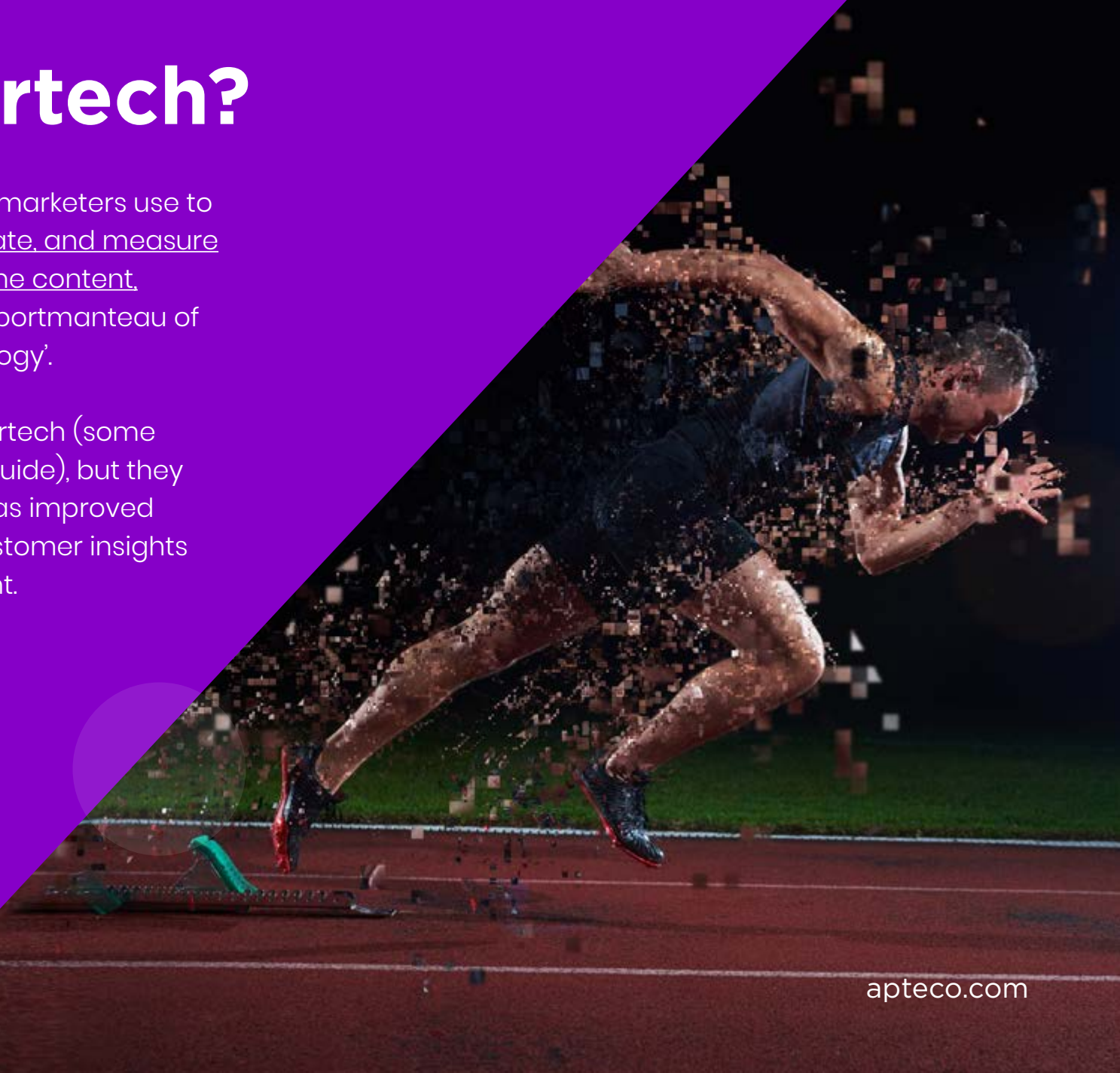
Group Product Marketing
and Brand Specialist



What is martech?

Martech is defined as the software marketers use to 'create, execute, manage, orchestrate, and measure the performance of online and offline content, campaigns and experiences'. It's a portmanteau of two words: 'marketing' and 'technology'.

There are many applications of martech (some of which will be discussed in this eGuide), but they all share the same benefits – such as improved marketing efficiency, enhanced customer insights and better organisational alignment.



What are the top retail marketing trends in 2023?

While retail executives continue to grapple with broader issues such as labour shortages and the 'last-mile delivery problem', retail marketing departments have a unique set of challenges to face.

These can be split into two categories:



Changes to consumer behaviour



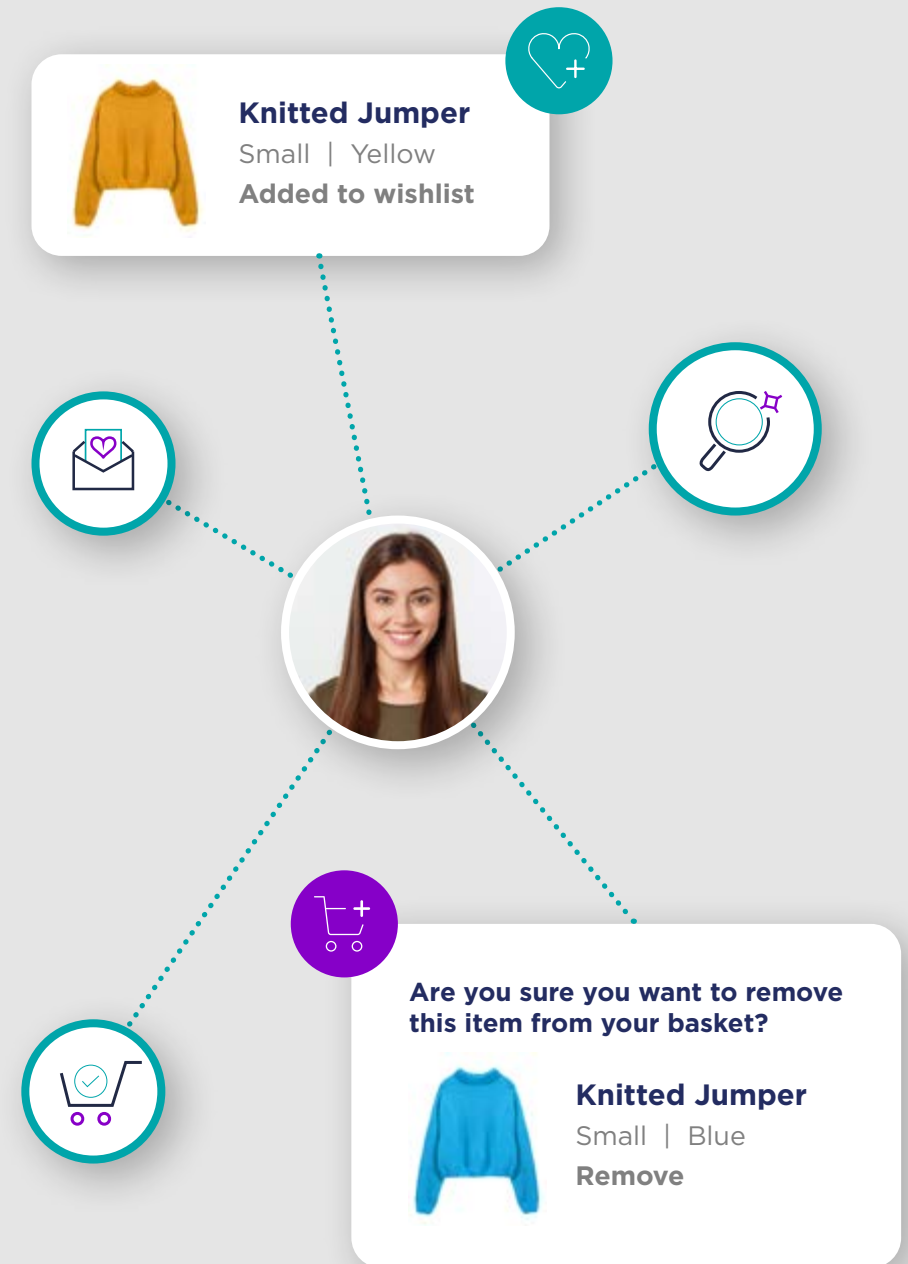
Changes to marketing practices

Changes to consumer behaviour

People are spending less, and less often

In response to economic uncertainty and price increases across all product categories, consumers are re-evaluating what 'value' means to them. According to [Mintel's Global 2023 Consumer Trends report](#), people are generally becoming more intentional with their discretionary spending and are interested in exploring, comparing and removing items from their shopping carts.

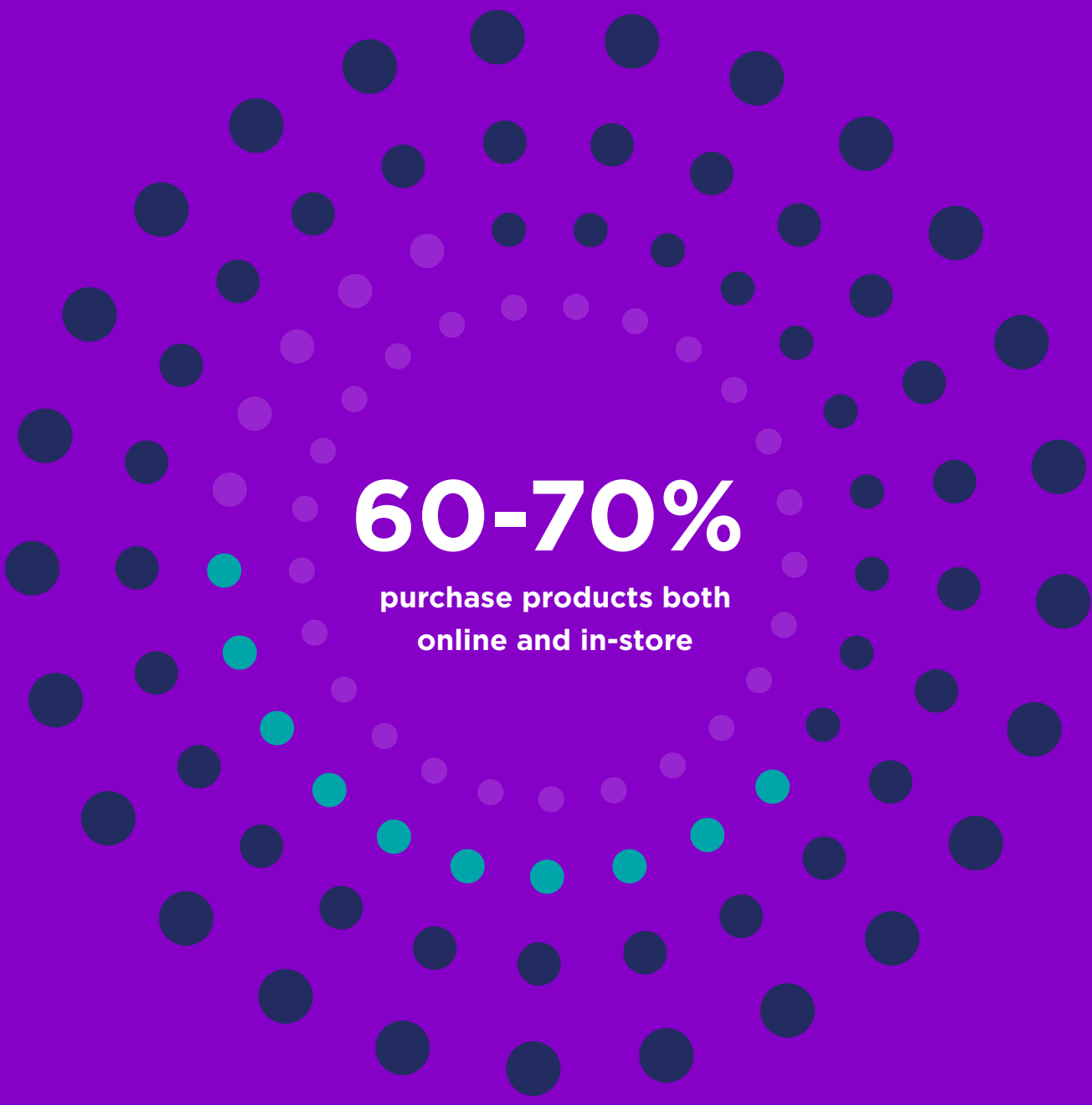
Although this trend cannot be controlled, marketers need to be aware of it. As [customers brace for higher prices](#), marketers will need to take their spending habits into account when sending them marketing messages.



Consumers are choosing hybrid shopping experiences

More people are buying products on the internet. In fact, Forbes predicts that [global e-commerce sales are expected to grow by 10.4% in 2023](#). But this doesn't mean that brick-and-mortar stores will be going away.

Retail spaces are becoming progressively more diverse, and omnichannel shopping is becoming the norm. According to McKinsey, [about 60–70% of U.S. consumers research and purchase products both online and in-store](#).



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online and in-store

Furthermore, [64% of shoppers say that they prefer hybrid shopping](#). This would explain the rise of 'showrooming', the act of visiting a physical store to simply 'experience' a product and then going online to purchase it.

The demand for blended shopping experiences is higher than ever. As more consumers continue to shop online, brick-and-mortar stores will play more of a supporting role – as branded '[third places](#)' that enhance your e-commerce presence, rather than as primary places of transaction. This has led to more complex shopper behaviours, making it harder for retailers to analyse and understand the customer journey. Retailers that are unable to seamlessly offer the best of both worlds are at greater risk of being left behind.



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Changes to marketing practices

The need for stricter consumer privacy

Many retailers are taking a digital-first approach, meaning they have invested heavily in digital technology and are more reliant on data as a result.

However, consumer privacy has also become an industry-wide concern. Retail cyberattacks are a frequent occurrence, and [public faith in brands' abilities to handle personal data has eroded](#).

As third-party cookies continue to be phased out by big tech companies, marketers [will need to use alternative forms of data](#) – including first-party transactional data – to create effective personalised communications.

Siloed marketing infrastructures

With the widespread proliferation of data, a key challenge for retailers will be to ensure that enough value can be efficiently derived from it in order to meet customers' growing expectations.

However, there are two main hurdles to this. The first is siloed data. Presently, most traditional businesses have separate, fragmented systems for nurturing potential customers, loading orders and processing invoices. Similarly, when a customer buys a product, gives a review or places a future order for a new product, all of that information is stored in different places. As such, [these data silos make it difficult for brands to pull the information together to deliver a unified customer experience.](#)

The second issue is the inefficient use of data. Retailers need to make the most of the richness of the data they already possess to provide personalised experiences. Otherwise, they may not meet customers' expectations, which can lead to frustration.

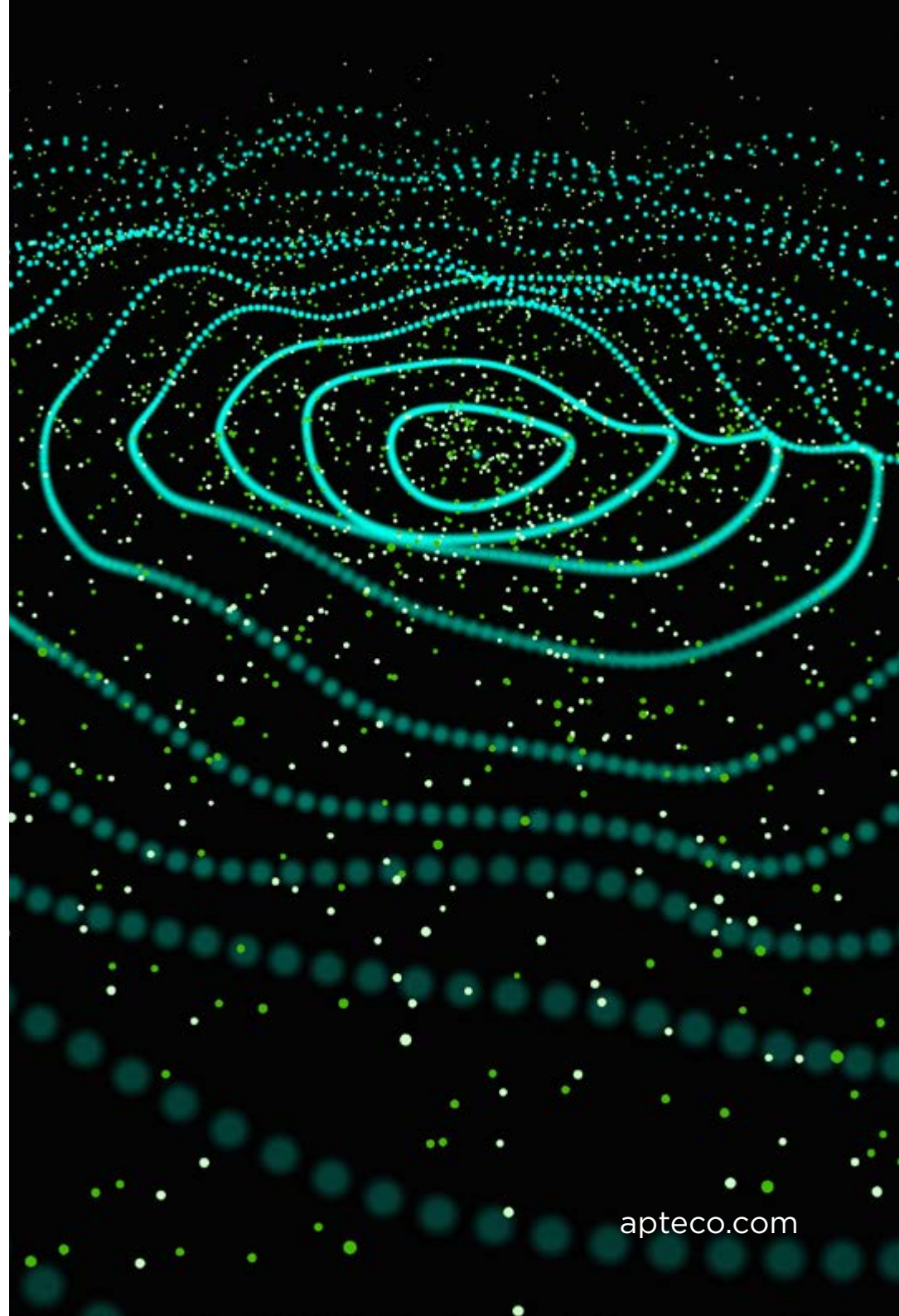
How can martech help retail marketers capitalise on these trends?

Optimise data management processes

When it comes to strategic marketing, data is certainly your most valuable asset – but only if it's accurate, up-to-date and accessible. Not ensuring that these criteria are met can severely limit the value of your data, which in turn can hinder your marketing effectiveness.

Data management tools such as [customer data platforms](#) (CDPs) can help you to gain a more holistic view of customer data. They work by consolidating behavioural, transactional and demographic data from multiple sources, ensuring that all of your insights are in one place.

By having a single unified view of all customers and operations, you can easily identify patterns, spot new opportunities for business growth and offer enhanced customer experiences.





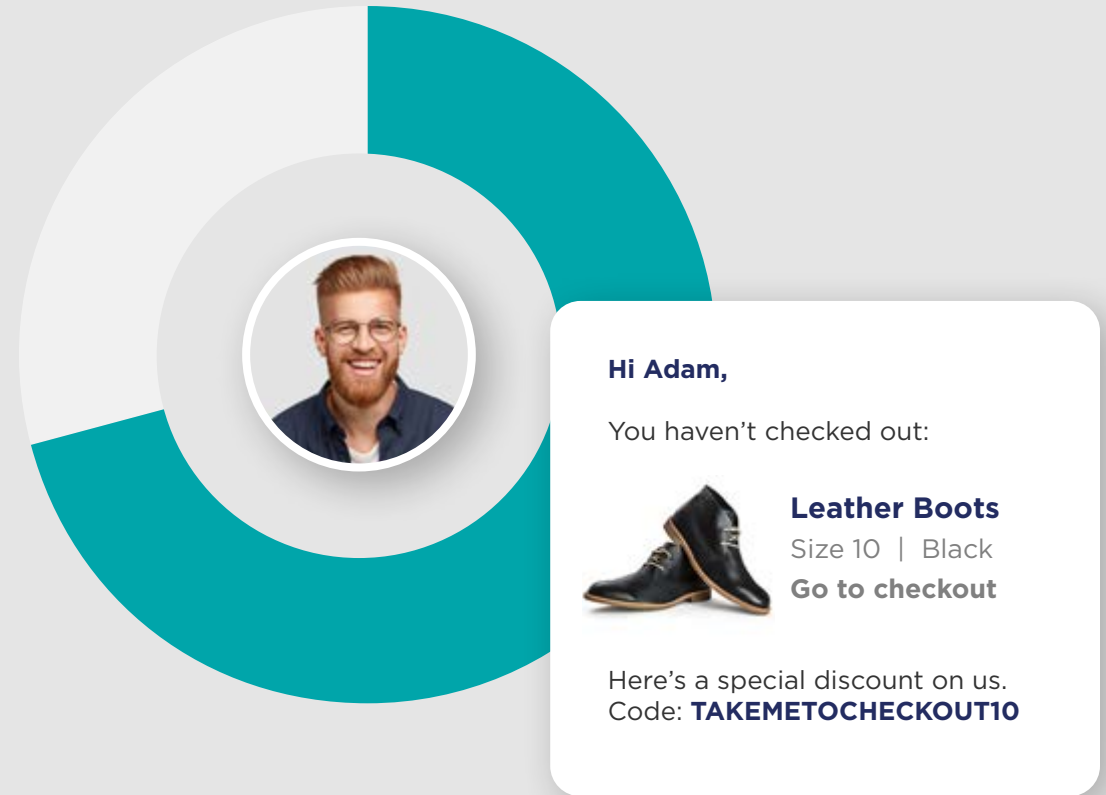
Find out how Greene King was able to extract rich transactional information and gain a better understanding of customer behaviour, resulting in a 200% increase in email engagement.

[**READ THE CASE STUDY**](#)

Supercharge your personalisation

Customers now expect a personalised experience when interacting with any organisation, and react strongly if brands don't deliver. [In fact, 71% of consumers expect a personal touch from brands that send them marketing messages.](#)

By leveraging the power of personalisation, businesses can influence purchasing decisions, increase engagement and drive more sales.

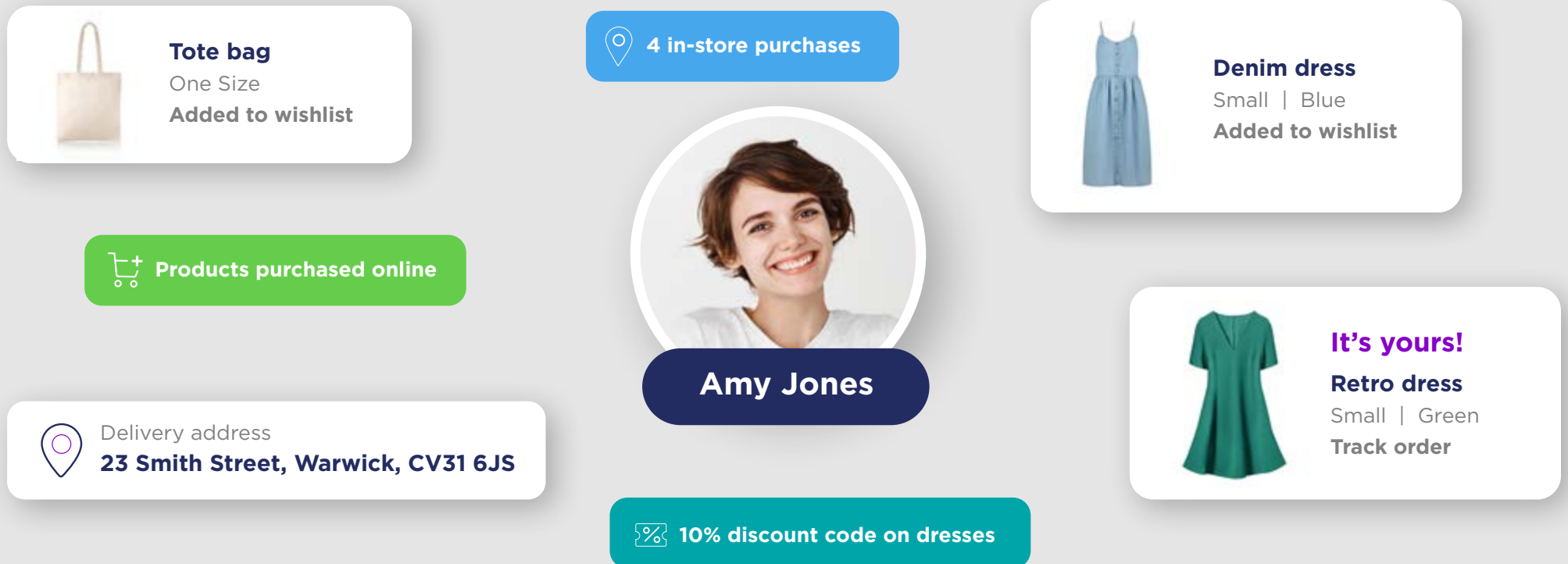


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One-to-one messaging is likely to become a bigger trend this year. To prepare for it, you may want to look at martech tools that help retailers analyse first-party data. This will allow you to launch personalised automated campaigns in real time (based on specific events, triggers and variables).

For example, you may use a customer's transaction history to predict the 'best next offer', or use their address details to send them store-specific discounts. The possibilities are almost endless. How creative you are with your data determines the level of personalisation you can achieve.



The Prezzo logo is centered within a white rounded rectangle. The word "PREZZO" is written in a black, uppercase, sans-serif font. The background of the slide is a dark blue overlay on a photograph of a pizza.

PREZZO

**See how Prezzo used martech to pivot
from a one-size-fits-all approach to a
one-to-one communications strategy.**

[READ THE CASE STUDY](#)

Leverage the power of omnichannel marketing

As more customers opt for hybrid shopping experiences, marketers need to understand how people interact with brands across various channels (e.g. advertising, loyalty and messaging apps, websites and social media) and deliver an integrated marketing communications strategy. Integrated marketing requires an alignment of marketing tactics across all channels to ensure that customers receive a consistent experience.

This is where omnichannel marketing comes in. Look for platforms that enable you to launch seamless, end-to-end campaigns with timely and consistent messaging across a range of channels. This will help you create a more cohesive customer experience, which will allow you to convert more one-time buyers into repeat customers.

AI-enabled marketing automation tools are especially useful in this case. They're designed to integrate seamlessly with your existing tools and platforms, allowing you to automate tedious tasks more easily. What's more, they grant you better control over your campaigns by providing you with real-time data – so you can promote the content your customers want to see, right when and where they want to see it.



NISBETS

**Discover how Apteco helped Nisbets
drive growth and transform the way
they engage with customers.**

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Improve campaign performance with predictive analytics

Retail marketers can't control or change consumer habits, but they can intelligently adapt to them ahead of time. Intelligent martech tools have predictive analytics capabilities, which allow you to take proactive, data-based steps toward improving your customers' shopping experiences.

These AI tools consider variables such as transactional history, customer demographics, product preferences and engagement patterns in order to [predict purchasing intent](#). By analysing a customer's past behaviour and building predictive models, marketers are able to:



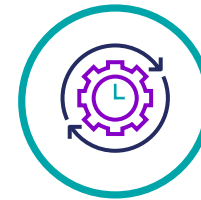
Identify the best prospects to target



Predict outcomes and identify up-selling and cross-selling opportunities



Send relevant, hyper-personalised marketing messages – increasing your chances of conversion as a result



Create efficient and agile fulfilment processes that allow you to stock products according to purchase cycles within your market



Read how Protyre used PWE models to determine propensity to buy and optimise its customer communications mix.

READ THE CASE STUDY

Capture valuable insights with customer journey analytics

The key to achieving business success lies in shaping the customer experience. By closely monitoring your customers' behaviour throughout their journey, you gain valuable insights into their preferences as well as the effectiveness of your marketing efforts.

With the help of a clever customer journey analytics solution that seamlessly integrates with your existing channels and data sources, you can process vast amounts of data related to your customers, including email open rates, customer feedback, website visit frequency, average spend value and even social media behaviour. You can also visualise insights, automate processes and optimise your strategies.



 **245 Clicks**

Jeans	£30
Leather shoes	£80
Jumper	£35
Belt	£20
Subtotal:	£165

 **97% open rate**

 **Active on Facebook**

How would you rate your experience?





**See how Apteco helped the team at
Greggs gain a true understanding of their
customers' behaviours and motivations.**

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Gain a competitive advantage with segmentation and targeting

To adopt a more customer-centric approach in your marketing strategy, segmentation and targeting are crucial. These tried-and-true processes enable you to better focus your marketing communications, leading to more efficient and cost-effective marketing activities that deliver relevant and personalised messages to your audience.

By using targeting and segmentation techniques, marketers can not only improve the effectiveness of their campaigns but also discover new customers, unlock new opportunities and outperform the competition.

Martech tools equipped with advanced capabilities such as cluster analysis work by segmenting your audience based on various factors like recency, frequency, or engagement. Clustering techniques look for patterns in your data, establishes common connections and identifies homogeneous groups for targeting. Additionally, marketers can take advantage of geo-marketing, which involves linking geographic locations with actual and potential sales data to provide deeper insights into customer behaviour.

You can segment your audience in a number of ways, including:



Demographic: by age, income and occupation



Psychographic: by interests, lifestyle preferences and opinions



Behavioural: by channel preferences and brand loyalty



Transactional: by types of products and frequency of purchases



Geographic: location by town, city or country



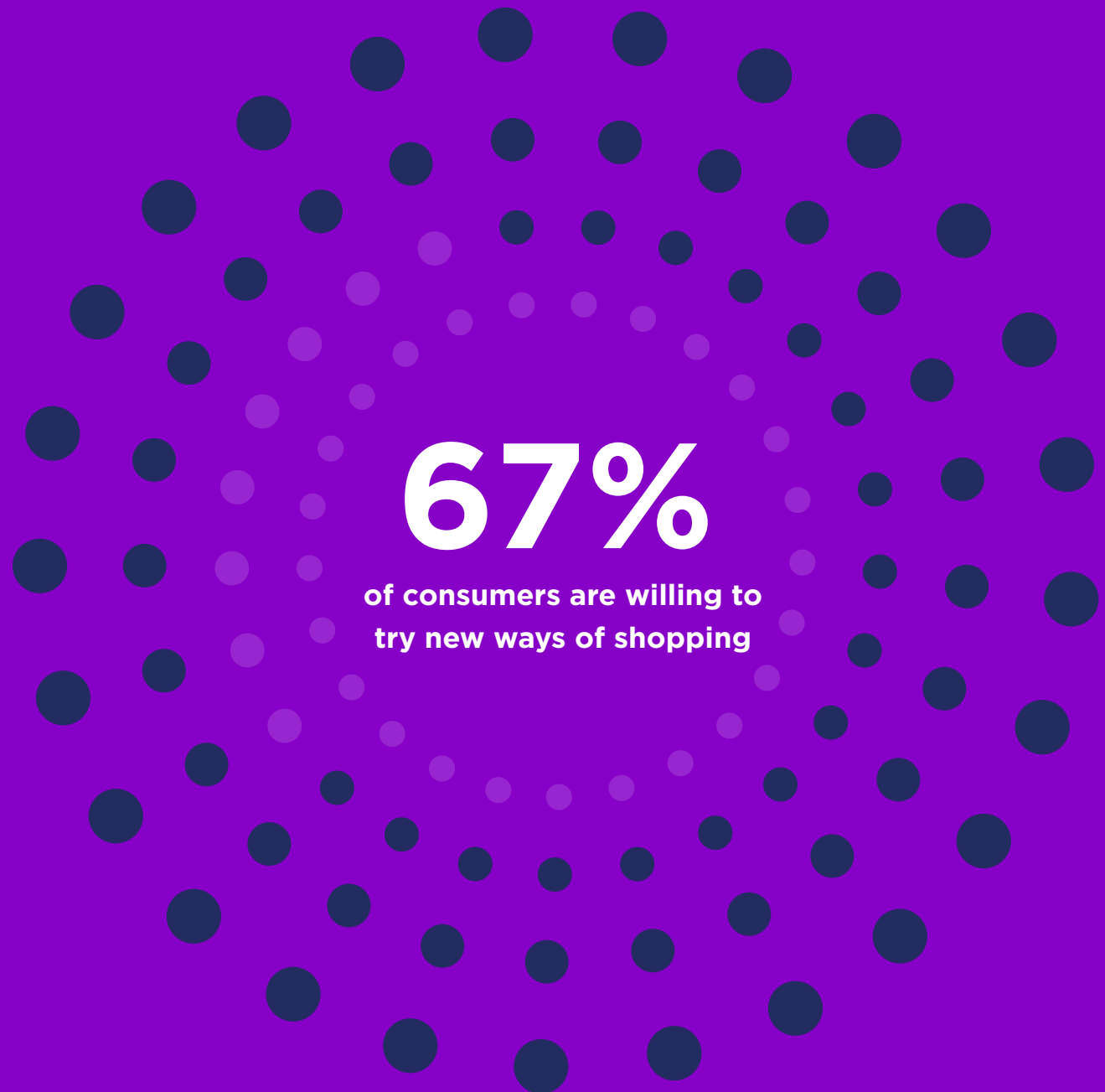
**Read how Canon was able to transform
its business through behaviour-led
segmentation.**

READ THE CASE STUDY

The only constant in retail is change

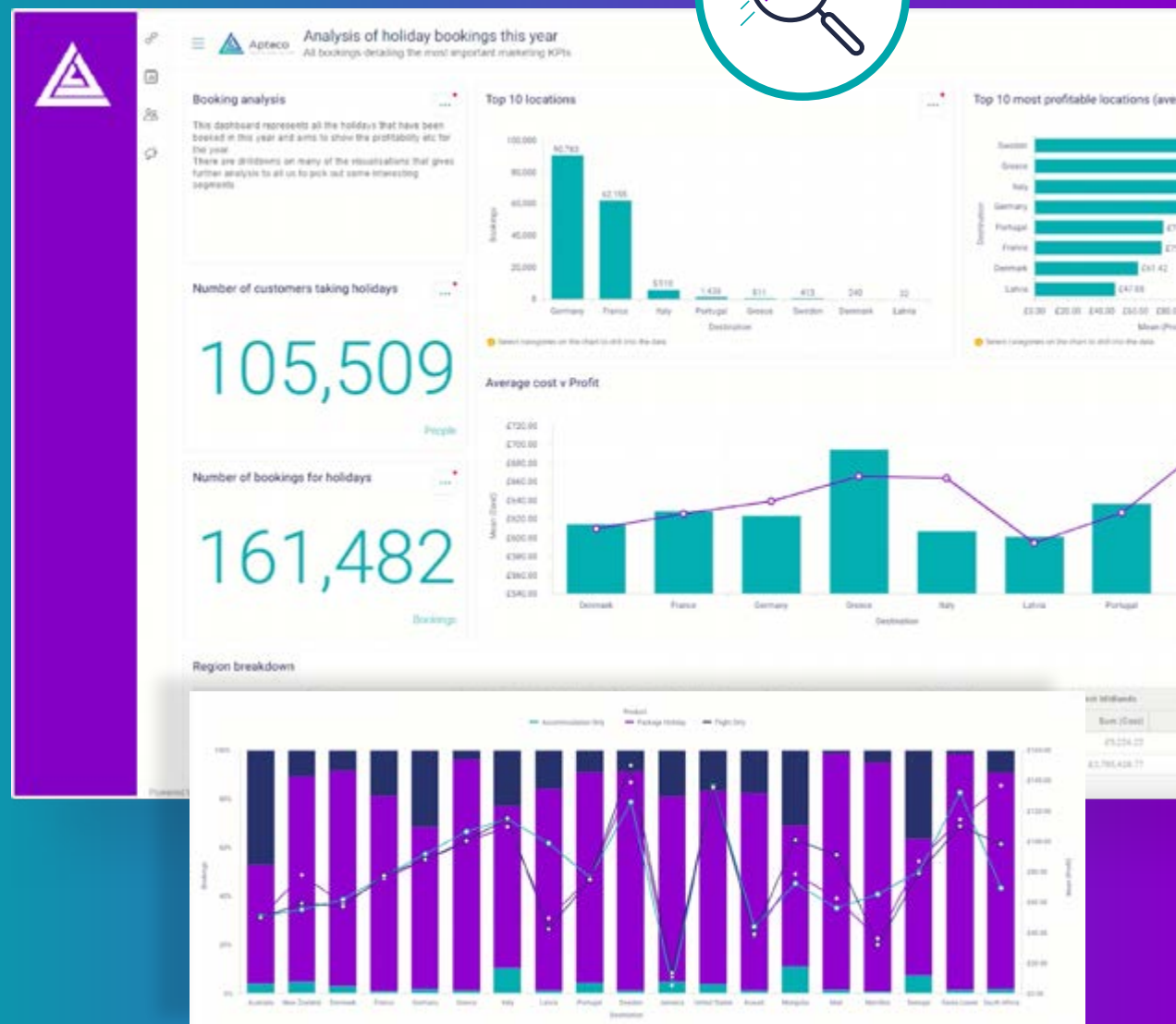
Trends come and go. Broader market conditions will always have the power to influence how your customers think, behave and interact with your brand. In fact, [67% of consumers are willing to try new ways of shopping](#), which shows that retail is constantly evolving.

However, this doesn't mean that retail marketers have to be blindsided by changes every time they happen. With the right martech tool to maximise the value of your data, you can future-proof your operations and pivot at speed.



Apteco's industry-leading marketing software gives you a fully integrated marketing solution that combines lightning-fast database technology with an intuitive user interface.

Our tools allow you to dig deep into your data to create highly targeted segments and track customer behaviour, then use this immediately for efficient campaign management and automation. We help you enable true multichannel marketing, with key channels integrated into one user-friendly platform, so you benefit from a closed-loop marketing approach.



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