



# Media Capability Services

dunnhumbymedia

## INTRODUCTION

**dunnhumby media consulting helps identify the value of Retail Media for your business as well as advise on strategies to launch and scale operations with advertisers.**

Our services have been developed for retailers that want to leverage the full breadth of their first-party data, enabling advertisers to segment and target shoppers with relevant content using in-store and digital media inventory.

By working with our consultants, retailers can unlock new revenue through activating their Customer data and identifying the most appropriate media propositions to compete for advertising budgets.

### Retailers are struggling to scale their media effectively

Shopper expectations for choice and service are placing heavy demands on retailers' margins. Retailers have in recent years found themselves beset on all sides with hikes in commodity and labour costs, while at the same time having to forgo the option of raising prices because of competition from discounters.

Moreover, the cost of omnichannel fulfilment to meet Customer's expectations is having the effect of eroding retailers' margins further.

Retailers already recognise the value that media can play in their future business plans. In a recent Forrester report, one retailer noted, "It's no secret the margins [for advertising] are very healthy." <sup>1</sup> This is underscored by dunnhumby's own research that suggests that Retail Media is worth £1.7bn of hidden revenues for UK retailers and equivalent to £11bn across the EMEA region.

Yet, senior executives are all too often at cross-roads battling to build media offerings capable of meeting their growth and profit ambitions while simultaneously managing the demands of running their retail operations. The inability to scale Retail Media can often be attributed to one or more of the following complaints:

- "We don't use insight to inform our commercial and media plans effectively."
- "We lack data science to segment and target audiences and identify preferences."
- "We are siloed within our channels and our technology cannot support media commercialisation at scale."
- "We don't have the resources to manage the activation of campaigns internally."
- "We currently lack the right skills to sell our Retail Media to support our trade plans."

<sup>1</sup> Forrester: Retailers. You're the next media moguls (December 2018)



## WHAT RETAILERS NEED FOR RETAIL MEDIA TO TAKE OFF

Our media capability service provides a framework that enables you to take a systematic approach to launching a new media business or enhancing your existing operations.

With over 30 years' experience, our team of media professionals, capability consultants, and data scientists will use their local experience and extensive network of CPG manufacturer and advertising partnerships to help clients achieve their goals.

We are equipped to carry out media proposition capability reviews. By working closely with your senior management and key staff we can evaluate your strategies, and assess your data management, targeting and measurement, ad operations and partnerships. Our team can solicit views from major brands, agencies and others – and benchmark key aspects of your media offering against your local market and those of key competitors.

Our approach has been developed to reduce the associated risks and costs of launching and/or evolving a Retail Media operation, whilst also ensuring that you maximise revenue from advertising activities.

## A STEP-BY-STEP APPROACH

Our media capability packages are flexible and extensive and can be tailored to suit your organisation's needs. For many of our clients, a typical approach will involve:

### Step 1: Rapid discovery.

Our capability consultants will validate the potential revenue that can be created from Retail Media and assess any areas of opportunity through a gap analysis of your capabilities.

### Step 2: Design.

We can create a comprehensive blueprint for your media business, covering the core capabilities needed across data, solutions, media propositions and people.

### Step 3: Deployment.

Our consultants can also advise on the most appropriate options to implement the development of your media capabilities and offerings.

Upon its launch, dunnhumby can also offer a full or partial array of services needed to manage and operate your Retail Media business for you.



## WHICH ENGAGEMENT IS RIGHT FOR YOU?

### Rapid Discovery

dunnhumby can provide an assessment of where you stand on each media capability, identifying areas for investment and growth, and making recommendations for future changes.

#### The service will help you answer:

- What is the Retail Media opportunity?
- What are the gaps in your capability?
- What should you do next?

#### As an output, you'll receive:

- **Business case:** Revenue estimates over time for your individual media propositions.
- **Gap analysis findings:** A comparison of your current versus ideal state for both your media propositions and supporting infrastructure.
- **Recommendations:** A set of proposed media solution aimed at delivering improved customer engagement to meet advertiser demand.

### Design

Our team can assess the Retail Media outlook for your business by conducting a deep dive review of your media insight, segmentation and targeting, media products, people and publishing partnerships to create optimally designed propositions. These detailed strategies, tactical plans and schematics provide you with a robust deployment plan for implementation.

#### The service will help you answer:

- What is the Retail Media opportunity?
- What are the gaps in your capability?
- How do you go about setting up a Retail Media business?
- What team, tools, processes and governance do you need to operate a Retail Media business?
- What is the right go-to-market strategy for Retail Media?

#### As an output, you'll receive:

- **Business case:** A more granular forecast of revenue based on a proposed commercial model and organisational design or changes to existing operation.
- **Go-to-market strategy:** A suggested route to market identifying key areas for entry and the activities necessary to build up advertising demand. This is supported by a proposed pricing model to help maximise the yield from your media inventory.
- **Deployment plans:** A blueprint for launching a new media business or changes to your existing operation by describing the service, operational framework, underlying processes, methods for deployment, data specifications and recommended governance for your media business.

## DUNNHUMBY'S MEDIA CAPABILITY FRAMEWORK

dunnhumby's capability engagements are performed against a best practice operational model for large-scale transformation programmes through to specific media implementations. Our simple, practical framework makes it clear how to mobilise your Retail Media business to respond to the demands of advertising partners and Customers by reviewing:

- **Shopper insight:** Your ability to leverage data to create insights about Customers that can be used by media planners and shared with advertising partners.
- **Customer data science:** The data management processes that allows advertisers to segment and then target Customers to achieve their marketing objectives.
- **Media delivery:** The solutions and processes required to coordinate omnichannel activities, ensuring that all ad traffic is managed for a seamless experience.
- **Client services and ad operations:** The support infrastructure necessary to book, target, activate, manage, optimise, and report on advertising campaigns.
- **Sales and partnerships:** Your commercial and sales expertise as well as AdTech partnerships necessary to monetise your offering and maximise its yield.

## SELECTING THE RIGHT OPERATING MODEL TO ACHIEVE GROWTH

There is no-one-size fits all operational structure for launching a Retail Media business. Leading retailers recognise the need to adapt across different capability layers for each phase of their journey. Our consultants can help advise on the optimal operating model whether that is to build it from the ground-up, outsource operations or transfer partial or full control and management of any core capabilities. No matter which model is chosen and progressed, dunnhumby will work to ensure that your Retail Media operation addresses the full range of capability requirements, including technology, platforms and analytics as well as the organisational structure and management oversight required to achieve performance and profit goals.



## HOW EFFECTIVE IS OUR MEDIA CAPABILITY SERVICE?

### An American retailer.

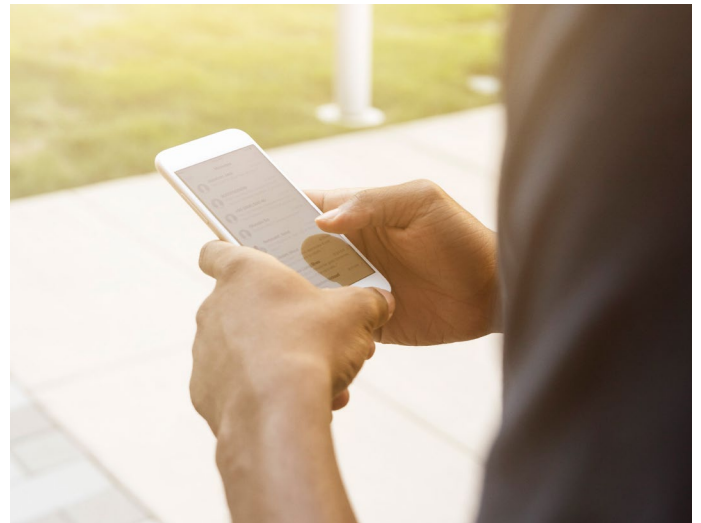
Over seven years, dunnhumby helped to build a 9-digit Retail Media business by launching a CPG manufacturer funded loyalty customer mailing program. The approach established a cross-platform targeting and measurement partnerships to increase media inventory and maximise advertising yield.

### A UK retailer.

We helped establish the first loyalty card programme in the UK helping to propel the business through a decade of non-stop double-digit Retail Media growth. This involved designing and deploying a multi-channel media offering powered by personalised marketing solution to generate best in class rates of engagement and sales uplift.

## START THE CONVERSATION

**Are you considering or just about to launch a Retail Media project? Are you looking to optimise or scale your Retail Media business?** dunnhumby can help by designing a programme that will produce focused results in the short-term, while ensuring that your organisation is equipped with the solutions, technology and know-how for sustainable growth and additional incremental income. Call to speak to one of our senior media capability consultants today.



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THE WORLD'S FIRST  
CUSTOMER DATA SCIENCE PLATFORM

### THE WORLD'S FIRST CUSTOMER DATA SCIENCE PLATFORM

dunnhumby is the global leader in Customer Data Science, empowering businesses everywhere to compete and thrive in the modern data-driven economy. We always put the Customer First.

Our mission: to enable businesses to grow and reimagine themselves by becoming advocates and champions for their Customers. With deep heritage and expertise in retail — one of the world's most competitive markets, with a deluge of multidimensional data — dunnhumby today enables businesses all over the world, across industries, to be Customer First.

The dunnhumby Customer Data Science Platform is our unique mix of technology, software and consulting, enabling businesses to increase revenue and profits by delivering exceptional experiences for their Customers — in-store, offline and online. dunnhumby employs over 2,000 experts in offices throughout Europe, Asia, Africa, and the Americas working for transformative, iconic brands such as Tesco, Coca-Cola, Meijer, Procter & Gamble, Raley's, L'Oreal and Monoprix.



Connect with us to start the conversation

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