

QUICK GUIDE

2020 Rebound

7 Advertising Strategies for the
Social Distancing Economy

criteo.



The Social Distancing Economy

The coronavirus pandemic changed consumer behaviors more than we could have ever imagined.

Starting in January, lockdown orders, social distancing rules, and business closures brought physical shopping to a halt around the world. Travel bookings and events were canceled or postponed. Food, fitness, and entertainment were all confined to the home. Everything quickly became virtual as more people started working, learning, socializing, and shopping from home.

We believe these new consumer behaviors won't totally fade as regulations are lifted and fears subside. The products and services consumers need for their new way of life are different than they were prior to the coronavirus outbreak. People are thinking about what's essential for their quality of life as they practice social distancing.

Ultimately, there is no business unaffected by COVID-19. Some industries have been totally disrupted by the coronavirus outbreak, some experienced ups and downs, and others saw a surge in ecommerce and delivery orders.

At Criteo, we want to help marketers make smart decisions and adapt their strategy for the social distancing economy. This guide will help you get started.



We hear you.

We took the most common business challenges we've heard from advertisers and developed seven advertising strategies to help you solve them.

Every strategy has simple steps you can start doing today.

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CHALLENGE

Reduced Advertising Budget

Needless to say, a lot has changed since advertisers originally set their 2020 budgets and they need to do more with less. Whether it be working with shrinking spend or a smaller staff, advertisers still need to meet their goals and keep their businesses growing.



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SOLUTION

Focus on performance marketing

Performance marketing allows you to work toward specific business goals while knowing exactly how you're spending your marketing dollars and being able to measure the success of your campaigns.

When you can see clear results and understand the ROI of each campaign, you can then consolidate your spend on your best-performing marketing channels and stay focused on business growth.

1 Only use one retargeter

Advertisers can use a single retargeter to pull back on spend while being more efficient with their advertising dollars. For companies who still use multiple retargeters, we've found advertisers actually end up in a bidding competition against themselves. Using a single retargeter eliminates that risk for advertisers as well as helps them get clearer attribution and avoid user fatigue from frequency blindness.

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2 Switch to automated bidding

Advertisers can switch to automated bidding whenever possible for more efficiency and performance. This process leverages machine learning and AI solutions to work on the advertiser's behalf by adjusting bids in real-time, eliminating the need for manual adjustments and constant oversight. This means focusing on marketing activations that are really driving results and working smarter—not harder.

Criteo's automated bidding model, Adaptive Optimizer, allows Criteo's AI Engine to optimize your bids throughout the day (including weekends) to maximize revenue or conversions in line with your cost of sale (COS) or cost per order (CPO) target. We know that online traffic is up as consumers do everything virtually, and Adaptive Optimizer will help you drive better performance during times of increased activity.

3 Use branding creative to put product recommendations and offers in the right context

We suggest that advertisers use branding creative in their performance ads so all offers appear in the context of consumers' lives right now. Use images and messaging to show the value of your products while consumers practice social distancing. For example, if you sell apparel, make sure your ads show people wearing your clothing at home. Provide a discount for the products and services that consumers are seeking out and showcase your efforts to help your customers, such as fast and contactless delivery and an extended return policy.

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Store Closures

During the peak of the coronavirus outbreak, many nonessential retailers closed their brick-and-mortar stores due to government regulations. That meant all sales shifted to digital and ecommerce had to be their main revenue-driver.

Now some retailers are reopening stores, but with increased health and safety measures. But many consumers are still practicing social distancing, avoiding crowded stores, and doing most of their shopping online.



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Leverage loyalty to your stores to drive sales across channels

The customers who typically buy in-person probably miss shopping in your stores just as much as you miss their business.

Many retailers are choosing to redistribute some of their budgets from stores and offline sales to online tactics and ecommerce to reach their loyal in-store shoppers online, keep them informed about store openings, and encourage them to shop virtually in the meantime. As stores gradually reopen, your loyal store buyers and visitors can shop with you in the way they feel most comfortable.



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1 Encourage in-store buyers to shop with you online using first-party data

The most effective way to reach your loyal store shoppers online is to build audiences of in-store buyers for your ad campaigns using your offline transaction data. To do this, you need to share your store transaction feed with your advertising partner. (Talk to your Criteo Account Strategist to get an integration guide.)

This method allows you to personalize every ad for every customer. Using privacy-protected data from in-store purchases, you can show each customer relevant product recommendations based on the items they purchased previously in your stores.

If you cannot share your store transaction feed with your advertising partner for whatever reason, the next-best alternative is to create audiences of offline shoppers using other data from your customer relationship management (CRM) system, customer data platform (CDP), or data management platform (DMP) partner.

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2 Promote your store re-openings

In markets where your stores are open again, let your in-store shoppers know. If some of your customers strongly prefer shopping in-store, they may not have interacted with your brand for 2 months or longer. Analyzing data from omnichannel retailers who work with Criteo, up to 80% of store customers don't even browse a retailer's website before a purchase. These customers may not be aware that your stores are open again.

When you promote re-openings, align your messaging to where customers are in the purchase funnel and bring them back to your store. For example, thank loyalty members for their continued support and offer early access to store promotions. For at-risk or churned customers, provide discounts for buying in-store.

Incentives help bring customers back to your store and reduce the risk of losing them to competitors who established relationships during quarantine.

3 Target previous in-store visitors with location data

Leverage location-based audiences to redirect anonymous consumers who have been in or near one of your physical stores to your ecommerce site, or to localize your efforts to promote store re-openings.

You know that these consumers are aware of your stores in their city and they might enjoy shopping with you, and therefore, they will be receptive to your online ads—whether you're inviting them to stop online or letting them know they can shop in-store.



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Retail Partner Disruptions

Brands that rely on their retail partners for in-store sales have a similar challenge to retailers: They want to reach their offline shoppers online while stores remain closed, or their in-store buyers prefer to shop online from home.

However, most brands don't have point-of-sale data mentioned on the previous page, so there's a different solution for them.



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Invest in retail media, including native ads on retailer websites

Retail media gives brands access to ads on the retailer sites they already sell on, reaching consumers while they're actively shopping and are ready to buy. With the surge of browsing and buying online, retail media helps brands gain prominence on the digital shelf—whether that's the retailer's website homepage, a search page, or a product description page. It also includes data-driven offsite ads that allow brands to retarget consumers as they browse the open internet, and motivate them to return to a retail site to purchase—all in a way that's shopper-friendly.

1 **Broaden your SKU list**

Consumers' needs are changing dramatically as they adjust to their new normal, so advertisers should broaden priority stock-keeping units (SKUs) accordingly to promote items in their ads that address immediate shopper needs.

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2 Ensure your daily spend allows ads to run at all hours of the day

As your customers adapt to their new way of life, they're online at all hours—not just standard working hours—and you want to make sure your daily cap doesn't prevent you from keeping your ads live at later times of day when consumers are now spending time online.

3 Remove any inventory blocks in place

Advertisers should remove any inventory blocks as consumers do more of their shopping online. For example, in-store loyalists might be new to ecommerce and are still determining their go-to retailers. By allowing for multiple ad placements, advertisers can help consumers have an easier and more seamless shopping experiences.



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New Customer Acquisition

The social distancing economy is driving high demand for products like webcams, gaming, crafts, and nonperishable food items. While many businesses are selling these must-have products, consumers don't know which retailer has the products they need in stock. That's why some online sellers are having trouble attracting new customers to their ecommerce sites.



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Reach new audiences that are actively shopping for in-demand products

In this time of rapid change, consumer behaviors are shifting week by week as they get used to their new way of life, which means demand is shifting for different products. You want your ads to reach consumers that are currently in the market for the in-demand products you sell, so you can increase qualified traffic to your ecommerce site and drive purchases.

1 Track categories with high growth

The first step to engage potential customers is to track the high-growth product categories week by week. See what products you offer in the past week's high-growth categories. (Visit [Criteo's Coronavirus Impact Dashboard](#) for new data every week!)

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2 **Build an audience of in-market consumers based on intent data**

Intent data tells you if a shopper has an active interest in a product you sell and should include real-time browsing and purchasing data. You can build your campaign audience using a combination of elements like product categories, brand interest (a specific brand or a group of brands in one product category), and demographic data like generation and purchase power. (At Criteo, we call these Commerce Audience campaigns.)

3 **Combine related product categories to create buyer personas**

When you combine related product categories, you can create new buyer personas that have emerged during the pandemic. One example is a “work from home” buyer persona. This persona can include consumers who recently purchased a new laptop, as they are also likely to purchase other items for their home office, including office supplies like desk organizers, binding supplies, file folders, as well as office furniture.

To create these personas at Criteo, we’re thinking about how consumers are spending their time at home and determining what they need in this moment. This helps our advertisers provide as much value as possible to consumers.

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Cycling brand Ekoï pivots to indoor fitness

Ekoï is an international cycling equipment brand based in France with a customer base of road cyclists, mountain bikers, and triathletes. Its products, like helmets, clothing and footwear, are typically used outdoors.

More than half of its sales are international, so when countries started enforcing their own lockdown orders, Ekoï thought about how people around the world would use their products under new restrictions.

Criteo's data shows that sales are increasing in many sporting goods product categories, including indoor and outdoor sports. In places where people can still exercise outdoors, Ekoï changes its marketing messaging to address consumers' new lifestyle. In countries with tighter restrictions, Ekoï focuses on items for at-home cyclists using indoor trainers and apartment bikes.



For example, the brand sells technical clothing designed for extremely hot weather. This clothing can also help cyclists stay cool at home when they're riding in enclosed spaces with less air circulation.

As consumers spend more time online while they're at home, Ekoï is working with Criteo to increase visibility across digital channels and reach its target audience through display advertising.

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App Retention

As consumers increase their screen time while they stay at home, many are using mobile apps to shop, play games, consume content, and stay connected with friends and family.

At Criteo, we surveyed US consumers in early April and found that 8 out of 10 respondents are using gaming apps, news apps, social networking apps, and video-streaming apps at least once per day.

However, more than one-third of app users said they would be likely to delete an app they downloaded during this time. App businesses need a strategy to retain these users for the long term.

Source: Criteo's App Survey, US, April 2-7, 2020, n= 976



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Focus on the user experience

It's in app marketers' best interest to prioritize the in-app experience to turn a potentially short-term user into a loyal and active relationship.

1 Run app retargeting campaigns for in-demand products or app features

We already know what products are trending, but think about the services that are in demand, such as digital entertainment and video calls—apps might offer these as well. If your app provides the products or services people need right now, run an app retargeting campaign to reach consumers who are actively looking for these things across the web.

This is a great way to boost conversions for your business and create a multi-device, always-on experience for your brand if you're already running the same retargeting campaign on web.

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2 **Launch a loyalty program for your most engaged app users**

If your app installs and engagement are up, it's the perfect time to launch or renew loyalty programs and incentives for highly engaged users. For example, if you have a shopping app, make sure your best customers are happy with your app and continue to purchase with you, not your competitor.

Our app survey showed that 50% of app users say they've downloaded an app during COVID-19 because it was recommended to them by a coworker, family member, or a friend. With that in mind, advertisers should consider launching an app referral program to encourage their most loyal users to share their app through word of mouth.

3 **Re-engage dormant users**

During this time of increased online activity, it's important to remind your app users that your app exists and what it has to offer. Boost usage with push notifications, emails, and in-app ads that promote new products in stock and other promotions like discounts, free shipping, and safety updates.



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Creative & Messaging

The coronavirus outbreak has forced advertisers to think about how their message will be perceived by their customers. Many are changing their approach to digital advertising to ensure they're being sensitive to consumers' needs and their message isn't tone-deaf.



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SOLUTION

Inspire and motivate consumers as they adapt to their new way of life

Your first question might be: Should I even be advertising during this time? The answer is yes.

A recent Kantar survey of more than 35,000 consumers around the world found that consumers want to hear from their favorite companies. The majority of consumers (77%) think brands should “talk about how they are helpful in the new everyday life,” and 70% think brands should “offer a reassuring tone.” Only 8% of consumers think brands should stop advertising during the pandemic.

1 Display relevant products for their lifestyle

The product recommendations you show consumers must fit their new social-distancing lifestyle. If you don't offer essential items like paper goods or other items in high demand, focus on products and services for comfort, convenience, and entertainment. This includes comfortable clothing, food delivery, and all sorts of games.



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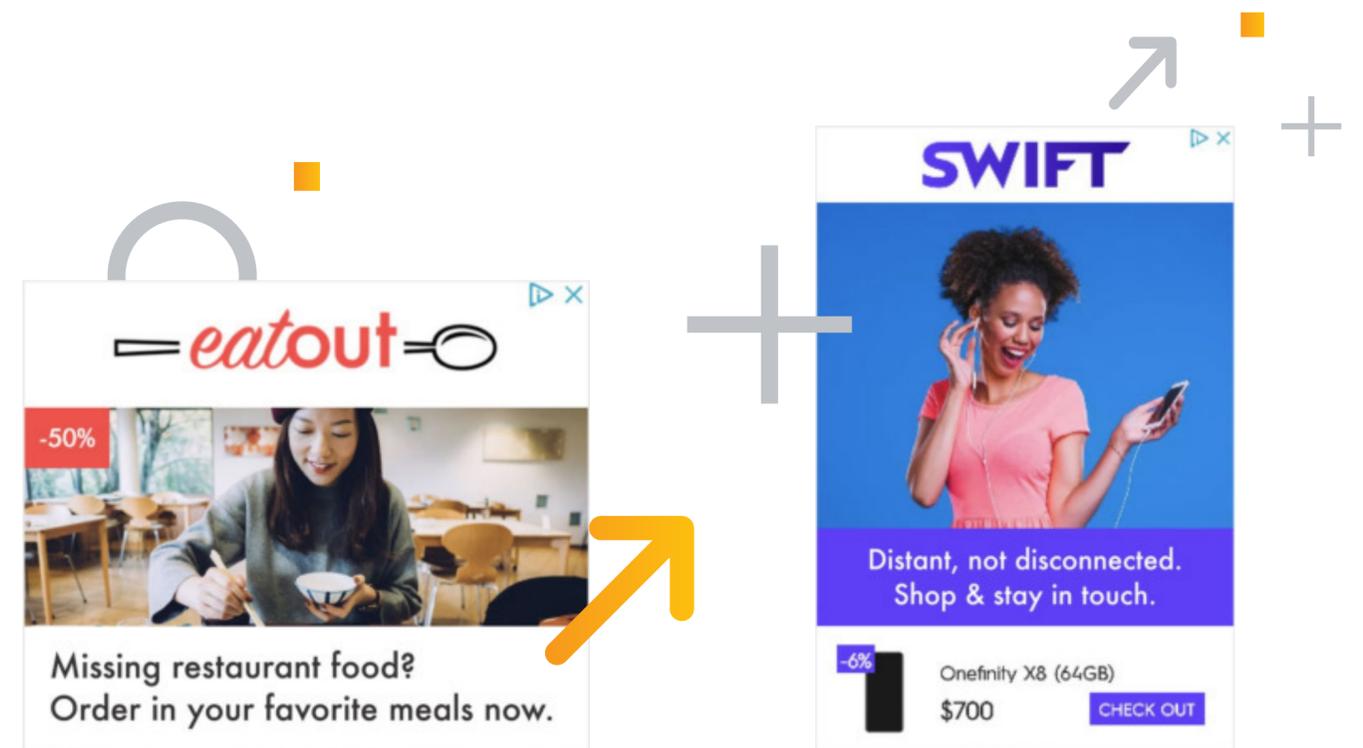
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2 Show how your company is supporting consumers

Think about your target audience and how their lifestyle has changed—your ads should support them. Include the ways you're helping consumers stay safe, such as free and contactless delivery and community donations. Your ads can also spark ideas for new at-home activities, such as crafting, organizing, or learning new skills. This builds consumer trust and brand transparency.



3 Be aware of the emotional context of your ads

No matter what, it's crucial for advertisers to be aware of the emotional context of their ads. These are hard times and it can be damaging for the wrong ad message to end up in the wrong place. To ensure brand safety, advertisers can leverage keyword blacklists that help prevent ads from showing up on content where any of the related keywords are detected. While this may limit reach and performance, it can be a good tactic for positive brand perception.

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Gift card marketplace Raise adapts to consumer spending trends

In the springtime, US-based online gift card marketplace Raise would typically promote travel gift cards for hotel, airline, cruise, and rideshare brands in its ads. But this year, consumers are putting their non-essential travel plans on hold.

Raise is shifting its seasonal marketing to a more fluid strategy that focuses on the products consumers need at the moment. The company has been keeping up with consumer trends and looking at the products and services people want to buy as they get used to their new lifestyle.

This helps them promote the right gift cards and reach consumers with the right message.



“Shelter-in-place is complex,” Alberto Aviles, senior manager of acquisition marketing at Raise, says. “You need to look at all aspects of people’s lives and how they will function given the new norm.”

“Lately, we’re starting to see that people are getting into their routines with video calls and want to look presentable,” he said. “They’re starting to do their own beauty makeovers including facials, nails, and hair coloring or cutting, which is driving up the sales of health and beauty brands.”

Raise uses Criteo to help highlight their brand and products, since buying discounted gift cards isn’t necessarily something that consumers are even aware that they can do, or something they think to do before making a purchase.

Criteo keeps Raise top of mind for online shoppers, encouraging them to come back and take advantage of special deals.

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Reduced Demand

The truth is that not every advertiser is going to offer products or services that are in high demand in a social distancing economy. Advertisers in categories such as travel, events, and automotive have experienced less demand during the pandemic, but this doesn't mean they should stop marketing.



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Build consumer trust in preparation for the rebound

While the exact timeline of recovery is unclear, most marketers realize that the post-coronavirus world will be different and are wondering how they can help their customers post-crisis.

1 Focus on upper-funnel branding campaigns that address the outbreak

If your business is facing this challenge, your advertising strategy should pivot to more brand-focused messaging. Concentrate on the values that the brand can bring to consumers and focus messaging on resilience and unity. Some businesses have started offering new products and services that consumers need now, and upper-funnel campaigns can create awareness of these new offerings and drive consumers to your website to check them out.

Many consumers were disappointed when events like concerts, festivals, and weddings had to be canceled or postponed. Now businesses are offering alternatives—like live-stream concerts and comedy shows—and creating a strong interest in their brand as consumers look for new types of entertainment they can get at home.

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2 **Don't push sales before a consumer shows strong interest**

When the primary focus of your ad strategy is building trust, it shows consumers you're not just looking to push sales when they're not ready. Use a full-funnel strategy so you can reach consumers who are likely to be interested in your products with one message, and a lower-funnel campaign to reach the consumers that you know are interested.



3 **Implement geo-specific targeting rules if needed**

For advertisers who have experienced store closures or issues with fulfillment centers, you can blacklist the impacted regions from online campaigns to ensure that you're providing the optimal customer experience.

Moving Forward

The social distancing economy is always evolving.

Consumer behaviors are shifting weekly as restrictions change country by country and people settle into their new lives at home.

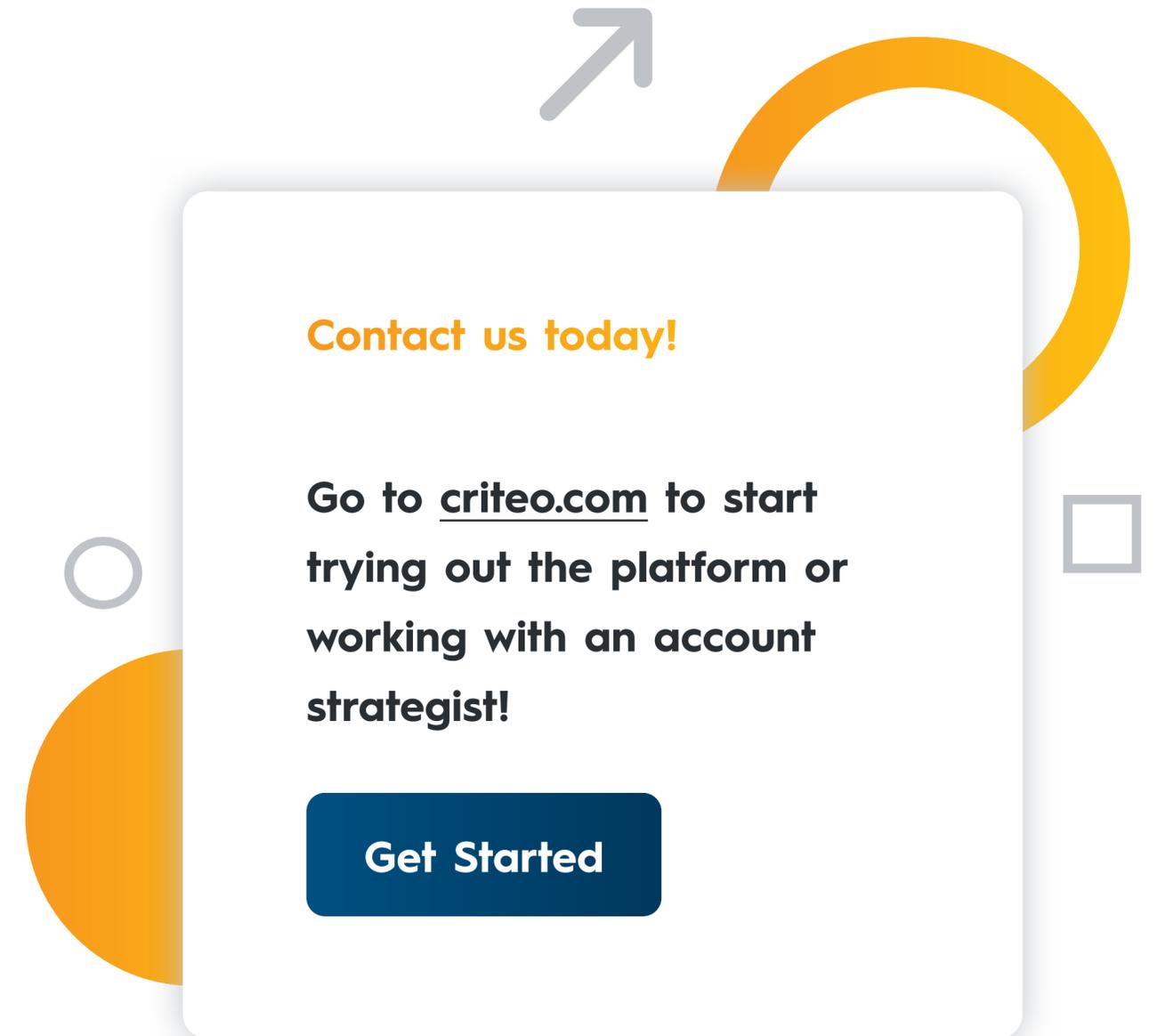
Your marketing strategy should be evolving, too.

The Criteo Ad Platform has solutions for every advertising strategy in this guide. Whether they're working from our offices or their kitchen tables, our Account Strategists can help you implement our advertising solutions quickly and create a plan that's best for your business.

Connect with consumers today while building stronger relationships for the recovery with Criteo's personalized ad campaigns that help people find what they need.

About Criteo:

Criteo (NASDAQ: CRTO) is the global technology company powering the world's marketers with trusted and impactful advertising. 2,800 Criteo team members partner with over 20,000 customers and thousands of publishers around the globe to deliver effective advertising across all channels, by applying advanced machine learning to unparalleled data sets. Criteo empowers companies of all sizes with the technology they need to better know and serve their customers.



Contact us today!

Go to criteo.com to start trying out the platform or working with an account strategist!

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