



Building Shelf Awareness

Quantifying radio's last-minute influence for FMCG brands

Introduction

This study examines how exposure to radio advertising on the journey to the supermarket can help brands increase stand-out on shelf and influence purchase behaviour, and explores how these effects can be maximised through creative development and media planning strategies.

The report references new proprietary research conducted by Shoppercentric, a shopper insight consultancy with over 20 years' experience measuring shopper behaviour. Working with retailers and manufacturers (such as Unilever, Nestle, Muller, GSK, Danone, Reckitt Benckiser, Kellogg's, ASDA, Morrisons, Boots) Shoppercentric provides insight that enhances shopper experiences and enables clients to better communicate with them.

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Key take-outs

Radio's last-minute reach of shoppers boosts on-shelf visibility and purchase intent for FMCG brands

- **Live radio reaches 38% of people in the moment travelling by car to buy groceries** – 13x times greater than the reach of the next largest editorial media (on-demand audio and social media)
- **Radio advertising for FMCG brands that reaches shoppers during the car journey to the supermarket has a significant effect on purchasing decisions in-store**
 - Getting brands noticed: visibility on shelf increases by 11% among advertised brands
 - Reinforcing brand loyalty: purchase intent increases by 30% among repertoire buyers
 - Encouraging brand switching: purchase intent increases by 39% among non-repertoire buyers
- **Ad creativity is an important factor in driving these outcomes**
 - The best performers stimulate a stronger emotional response
 - Results benefit from creative consistency (i.e. construct, voices, music) over time and across media
- **These effects build on the broader impact of radio advertising** in boosting salience, relevance, and ROI for FMCG brands, especially when creative synergies are exploited.



Putting the learning into practice

The results of this study are evident: beyond delivering broader effects for FMCG brands in terms of awareness, salience, and ROI, radio offers advertisers a chance to exert last-minute influence over shoppers to increase visibility on shelf and drive purchase consideration.

How can marketers optimise these effects?

1. Up weight airtime around moments when people are travelling by car to buy groceries

By up weighting – rather than exclusively focusing – airtime around moments when people are in the car on the way to the supermarket, FMCG advertisers can harness both the last-minute influence of radio and the broader effects of the medium for brands in the sector. This is important because maximising weekly reach was identified as a key driver of return on investment in the *ROI Multiplier* study.

Radiocentre's *Context Targeter* tool uses IPA Touchpoints data to help advertisers identify relevant shopping journey occasions across the day. In parallel, the *Cover Curves Generator* tool provides top line coverage data based on campaign planning weights for a range of audiences.

2. Use distinctive audio brand assets consistently across media

Ebiquity's ROI analysis in *Profit-driving radio* demonstrates how closely aligning FMCG radio advertising creative with TV can increase ROI up to four-fold. In this study, the brands that performed strongest all benefited from long-running creative campaigns featuring distinctive audio assets.

Using consistent audio branding devices can help advertisers create a clear advantage over competitors: in *The Power of You* IPSOS revealed that audio branding is 3x as effective as visual branding on average but it is currently used by only 8% of advertisers.

3. Consider referencing the car journey creatively to boost effects

Radiocentre's *Hear and Now* study reveals how advertising that relates to activities that listeners are participating in is more engaging and memorable. Referencing the car journey to the shops in the radio commercial could boost radio's last minute influence effects and help advertisers benefit from an even larger uplift in visibility on-shelf and purchase intent.



Background and Objectives

Radio and FMCG advertising effectiveness

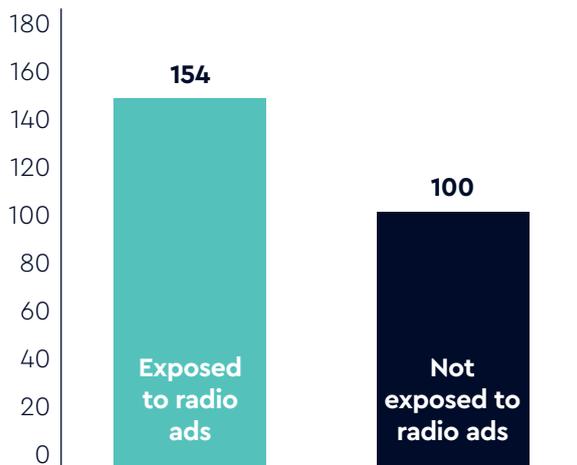
The traditional model of FMCG marketing is brand-led advertising to build salience and exert emotional influence over buyers. Previous studies highlight the significant uplift effects generated by radio advertising for FMCG brands within a wider media mix.

1. Increasing awareness and relevance

Radiogauge analysis of 169 FMCG campaigns reveals how radio advertising increases ad awareness by 54% and brand relevance by 15% on average.

Radio increases ad awareness by 54% for FMCG campaigns

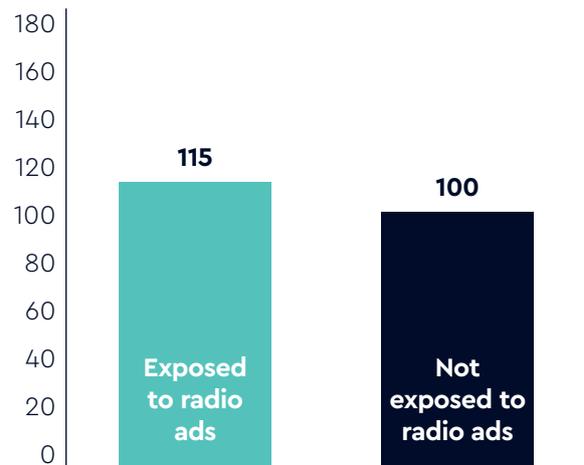
Average uplift in ad awareness, exposed to radio ads vs. not exposed to radio ads



Base: 169 FMCG campaigns; average radio spend £354k.
Source: Radiogauge from Radiocentre

Radio increases brand relevance by 15% for FMCG campaigns

Average uplift in 'this brand is for people like me' score exposed to radio ads vs. not exposed to radio ads



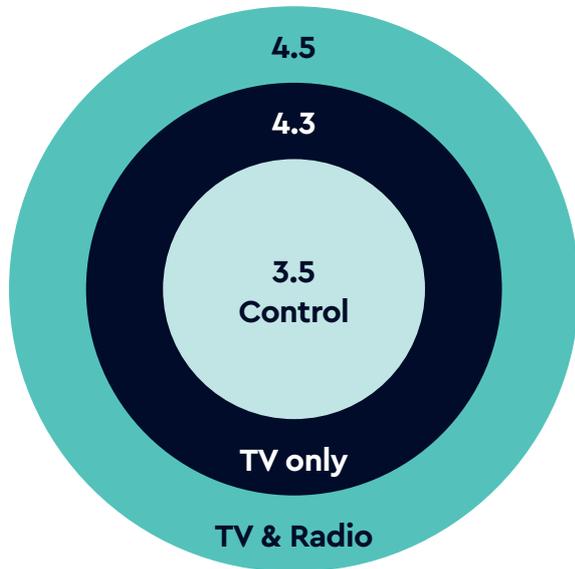
Base: 169 FMCG campaigns; average radio spend £354k.
Source: Radiogauge from Radiocentre (strongly agree scores)

2. Boosting brand salience

Radiocentre's study *Radio, the Brand Multiplier* revealed that, when added to the media mix, radio advertising significantly increases a brand's network of associations over TV advertising alone, helping FMCG brands spring to mind more readily when people are in buying mode.

Radio advertising expands a brand's network of mental associations further

Average Network Size across all brands



TV only vs. Control
+23%

TV & Radio vs. Control
+29%

Base: 2,732 category buyers making at least one association.
Source: d.fferento/ogy (2016)

3. Delivering return on investment

Radiocentre has conducted two studies exploring return on investment from radio: *The ROI Multiplier* and *Profit-driving Radio*. Both demonstrate the strong ROI from radio for FMCG brands that can be achieved when creative synergies are exploited. In the *ROI Multiplier* Study, the top performing FMCG brand achieved revenue ROI of £24.00 per £1 spend from radio, exceeding the best ROI performance of any other medium. Further analysis reveals the importance of creative synergy with TV in achieving this effect – and how allocating budget to radio increases total campaign ROI for FMCG brands.

FMCG best ROI performance by medium



Source: Radio, the ROI Multiplier

The challenge

With the average supermarket now featuring c. 25,000 SKUs (stock-keeping units), the competition on-shelf for FMCG brands has never been higher. On release of their recent report, *The Smart Shelf: Your Pathway to Winning in Retail* (Feb 2020), Nielsen encapsulated the increasing competitive challenge for brands in store.



Globally, **60%** of shoppers don't decide on which brand and product to purchase until they're standing in front of the shelf



On average, **41%** of brands in a category go unnoticed



Shoppers only spend **15 seconds** in front of any given shelf

The report concludes that *"when consumers are uncertain about their purchase choices, manufacturers have a significant opportunity to influence their ultimate decisions"*.

How radio can help

IPA Touchpoints reveals that live radio reaches 38% of people in the moment travelling by car to buy groceries, thirteen times greater than the reach of the next largest editorial media (on-demand audio and social media).

This means that radio presents FMCG advertisers with a unique opportunity to intervene and exert last minute influence on buyers to sway their decision making when standing in front of the fixture.

This study was set up to understand these effects in more detail, specifically:

- How exposure to radio advertising on the journey to the supermarket can help brands increase stand-out on shelf and influence purchase behaviour
- How these effects can be maximised through creative development and media planning

How the study was done

With a focus on how radio advertising can influence in-store behaviour, shopper insight consultancy Shoppercentric were appointed to run this project, bringing over 20 years' experience measuring shopper behaviour for retailers and manufacturers such as Unilever, Nestle, Muller, GSK, Danone, Reckitt Benckiser, Kellogg's, ASDA, and Morrisons.

Method

Shoppercentric use a range of passive research techniques, such as eye-tracking and emotional response recognition, combined with traditional questionnaires to capture both subconscious and conscious response to different shopping scenarios to help brands and retailers improve the shopping experience.

An important consideration was how to ensure that exposure to radio ads was consistent for every respondent to minimise variables. This would allow us to be confident that any effects were created by the radio advertising and not by other factors.

To address this, Shoppercentric developed a driver point-of-view video of a car journey to the supermarket featuring the car radio playing in the background, with advertising included as a natural part of the audio content.

This allowed for controlled exposure to the radio ads but also meant that they were heard indirectly, as they would be on a typical car journey. It also meant that the ads were heard in exactly the same context/stage of the journey by each participant so the only variable was the advertising featured.

Webcams were used to passively capture second-by-second emotional response and eye-tracking as the video of the car journey elapsed, and when participants were asked to observe relevant in-store shelf fixtures. Following this, participants were asked to complete a questionnaire to capture their conscious response to the advertised brands.



The test ads

To ensure that results were broadly representative, radio ads for four brands were selected from a range of grocery categories. Each category was chosen on the basis that it contained enough branded competitors to ensure fair and balanced results. In terms of brand selection, advertisers with relatively current radio ads that focused on brand rather than short-term promotional offers were selected.

Category	Brand
Breakfast Cereal	Weetabix
Beer	Fosters
Crisps	Tyrells
Tea	Yorkshire Tea

The four brands were split across two test cells and results were compared to a third control cell featuring two non-FMCG ads (Talk Talk; Lloyds Bank) to help isolate the effects of exposure to the FMCG brand advertising.

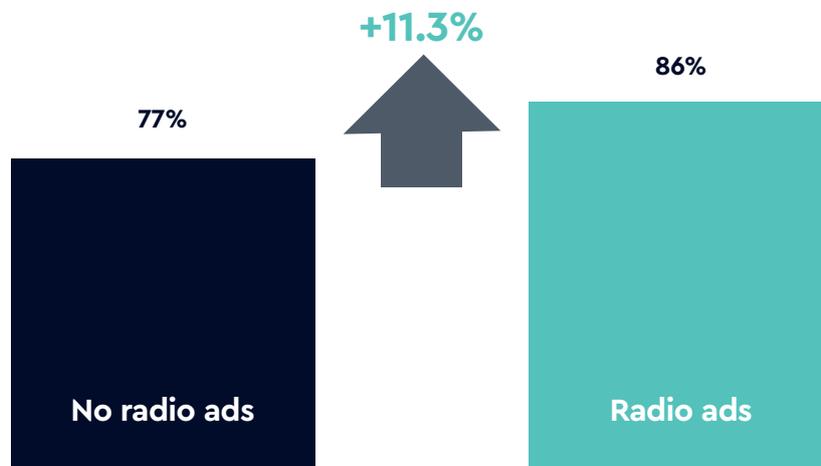
The total sample, matched across the three cells, was 300 nationally representative commercial radio listeners aged 18–55, all of whom were non-rejecters of the test brands.



Findings in detail

**How radio's last-minute reach of shoppers
boosts on-shelf visibility and purchase intent
for FMCG brands**

1. Radio advertising that reaches shoppers in-car increases brand visibility on-shelf by 11.3%



**% of respondents noticing advertised brands when looking at the relevant shelf.
Average across all brands (test vs. control)**

Source: Shoppercentric

Eye tracking analysis

In the background to this study we reviewed Nielsen's data revealing how most shoppers don't decide which brand to buy until they're standing in front of the shelf and how the limited time spent in front of each self leads many brands to go unnoticed.

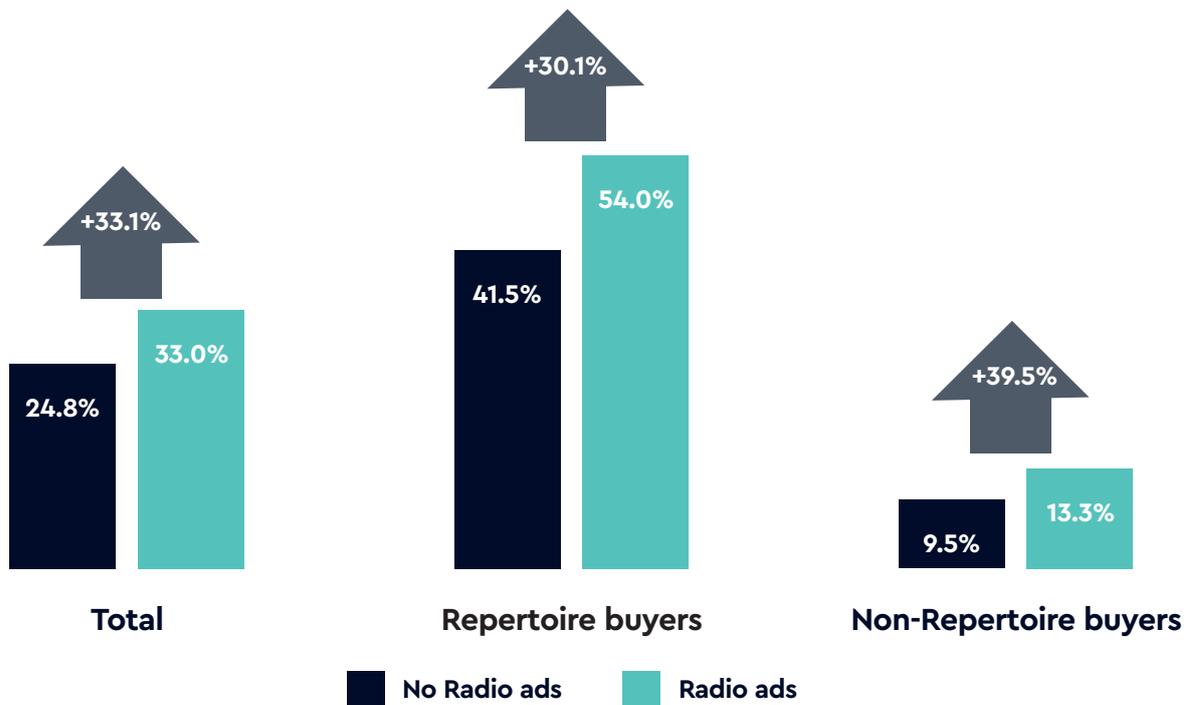
So how can exposure to radio advertising in-car on the way to the supermarket help brands overcome these challenges?

When asked to look at the relevant supermarket shelves following the video of the car journey, the passive eye-tracking analysis revealed that the visual attention of participants exposed to the test ads was drawn towards the advertised brands. On average, visibility of the test brands was 11.3% greater among the radio advertising exposed sample.

We can conclude from this that radio advertising primes shoppers to take more notice of brands they hear on the way to the supermarket. But what effects does this have on purchase behaviour?



2. Purchase intent increases significantly across all buyers, underpinning loyalty and encouraging switching



% of respondents claiming that they would buy advertised products. Average across all brands split by current purchase behaviour (test vs. control)

Source: Shoppercentric

Which of these products would you have bought from this shelf?

After looking at the relevant supermarket shelves relating to the test brands, participants were then asked which of these products they would have bought.

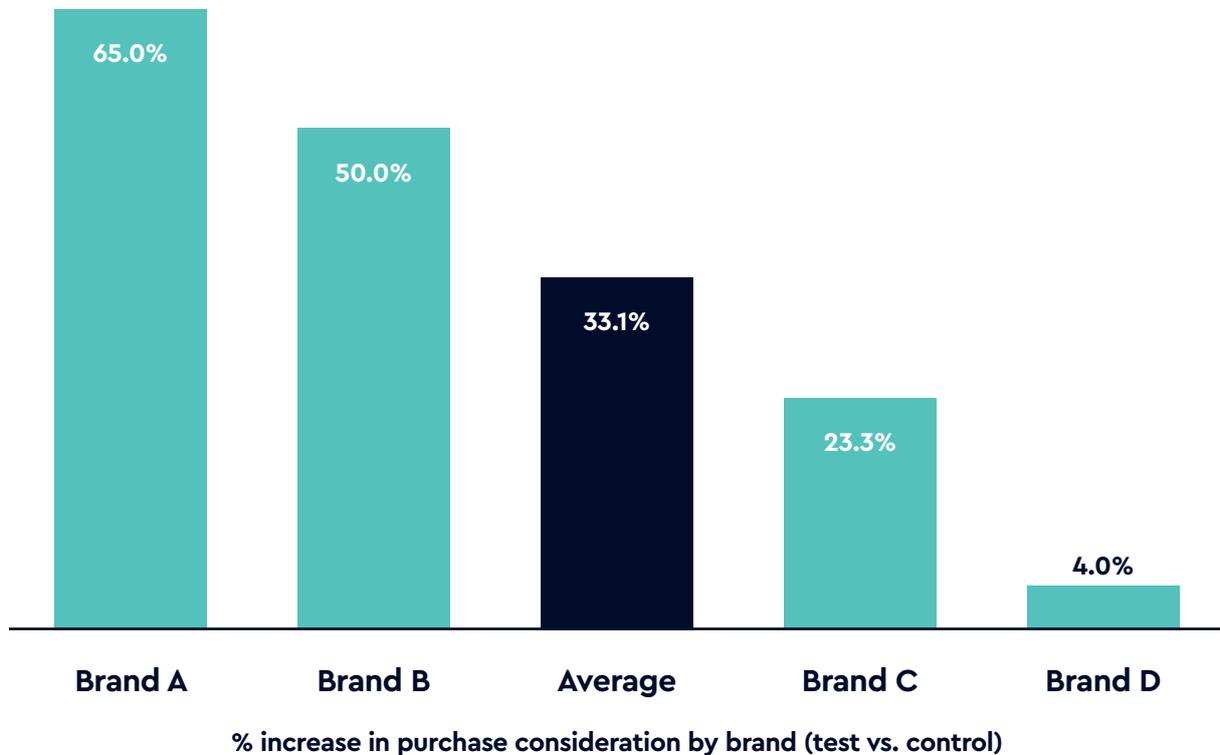
the shopping occasion can reinforce existing brand loyalty and, additionally, encourage brand switching.

The data shows that radio advertising exerts a significant and powerful effect on purchase consideration in the store environment, increasing overall intention to purchase by a third.

The IPA's *Effectiveness in Context* report highlights the importance of both new customer acquisition and targeting existing customers in optimising sales activation results for FMCG brands – so this is an important learning about the effective role that radio can play in helping to achieve this.

Interestingly, this uplift effect was equally powerful among participants who currently feature the test brands in their purchasing repertoire and those that don't (but who are non-rejecters of the brands). This suggests that exposure to radio advertising just prior to

3. Uplifts vary significantly across brands



Source: Shoppentric

Which of these products would you have bought from this shelf?

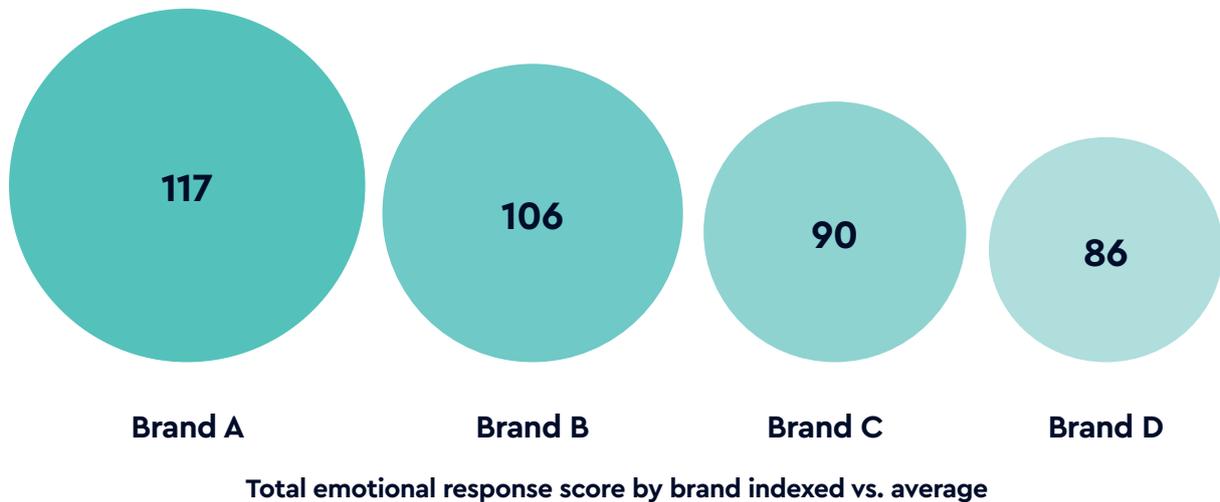
As with any study of this nature there were significant differences in effect by brand. While the average uplift in overall purchase intent was 33.1%, the top performing brand experienced an increase of almost double this at 65%. At the other end of the spectrum the brand with the lowest uplift only saw purchase intent increase by 4%.

This pattern of effects by brands was broadly consistent across both repertoire and non-repertoire buyers.

Clearly, a large degree of this variation will be attributable to category effects but advertising creativity may also play a role. What can the data tell us about factors that differentiate the better performing ads and what can advertisers learn from this to optimise results from their own campaigns?



4. The best performing ads stimulate a stronger emotional response



Source: Shoppercentric

Facial recognition analysis

In the IPA study *The Long and the Short of It* the authors highlight how emotional campaigns produce considerably more powerful long-term business effects than rational persuasion campaigns. Research company System1 have also demonstrated the link between strong emotional response to advertising and more effective outcomes.

To capture emotional response, Shoppercentric recorded the micro emotions involuntarily displayed on the face of each participant as they were hearing the radio ads. Micro emotions are the behavioural expression of neurological response and as such are made spontaneously – their neurological response base means they are universally common to humans regardless of race or culture.

As we can see from the aggregate emotional response score by brand shown in the chart above, the advertising that generated the strongest emotional response correlates closely with higher purchase intent.

FMCG advertisers often use radio creatively to promote rational tactical offers. This analysis suggests that radio effects could be enhanced through greater use of emotional messaging.

5. Established campaign ideas and distinctive audio assets help optimise effects

	BRAND A	BRAND B	BRAND C	BRAND D
CAMPAIGN IDEA	Established & easily recognisable multimedia campaign idea	Established & easily recognisable multimedia campaign idea	Established & easily recognisable multimedia campaign idea	New multi-media campaign idea
DISTINCTIVE AUDIO ASSETS	Consistent use of voice across wider campaign over time	Consistent use of characters across wider campaign over time	Consistent with ad structure across wider campaign over time	Voice/music used consistently across media within this campaign
BRAND PROPOSITION	Familiar brand proposition	Familiar brand proposition	Familiar brand proposition	Unfamiliar brand proposition

Structural analysis of radio ads featured in the study

Source: Radiocentre analysis

Further structural analysis of the radio ads featured in the test revealed that the three best performers were all strongly linked to and consistent with long-running and well-established creative campaign ideas.

This learning is consistent with findings from the Radiocentre study *Profit-Driving Radio* featuring analysis from Ebiquity demonstrating how profit ROI for an FMCG radio campaign was doubled when the creative work was more closely aligned with that shown on TV.

The effectiveness of consistent audio assets is further explored in the IPSOS *Power of You* study which reveals how audio branding is three times as effective as visual branding yet is currently used by only 8% of advertisers – suggesting that many more advertisers could benefit from taking a more strategic approach to using sound in their advertising.

Brand D was the exception in that it was a relatively new campaign to air. However, the use of audio assets consistently across media suggest that campaign effectiveness will improve over time if this strategy is maintained and the campaign becomes established.

References

The Smart Shelf: Your Pathway to Winning in Retail

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The Power of You

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Radio, the Brand Multiplier

Differentology, 2016

ROI Multiplier

Holmes and Cook, 2013

Radiogauge

DRG, ongoing

Context Targeter Tool

Accessible via Radiocentre.org

Cover Curve Generator Tool

Accessible via Radiocentre.org



About Radiocentre

Radiocentre is the industry body for commercial radio, working on behalf of stakeholders who represent 90% of commercial radio in terms of listening and revenue.

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