# A guide to in-store tech and how it can fuel omnichannel retail media strategies

**Article** 



With the majority of retail sales still taking place offline, marketers are rethinking the in-store experience, attempting to combine the reach of physical retail with the engagement of digital

channels via in-store retail media.

"Physical stores represent the next major media channel for brands, with leading omnichannel retailers experiencing 70% larger in-store audiences compared to digital," Andrew Lipsman, independent analyst at Media, Ads + Commerce, wrote in the Interactive Advertising Bureau's (IAB's) report, Quantifying Retail Media In-Store Success: Measurement & Innovation.

But an effective in-store retail media strategy is not just about adding more screens around the store. It requires having the technology in place to collect and analyze customer data, including where customers went in the store, how long they were there for, and what they did while they were there.

**Put it into practice:** Here are four types of in-store technology to consider and how retailers are already implementing them, per the IAB report.

## 1. Sensors

Visual sensors in retail stores gather anonymized data on customer flow and engagement.

They can track in-store ad views, the number of visitors per section, time spent, and product interactions.

- Shopping cart and basket sensors can also monitor shopper movements, revealing preferred paths, sections, and the overall time spent in-store.
- These can also be integrated with other in-store devices like screens to measure shopper exposure to certain ads or campaigns.

**Real-life example:** Using visual sensors, Grocery TV can activate ads when a customer comes near, but only when they've also been exposed to a digital display ad as well, which maximizes ad exposure and overall effectiveness. The sensors are able to monitor the duration and frequency of customer engagement with the content.

# 2. Beacons

Beacons and Bluetooth technology allow mobile apps to track customer locations and movement patterns within the store.

 Similarly, passive Wi-Fi can measure the number of customers within a zone by counting smartphones as a proxy.



 But unlike Bluetooth beacons, these require no mobile app downloads, so every smartphone is counted.

**Real-life example:** Best Buy's in-store beacon network deploys relevant ads based on shoppers' location within a store, triggering messages either at the entrance or by select departments. To ensure consumer consent, users get a push notification which, if they opt to open it, turns into a full-screen ad.

# 3. Screens, kiosks, and displays

Smart screens, which can be used on traditional physical surfaces like coolers or freezers, are adjusted based on engagement level, distance, and a shopper's dwell time. Meanwhile, interactive kiosks and displays provide customers with product information and even the ability to make a purchase, which retailers can use to collect data on the most viewed or purchased items.

**Real-life example:** Sam's Club has strategically placed screens at the entrance, refrigerated section, and payment areas of its store, as well as a floor projector. The club retailer also incorporates an anonymous biometric measurement system into its in-store tech, which helps it analyze the flow and demographics of customers.

## 4. Audio

Audio programming can be used on a store-by-store basis to execute location-based campaigns, driving shoppers to a specific product or venue feature.

Real-life example: Walmart is testing 30-second radio ads across its footprint, which advertisers can use to target a specific store or region, per CNBC.

"In-store audio is about connecting with customers wherever they are in the store—they don't have to pass the brand in the aisle," Whitney Cooper, head of omnichannel transformation at Walmart Connect, wrote in a statement.

**Level it up:** The beauty of in-store retail media is that retailers and brands can use the data they collect in-store to bolster their other retail media strategies.

Retailers can add in-store behavioral data (like customers who visited the cleaning aisle but didn't convert) to their customer data platforms, enabling them to retarget customers via their online sites or off-site channels (like social or connected TV), Ben Reynolds, vice



president of business development at digital signage provider Stratacache, suggested in the IAB report.

- The goal is to be present across every channel that customers can convert, Jill Cruz, executive vice president of commerce strategy at Publicis Commerce, wrote in the report.
- "The store is perfect for intercepting a shopper in buying mode, but now we're expanding advertising outside the store," she said, citing Publicis' tests with conversion-focused creative at Volta charging station screens across Ahold grocery banners.

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