



### **3 Key Takeaways from WPP Commerce 2020: Real Connections, Convergence and Metrics**

The recently wrapped [WPP Commerce 2020](#) event in Miami was a great look into how the retail industry is dealing with powerful forces of disruption. Technology and ecommerce are shifting the way many brands do business, but traditional retail still has a place in the present, and the future.

Throughout the two-day event, several key themes emerged that should prove valuable to retailers, brand advertisers, and agencies as they navigate this new era of commerce and look to maximize their interactions with consumers. Here are some of the compelling conversations that emerged from three insightful days in Miami:

#### **Real connections still matter**

Brands have more media options available for advertising than ever before, and the rise of programmatic ad buying has brought a great deal of efficiency and scale. The simultaneous growth in ecommerce, fueled by the popularity of services like Amazon Prime, means that products can be bought online and reach consumers in 48 hours or less. A behavioral signal can trigger a targeted ad, which a consumer clicks through, purchasing a product without ever holding it in their hand until it arrives at their door.



While this is convenient for brands and consumers alike, it feels less personal. Consumers who buy based on convenience will likely continue to do just that, picking the easiest or cheapest option, regardless of the brand. There is no real connection.

The industry defines “connections” as social posts, influencer content and engaging digital units. These don’t necessarily create an emotional tie to a product, or brand loyalty and curiosity.

The conference emphasized the importance of going beyond the industry definition of “connection” and creating real, face-to-face connections. J. Walker Smith, Chief Knowledge Officer at Kantar Consulting, explained that 60% of people want to spend more time disconnected from their devices. Last year, he explained that 90% prefer personal connection over material items. Technology can only take us so far to cultivate connections. Online retailers like Amazon, Warby Parker and Casper understand this, and are opening brick and mortar stores to create better kinds of experiences.

Throughout the conference, speakers advocated for connections built on real eye contact, real conversations and real experiences. It’s clear that brands should make human connection a core part of their strategy, putting their products in the hands of consumers and building those relationships, rather than defaulting to convenience.

### **The future is all about convergence**

While brands have more media options than ever before, the number of agencies that they turn to for managing that media will dwindle, with shopper marketing agencies possibly disappearing within the next five years, according to the session, *Retail Unfiltered: The Emergence of Retail Digital Platforms*.

In the past, Shopper Marketing may have had a separate budget than the national brand, but in an era where consumers are looking at their phones outside the store and inside, it doesn’t make sense to keep budgets within siloes. Budgets are shifting across the board, as trade budgets now become part of national support media. Every brand present at WPP Commerce 2020 made it clear that their goal is to sell products, which requires different disciplines – supply-side, logistics, and promotion management, to name a few – to work together on a holistic plan. Of course, this holistic approach means there isn’t quite the same separation of media approaches, which is why some believe that agency duties will converge into a single entity as well.

### **A need for more metrics**

As brands look to build connections with consumers, they’ll need to start measuring things beyond just the sale. The summit made it clear that branded impact metrics are incredibly important for brands looking to grow loyalty and better understand how their advertising performs. Rather than simply measure sales, brands were talking more and more about the need to understand a consumer’s likelihood to recommend a product and likelihood to make an offline purchase, to name just two metrics.



Another facet of the metrics conversation emerges when brands start looking at the convergence of ecommerce and retail. Speakers made it clear that there are metrics issues created when different parts of the marketing agencies and different agencies are looking at different elements of a campaign. But as ecommerce and retail converge, the internal structures need to centralize as well.

Right now, shopper marketing agencies think only about sales, and not brand lift. Other organizations have access to different slices of data, like surveys, or content responses, but they aren't using it. The convergence of ecommerce and retail requires brands to break down their own internal silos and align on measurement across the board.

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