KEEN GUIDE

How to Maximize Your Holiday Shopping Marketing Investments

As the winter holiday shopping season approaches, brands are seeking ways to optimize their marketing budgets. With Americans expected to celebrate with family and friends, marketers have a valuable opportunity to attract consumers looking for holiday deals on flights, hotels, toys, consumer packaged goods and apparel- just to name a few.

To make informed decisions about their marketing strategies, brands can run scenarios to determine the contribution to revenue per channel and which will provide the highest return on investment (ROI). For instance, by comparing the effectiveness of social media ads versus television ads, they can decide where to allocate their resources more effectively. Tools like Keen can help marketers identify the best time to shift their spending, ensuring they target peak holiday shopping seasons but assuring they do not completely halt their advertising efforts during non-peak season time periods when reallocating budgets. Maintaining some level of marketing activity throughout the year is essential to retaining consumer awareness and market share, while safeguarding the long-term growth of the company.

To remain profitable outside of the upcoming holiday shopping season, consider the following strategies:

> **Know Your Consumer Traffic Patterns:** Analyze annual sales cycles, reviewing web analytics, seasonal keyword trends, and fluctuations in advertising rates. Identifying when your brand experiences peak consumer interest is vital.
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> **Use Short-Term Seasonal Tactics:** Employ short-term strategies during peak seasons to create a sense of urgency and encourage immediate action, driving sales within specific time frames.
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> **Adjust Peak Spending:** Determine the point of diminishing returns during peak seasons, allowing you to optimize your budget for each channel and week of your plan.
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> **Extend the Peak Season:** Expand the duration of your peak season by starting marketing efforts before the peak and continuing afterward, sustaining the buying cycle.
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> **Don't Go Dark:** Maintain marketing activities year-round to build awareness, stimulate sales, and ensure continuous brand equity.

These strategies can help brands achieve more consistent year-round growth, not just during the peak holiday shopping season.

The rise of retail media and how it will impact the holiday shopping season

Prior to the rise of online shopping, holiday shoppers would receive catalogs in the mail, see ads on TV and billboards displaying advertisements to encourage consumers to head to the mall and take advantage of holiday deals in-store. The rise of retail media has completely changed the way consumers shop. Now, more customers have shifted to online shopping, making retail media a vital channel for marketers.

Retail media presents a growing opportunity for marketers. The shift in consumer behavior toward e-commerce has highlighted the growth of retail media, with the retail media's share of marketing spend increasing from 5% to 30%. Loyal Guru reports retail media will be a $45B market in 2023, and will continue growing by $10B a year. Although including retail media as part of a marketing plan, it is imperative that marketers take an omni-channel approach and have the tools necessary that provide visibility into the interaction effects across all channels. Following this type of approach offers several advantages, including greater reach, increased profits and higher customer satisfaction.

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Is a "flighting" approach right for your business this holiday shopping season?

"Flighting" refers to a media purchasing strategy involving alternating periods of active ad campaigns and rest periods. Advertisers use flighting for two main reasons: budget conservation and taking advantage of peak shopping seasons (e.g. winter holiday shopping season). Flighting is commonly applied to television advertising, which can be expensive. Brands may not have the budget for continuous TV advertising throughout the year, so they opt for flighting. During the rest periods, brands still benefit from residual impact generated by the ads that ran during the flighting periods.

According to Keen's research, our findings indicated that longer hiatus periods can negatively impact profitability, but consistent advertising activity helps brands build equity and recover potential profit losses.

When implementing a flighting strategy, brands should consider the opportunity cost of reallocating saved funds elsewhere compared to the net profit lost during flighting periods. The Keen Platform can assist brands in running different scenarios to make informed decisions about your budgets efficiently and rapidly.

> **In summary, as a marketer there are countless choices that need to be made to assure your brand is profitable during the holiday shopping season and throughout the year. Keen can help marketers make the best data-driven decisions possible and predict the best path to creating both short-term and sustainable value.**
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> **Learn more about how Keen can support your decision making by contacting us today!**

About Keen Decision Systems

Keen Decision Systems is a high-growth SaaS company that helps FORTUNE 500 and other marketing leaders make data-driven decisions, tie them to financial impact, and create long-term value across the board, including for shareholders. Keen's software lets marketers run scenarios to achieve their growth goals, driving a 41% improvement for clients over the past 52 weeks. Based out of North Carolina's Research Triangle Park, Keen manages $2 billion in marketing for major brands under Church & Dwight, Bush Brothers, Bayer, Liquid Death and Bumblebee Foods, among others.

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