

Q&A: Gopuff on the role of retail media, consumers' reliance on instant deliveries

Article

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Insider Intelligence spoke with Andy Berman, vice president of Gopuff Marketing Solutions. Gopuff is a consumer goods delivery company, working to meet consumer demand for instant deliveries of everyday essentials ranging from groceries to cleaning supplies. In the past year, Gopuff partnered with Uber to bring everyday essentials to the Uber Eats platform. Berman

oversees all marketing efforts within the brand, and most recently helped launch Gopuff Ad Solutions.

Insider Intelligence: What are the key objectives with launching Gopuff Ad Solutions?

AB: We want to provide a more relevant, stickier consumer experience that helps our customers discover products that are not only supplied by national brands but also by regional and local brands.

Our main consumer base's media consumption habits are very different from those of older generations. They're watching less TV and streaming. The traditional media outlets are not necessarily ineffective but certainly less effective. If you're capturing our consumers on their phone at the moment when they're making a purchase, you have an opportunity to drive a pretty strong return for that brand.

II: What will the role of retail media be in the coming years?

AB: The ability to connect media to consumer behavior, build out lifetime value profiles, understand different consumer cohorts more deeply, collect data sets that ultimately can inform how brands go to market—all of that is strengthened by retail media.

Another enormous untapped opportunity within the retail media space is the ability to understand how the digital ecommerce consumer and the physical retail consumer interact with each other. How do you take the impression that is delivered in the ecommerce environment and use it to influence what somebody does in the physical retail environment? It's still the very early days, and I don't think the playbook has been written on that yet.

II: What retail technologies are you excited for Gopuff to adopt?

AB: You end up getting excited about some really funny stuff when you're in this space. One area of technology is around mapping and driver technology, particularly as Gopuff moves into more densely populated areas like New York City, London, San Francisco, and Los Angeles. The ability to route orders, drivers, and then also do effective order batching becomes important. Earlier this year, we acquired rideOS, which is a company focused on exactly those things—driver routing and order batching—specifically to make us stronger in that area.

Robotics is exciting too, particularly as you think about what the changing nature of the physical store will look like. There's a host of robotics technology that comes into play, as the technology is also pretty deeply connected to the retail media opportunity. Think about the

ability to identify a consumer when they walk into your store via any kind of location-based software. We've partnered to run pilot programs with some of the location-based services firms that can send their consumer a push notification onto their phone.

II: What have been some of the major shifts around instant deliveries in the past year?

AB: Gopuff was started in 2013, and we view ourselves as having pioneered entry into this instant-needs category. This was a consumer behavior that our founders instinctively knew about and capitalized on early on—that behavior was gaining a lot of steam before the pandemic. More than anything, the pandemic accelerated many behaviors that we had already been observing, but you saw an aging up of our overall demographics.

There were some surprises within specific categories like baby products and pet care growing rapidly during the pandemic. The baby category was one of the fastest-growing categories this year.