

TARGETED PRODUCT SAMPLING

HOW TO BOOST BRAND AWARENESS AND EASE MARKET INTRODUCTION OF CONSUMER GOODS

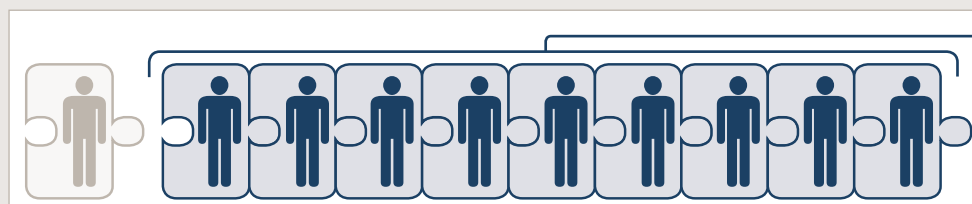
Increasing marketing costs and overheads mean that companies continually have to strive for marketing efficiency. But whilst exploring new and innovative marketing techniques can be risky, targeted product sampling has been shown to be an engaging and highly cost-effective promotional tool.

To be more effective, an out-of-the-box approach to marketing is necessary. Several studies as well as market experience have shown that sampling is a highly effective marketing tool. Unlike regular marketing efforts, sampling reaches customers' senses beyond hearing and seeing. A product sample can be smelt, tasted or felt, and is therefore perceived much more intensively. As a result, scatter losses are minimised significantly and the likelihood of subsequent purchases is much higher compared to regular advertising, so that a direct contribution to sales becomes evident.

There are a number of different sampling approaches; e-sampling for example is a more recent development. Customers have to redeem online vouchers, which they might have received with a random purchase, in order to get a free shipment of one or more samples. Alternatively, they receive a sample-coupon via e-mail which can be redeemed in a local store. Thus, companies not only reach their customers in a fairly focused way; valuable customer data can be gained as well leading to a much more detailed CRM database. However, e-sampling is limited by its effectiveness and can be relatively expensive. The focused target group may be online-averse, whilst mail advertising or newsletters are quickly considered as annoying junk mail.

The most common sampling approach is high-street sampling, where products are being distributed at public places or in-store. Random passers-by obtain a sample free of charge and might try it later on at home. Due to the very brief contact in a pedestrian zone or a train station for example, a brand can only be experienced in a limited way and people might be reluctant to seek further information.

Consequently, the aim should be to get your product distributed quickly to the targeted customers in the right environment, in order to maximise promising product trial and subsequent sales. Targeted sampling means that the potential customer gets a welcome surprise in a pre-determined outlet while the product sample complements their experience of the distribution outlet in a positive atmosphere. The customer gets the chance to study the product, test it on the spot, or take it home. Product samples are distributed through carefully selected and profiled distribution outlets, such as health clubs, hairdressers, fashion stores and similar places. Sample packs are handed out by the outlets' receptionists, sales assistants or other staff. In this way, an outlet is seen to be endorsing the product which strengthens its appeal and interest to the customer, while the distribution of only one sample per person is ensured. Furthermore, distributing at social outlets, like clubs or specific events, encourages an exchange of views, potentially reinforcing the brand experience through word-of-mouth marketing.



Reduction of scatter losses

e-sampling provides access to customer data

High-street sampling hardly provides additional product information

Innovative and highly effective Target Sampling

89% of German customers favour a personal recommendation – such as experience of a sample – as the most important source of information

Samples can be accompanied by information leaflets and other promotional material without pushing those on customers like in pedestrian zones. Additional point-of-sale material can be placed at strategic points within the outlets to strengthen the message.

	Distributed Samples	Aided sample awareness	Use of samples
Target Sampling	98%	60-90%	63-95%
Insert in newspaper	75%	30-60%	15-26%
Insertion through letter box	92%	25-55%	15-35%

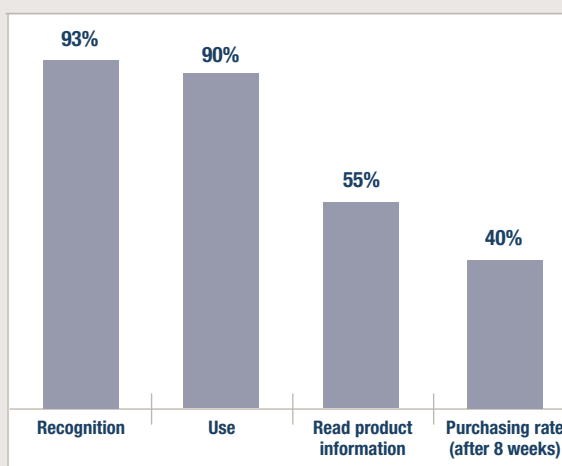
COMPARISON OF EFFECTIVENESS

Targeted sampling is highly attractive for the sampling outlet as well as a promising marketing activity for almost any FMCG manufacturer, especially for building awareness of new products. Time advantage in launching any new product is short. Competitors will soon emulate and follow into the marketplace with me-too products. Given that establishing a brand and capitalising on its investment must happen quickly to gain a competitive time advantage, the impact of marketing campaigns is of utmost importance. Maximum impact during the opening days and weeks of a launch can be achieved by creative sampling as a complementary activity to any big bang launch.

Targeted sampling supports new product launch by providing a competitive time advantage and a maximum impact

In one campaign example, the product launch of a deodorant, which was supported by sampling activity, tracking results showed that: 93% remembered the sample, 90% tried it, 55% read the attached information and a 40% purchasing rate was observed after 8 weeks.

To sum up, there is no better way to promote a new product than letting potential customers try it free of charge. The most persuasive aspect about your product is the product itself. In order to reduce scatter losses as much as possible and therefore benefit from the biggest marketing impact, targeted sampling appears to be the state-of-the-art sampling approach. It allows the most effective and cost-optimised penetration of your products into the target market while your brand awareness skyrockets.



TARGETED SAMPLING EXAMPLE: DEODORANT PRODUCT LAUNCH – POST-CAMPAIGN TRACKING RESULTS

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