



Driving Natural Product Sales With Targeted Content Marketing

CONTENTS

Introduction

Executive Summary
Tests & Measures
Lessons Learned
Predictable Profit
Background

It's Everybody's Job
One Retailer's Experience
Managing For Results
A Rewarding Customer Experience
Take-Aways For Profit

Category Moneyball
Low Hanging Fruit
Awareness, Attention, Accelerated Category Sales
The Good News

A National Content Campaign
Predictable Profit By The Numbers
Retailer Engagement
Shopper Engagement
Content Marketing In-Store Results
Targeting Shoppers
Targeting Whole Foods Shoppers
Stores Who Did vs Stores Who Didn't

The Dynamics Of Engagement

Is Targeted Content Marketing Right For You?



Driving Natural Product Sales With Targeted Content Marketing

Introduction

What is content marketing? Content Marketing is creating and sharing valuable free information to attract and convert prospects into customers and customers into repeat customers.

We've been in the targeted content marketing business for over forty years. In that time, we've designed sales tests to measure the effectiveness of *Nutrition News* content at increasing sales of natural products.

Nutrition News is the award-winning, ad-free, national consumer newsletter covering health, food, nutrition and nutritional supplements. Its content fulfills the definition of targeted content marketing.

We work with manufacturers, distributors and retailers in the natural products industry.

Nutrition News content marketing is designed to raise awareness, focus attention, enhance appreciation, build anticipation and generate the desired actions leading to natural product sales.

The common denominator in all of the following sales tests is putting copies of *Nutrition News* into the hands of natural product shoppers. *Nutrition News* is content marketing at its finest.

Some of you have already figured out what happens when shoppers get their hands on *Nutrition News*. Igniting the spark of customer interest about what's on your shelves is the first step in the sales process.

All Case Studies Resulted In Rapid, Remarkable Sales Increases

How did we set these easy, engaging and effective tests up to deliver those sales increases?

Read the Executive Summary for the details. It outlines the retail conditions and the repeatable results that were achieved.

Executive Summary

We wanted to find out what impact relevant content would have on generating a specific shopper behavior. The behavioral result was a *\$ale!*

The typical natural product store carries thousands of SKUs. Most contain multiple ingredients. Some are proprietary combinations.

Congratulations! You've stocked your shelves with some of the most innovative, effective and life-affirming products available anywhere in the world.

However, by their very nature, showcasing nutritional products adds a level of complexity to the sales process. This is true for both online and brick-and-mortar sellers.

This complexity of showcasing products has a net effect on shoppers. 1) It puts them in a universe of overwhelming choice. 2) They have to wade through choices **before** 3) They gain enough clarity and confidence to buy.

Each copy of *Nutrition News* is like having a **S**ilent **S**ales **P**erson, inside as well as outside of your store. Staff interactions are desirable and powerful sales inducers. However staffing and staff duties often constrain opportunities for customer engagement. That's where the **S**ilent **S**ales **P**erson comes in.

We also recognize that every customer journey is unique. This requires a content marketing strategy that addresses multiple customer interests, levels of nutritional knowledge and immediate and long term nutritional needs. It's precisely because of this complexity that targeted content marketing has been proven to repeatedly deliver results.

This familiar context of circumstances and conditions is what every person involved in natural products sales must understand and overcome to be successful.

Tests And Measures

We studied the impact on sales by testing four variables:

- Distribution Method.
- Distribution Sample Size.
- Distribution Topic.
- Specific Product SKUs.

In every case, in every store, when shoppers were given *Nutrition News*, store sales increased.

Lessons Learned

We learned natural product **shoppers** have unasked questions, unanswered questions and untapped health interests. We learned natural product **retailers** have numerous challenges in meeting these needs. For example:

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- Supplements are complicated and confusing for shoppers to navigate.
- However shoppers are looking for a reason to buy your nutritional products.
- They appreciate reminders of benefits they get from the products you sell.
- Shoppers who know more, buy more.

We learned that natural product retailers face a unique set of challenges. With a seemingly endless to-do list, *retailers often overlook the importance of developing and nurturing* **shopper relationships and managing expectations.** These challenges include:

- Lots of health promoting products to sell.
- Some products that don't sell well or don't sell quickly enough.
- Misunderstanding the distinction between education and advertising.
- No way to measure the behaviors that drive store sales.

Predictable Profits

Retailers who use *Nutrition News targeted content marketing* enjoy predictable and plentiful profits.

Shoppers in stores who were given *Nutrition News* had more sales in less time than in stores without *Nutrition News*. That's because relevant educational content is "pull" marketing. It makes a dramatic impact on shopper engagement and shopper behavior.

Sales flyers and advertising circulars are "push" marketing. *Nutrition News* content is "pull" marketing. Knowing the difference is critical to your growth and profitability.

If shouting "Buy My Stuff, Buy My Stuff," is your primary marketing message, you are wasting resources and most likely annoying many of your customers. The more you push your stuff, the more you push your customers away. Unless your customers understand the full value represented by your offers, those offers will be largely irrelevant to them.

This is where the power of targeted content marketing brings huge leverage. Your customers are all interested in buying your products. Focusing their interests is how "pull" marketing ensures a steady supply of shoppers. These shoppers are well versed in the value of your offers because content marketing answers the question, "What's in it for me?"

During our years in the natural products content marketing business, we have distinguished a sequence of predictable shopper behaviors that invariably lead to a sale. These behaviors are the direct result of targeted content marketing, and they are ---

READ --- SHARE - ASK - TELL - BUY

Background

Doug Wallace, a project manager at Whole Foods, asked us for a proposal using *Nutrition News* to help the chain educate their shoppers about nutritional supplements.

Based on conversations with company representatives, the quantities and projections were based on store customer traffic which at that time averaged 30,000 shoppers per store, per month.

We suggested a conservative 5,000 copies per store, only 16% of store traffic. Our proposal projected the relative ROI based on the average sale amount and varying quantities distributed per store.

Management made the decision to distribute only 500 copies to each store in the region. That was 1% - 2% of store traffic. There was one exception. The newest store in the region at the time was the Fresno Whole Foods Market. They received 2,000 copies.

We worked directly with Fresno's Nutrition, Body Care manager, Rosa Diaz. This is Rosa's story.

Case Study #1: It's Everybody's Job Whole Foods Market, Fresno, CA

Eighteen months after the first *Nutrition News* delivery in the Northern Pacific Region, I spoke with Walter Robb, Co-Chief Executive Officer of Whole Foods Market.

I suggested that money was being left on the table by Whole Foods because they weren't distributing a sufficient quantity of *Nutrition News* content to engage their store traffic. To illustrate my point, I told him the story about the Fresno store's experience with *Nutrition News*.

I informed Walter that Rosa Diaz (NBC manager), had been receiving an additional 1,500 copies per month during her first year of operation – a total of 2,000 newsletters..

Walter remarked that Rosa's store numbers had reached the top of that region's comparative sales numbers in only twelve months.

Opening a new store, with a new team, introducing the Whole Foods brand and inviting the community on a retail journey, while closing the gap in comparative store sales in only 12 months, was amazing. But it wasn't an accident.

One Retailer's Experience With Targeted Content Marketing What Rosa Told Us:

"We started using *Nutrition News* shortly after we opened our Fresno store. [At the time], **our comparative sales numbers were the lowest in our region**.

After we began a focused campaign of introducing *Nutrition News* to our customers, I noticed them bringing their copies back into the store and buying the supplements featured in the newsletter.

Within our first twelve months in operation, our sales numbers had climbed to the second highest in the region.

We're convinced that our store team effort to make *Nutrition News* available to our customers was instrumental in achieving that remarkable result."

Managing For Results

The initial Whole Foods launch was in the Northern Pacific Region. It was **only 500** copies per store. A mere 1.6% of each store's monthly traffic. This was such a small shopper sample size that tracking for a measurable result was a Mission Impossible scenario.

The Fresno store was the *only* store in the region to distribute a sufficient quantity of targeted content to capture a significant number of shoppers' attention. Rosa's soaring results let us know without a doubt that *Nutrition News* content works.

Because of Rosa, we discovered some pretty amazing things about what natural product shoppers want out of their shopping experience.

We witnessed first hand what can happen for retailers who nurture and satisfy those expectations with targeted content marketing. Finding the varieties and levels of customer interests make it possible to measure for results, which in this case, was rocketing to the top of same-store comparative sales. Rosa understood her customers' journey.

A Rewarding Shopping Experience

- Putting the customer experience first was everybody's job.
- Customers often find supplements complicated, confusing.
- Supplement complexity is time consuming to explain.
- The front end team made an invitation to read Nutrition News at the checkout counter.
- Rosa easily discovered how many copies to hit the store's engagement sweet spot.
- All her team members read *Nutrition News*, which was always in the break room.

Take-Aways For Profit

Relevant content marketing generates sustained impacts on shopper behaviors. Those behaviors lead directly to increased sales of nutritional supplements.

In this case, shopper behaviors launched a **bottom to top leap in comparative store sales.** What are those key shopper behaviors?

Case Study #2: Category Moneyball Whole Foods Market, Monterey, CA

Low Hanging Fruit

After Fresno's success, Walter Robb suggested that we conduct a bag stuffing test in which product SKUs were tracked pre and post newsletter distribution.

Blair Holland of the Monterey store (a long time *Nutrition News* supporter now retired) agreed to conduct the test. She asked her scan coordinator to locate their slowest moving products.

For this test she chose to track all her chromium SKUs. The front end team agreed to distribute the newsletters at the registers. Chromium sales were tracked for six weeks prior to the content distribution launch.

The object was to introduce the *Nutrition News* "Chromium" newsletter to customers and track any resulting chromium sales. For this test, the store increased the number of newsletters from 500 to 2000 copies.

We devised a simple introductory script for the cashiers. They were asked to say: "We're considering giving this newsletter to all of our customers for free. Would you read it and tell us what you think? It's normally \$49/yr." If they said, "No", they didn't receive a newsletter.

Managing For Results: Awareness, Attention, Accelerated Category Sales

Blair reported that within two to three weeks after the distribution weekend, **chromium** sales had increased 18 times over the previous six weeks pre-test numbers.

Category Specific Sales Increased Across *ALL Chromium Brands*.

In only three weeks chromium sales increased despite no evidence that the cashiers actually introduced the newsletters. (This wasn't tracked.)

Blair also commented that the test was conducted during the summer and that the chromium edition was considered controversial.

Circumstances aside, the test clearly "indicates an under-served customer population and the potential for significant inventory returns over time," according to Blair.

Nutrition News content marketing was directly responsible for an 1800% sales increase in an underperforming category, in only three weeks..

Take-Aways For Profit The Good News:

- Slow moving inventory categories can be targeted, stimulated.and turned faster and more frequently.
- It's a numbers game. Copies distributed are key to raising awareness, engaging interests and fulfilling expectations.
- No matter how, when or where, as long as *Nutrition News* gets into a shopper's hands, the sequence of engagement behaviors leading to a sale are activated.

Those predictable and repeatable shopper behaviors are —

READ --- SHARE - ASK - TELL - BUY

Case Study #3: A National Content Campaign Lessons For Brands, Manufacturers, Distributors

This *Nutrition News* content marketing experiment was part of a national product promotion campaign. It was designed to deliver a relevant, advertising-free educational message to a targeted group of natural product shoppers.

This collaboration included the Jacob Teitelbaum Foundation and EnzymaticTherapy (distributor of Dr.Teitelbaum's formulas).

Retailer Engagement

This national campaign promotion was framed as a "game" and it was played by selected, participating Enzymatic Therapy retailers across the country.

At Dr.Teitelbaum's request, we included all stores in Maryland and Virginia, his local area. This included all the Whole Foods Market stores open in those states at the time. This was their first encounter with *Nutrition News* content marketing.

To help drive sales, flyers announcing the game along with a **"How To Play The Game" Tip Sheet** were included with each store's shipment of *Nutrition News* "From Fatigued To Fantastic" content.

Shopper Engagement

We targeted anyone with fatigue, chronic fatigue, fybromyalgia or other immune response stressors. Targeted shoppers were identified by distributing copies of *Nutrition News* written specifically for this national campaign. The object was to locate the targeted shoppers as quickly as possible.

Product sales was the ultimate metric tracked. However, other notable customer behaviors included:

- requests to staff for more information
- guidance to the appropriate products
- carrying a copy of *Nutrition News* in the store .

Predictable Profit Content Marketing By The Numbers

Enzymatic Therapy measured SKUs for the 2 month test period and compared those sales to the same time 12 months earlier. They also compared SKUs for the 2 months of the test with total sales over the previous 12 months.

Enzymatic Therapy reported that the **measured SKUs increased to 813,892 units from 40,392 units** sold during the same period 12 months earlier.

That's Right 813,892 units from 40,392 units In Only Two Months!

Nutrition News targeted content marketing generated:

- 793,500 New Sales.
- 19.6 Times More Sales
- 1960% Sales Increase In Only Two Months
- 97.50% of all new sales dollars earned.

Targeting Shoppers Content Marketing In-Store Results

The stores receiving *Nutrition News* got a minimum of 250 copies. Some stores received many more. Stores reported unit sales increases ranging from a low of 1552 units all the way up to 33,017 units.

Of the total number of units sold <u>23 times more units were sold in the first month</u>, and <u>34 times more units were sold during the second month</u> than were sold during the previous twelve months.

Targeting Whole Foods Shoppers Results By The Numbers

How did the Whole Foods stores do? Unit sales in **Whole Foods stores increased from** 2,115 units to 40,595 units or over 1900% more sales than over the previous 12 month period.

In Maryland, Whole Foods stores sales increased from 1 unit to 16 units sold. That's **16 times or 1600%** more sales in two months than during the previous twelve. In Virginia stores, sales increased from 8 units to 105 units, **thirteen times or 1300%** more sales in two months than during the previous twelve.

Targeting Retailers Comparing Stores Who Do With Stores Who Don't

This national campaign was to selected retailers. This gave us additional insights into customer responses to targeted content. Since we know shoppers frequenting a particular store brand share commonalities, we could easily see the diffference that customer awareness can have on sales.

As mentioned, the test design excluded Whole Foods stores in NJ, NY and MA from the distribution list.

A noteworthy impact of targeted content marketing, or rather its absence, can be seen in the relationship between product sales and product returns.

<u>The excluded stores all showed negative sales</u> <u>or returns to Enzymatic Therapy</u> <u>over the same test period.</u>

Store sales in VA and MD up 1300% and 1600% respectively, while store sales in NY, NJ, MA were negative or **return to vendor**.

Shoppers in NY, NJ, and MA like shoppers everywhere, have similar interests and motivations for shopping where they do. The impacts from missing these value creation opportunites show up as:

- Lost customer engagement
- Undistinguished consumer interests
- Lost current sales
- Lost future repeat sales

This was a test. Extrapolating on the lost value opportunities available each day, this one test illustrates the scale of lost, easy to capture value. The impacts affect customers, retailers and manufacturers. They also affect the industry's ability to grow faster.

All of this happened in two months time.

Dynamics Of Engagement

The dynamics of engagement offer significant leverage for the natural products industry. The sequence of **READ**, **SHARE**, **ASK**, **TELL** and **BUY** using *Nutrition News* content is easy, engaging and the most effective way to educate shoppers about the benefits of the products you sell.

When it comes to customer education, clearly it's a case of more is better. The more newsletters, the more shopper engagement, the more sales. It's a natural and obvious sequence.

Appropriate saturation of relevant educational content in a hungry audience pays significant dividends. Sales increases continue to build in successive months as *Nutrition News* copies continue to circulate.

Unfortunately that sequence gets interrupted when "push" marketing messages are the only marketing tool in your tool kit.

Effective content marketing continues to deepen customer understanding about nutrition and builds anticipation for how nutritional products could work for them. Eventually this builds trust, *pulling* them in to purchasing. That makes your "push" advertising and sales offers more welcome and more effective.

By far your biggest bonus is a growing number of educated shoppers who readily *understand* and *share* the value of your products.

Shoppers who know more buy more. Shoppers who read *Nutrition News*, buy more, and they buy again.

Our Favorite Testimonial

Nutrition News was exactly what I was looking for. It soon became my #1 bag-stuffer. I have never seen anything that can compare with Nutrition News and still to this day it continues to work. It is so well written. I know of nothing better at delivering measurable sales goals.

As the founder of Enzymatic Therapy and now the founder of EuroPharma, I have always relied on Siri to write my technical bulletins and newsletters because I believe she knows how to reach the customers' minds and give them current scientific information that will make your customers hungry for her timely information.

Remember, as your customers become more knowledgeable in health and nutrition they reach a level of unparalleled health and [they become] a thankful, loyal customer.

Terry Lemerond, Retailer, Founder Enzymatic Therapy and Europharma

Is Targeted Content Marketing Right For You?

Here's what some content marketing gurus have to say: Content marketing means creating and sharing valuable free content to attract and convert prospects into customers, and customers into repeat buyers. The type of content you share is closely related to what you sell; in other words, you're educating people so that they know, like, and trust you enough to do business with you, according to content marketing expert Brian Clark.

By August of 2015, 200 million people had installed ad blockers. That's indicative of consumers shutting out "push" marketing messages. This is terrible news for traditional marketers who blast advertising messages with the false hope they're raising awareness.

Content marketing isn't advertising. It isn't push marketing, in which messages are sprayed out at groups of consumers. Rather, it's a pull strategy — it's the marketing of attraction says content marketer Rebecca Lieb. It's being there with relevant, educational, helpful, compelling, engaging, and sometimes entertaining information when consumers need you and seek you out.

Content marketing is very good news for the natural products industry. Customers are looking for relevant information to give them the clarity and confidence that they're making the right choice. This is precisely where content marketing outperforms. As <u>Andrew Davis</u> says, *Content builds relationships. Relationships are built on trust. And trust drives revenue*.

The inherent complexity within nutrition and biochemistry is often a barrier to understanding and experiencing the miraculous impacts that food and nutrition can have on our bodies. That story is the most critical, compelling and rewarding one the natural products industry has to tell. That's why content marketing can be so incredibly effective. It's the only kind of marketing that provides ongoing value, whether you purchase the product or not, says Content Marketing Institute founder Joe Pulizzi.

Worldwide "push" ad spending increased 5.7% in 2015 to nearly \$570 billion. Medical print journal spending was up 8.4% with print ad pages rising 7.9% to 64,574 pages. That's the scale of push marketing your message is competing against.

If you sell nutritional supplements and you have customers, then content marketing is tailor made for your business. **Natural products companies have a huge challenge to effectively spreading their message.**

In spite of being outspent by competing visions of wellness, the industry continues on an upward growth trend. What would it look iike if we could accelerate that trend? Grow the market? Or attract more advocates for natural health? Raising awareness and capturing attention is where to start. It's there every day for you to capture.

Nutrition News content marketing strategies are tested, proven and most importantly, guaranteed to work for you.

Contact us to schedule a free consultation call. We'll discuss the results you want for your business and you'll learn more about how *Nutrition News* content marketing programs can impact those results.



¹ http://www.emarketer.com/Article/Advertisers-Will-Spend-Nearly-600-Billion-Worldwide-2015/1011691

<u>2 http://www.mmm-online.com/features/when-it-comes-to-professional-ads-print-makes-its-comeback/article/486707/</u>