

Takeaways from our Live Session on Kroger Retail Media Best Practices

By Russ Dieringer // August 29, 2023 // Research, Webinars

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Stratably hosted Bridget Marino from Tinuiti to share how brands can leverage Kroger retail media both offensively and defensively.

Key topics included:

1. Expectations as Kroger takes retail media in-house
2. Developing a strong base strategy to build upon
3. Framework for defensive strategies
4. How to go on the offensive

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Action items for brands:

1. Go deep with priority SKUs to improve advertising effectiveness and budget longevity
2. Ensure your campaigns are always on to improve ROAS
3. Be persistent with your Kroger rep to get access to retail media beta programs
4. Work with your national media team to test Kroger streaming opportunities to learn relative performance of driving traffic to Kroger versus DTC site

Here's what we found most interesting:

1. **Always-on campaigns outperform:** Campaigns that run 1-18 hours per day have an average ROAS of 5.0 compared to 6.4 for those that run 18-24 hours/day.
2. **Relationships matter:** Brands should develop strong relationships with their Kroger reps AND be persistent in asking them for beta opportunities. Brands that are less persistent seem to miss out much more frequently on these new activations, placing them further behind peers.
3. **Premium content:** Kroger hasn't prioritized the creation of A+-like content because its grocery shoppers are looking for a fast experience and are not doing the same type of research as when they're shopping for consumer electronics, for example. However, that makes product titles, images, and bullets all the more important to get right.
4. **2-4 months to build defense:** Challenger brands, new innovation SKUs, or first-time advertisers should plan on a 2-4 month period to develop a strong defensive position from which you can then launch offensive strategies (including the use of targeted onsite ads).
5. **Kroger in-housing self-service platform:** While no official word yet, the expectation is for Kroger to move its self-service platform in house before the end of the year. This is expected to unlock new tools and levers to complement the existing strategies and tactics that are working today.
6. **Digital coupons demand increasing:** Traffic to coupon pages is up 15% in the last month, estimated ahead of the rate of digital growth in total. Brands that are investing here are getting additional visibility as a result.