DIGITAL MARKETING AND ECOMMERCE

Maximising returns and building competitive advantage

KEITH WEED
Radical change in path to purchase redesigning our opportunities to influence for purchase

Source: The Futures Company & Kantar Retail: The Future Shopper Study
Winning and maximising returns from investments in digital and technology

**Making our investments work harder**
- Advertising production costs as % of media

<table>
<thead>
<tr>
<th>Year</th>
<th>&gt;30%</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Increasing investment in digital**
Digital Media Investment % of Media
- China: 45%
- USA: 35%

**Programmatic competitive advantage**
- Hypertargeting at scale. First trading desk transacting on 100% viewability

**Digital video innovation - more efficient reach**
- 105m
- 176m
- 248m

**Mobile/Social/Data**
- Accelerating direct connections
- Data records held: 107M
- INCREASE VS Dec 14: +172%

**Greater return on digital investments**
- ROI - Degree Men: +40%
- TV vs Digital: 2013 vs 2014
Unilever’s focus for marketing in a connected world

• Shaping the digital industry landscape for competitive advantage

• Highly skilled in digital marketing and ecommerce to win today and tomorrow
  • Data driven customisation
  • Mobile first: personalisation at scale
  • Building world class capabilities
  • Monetising the route to market
1. Shaping the digital industry for competitive advantage

Leveraging scale and pioneering on CPG platforms e.g. Facebook

- **FIRST:** PREMIUM VIDEO ADVERTISER
- **FIRST:** IMPLEMENT MULTI-MARKET CAMPAIGN WITH LASER TARGETING
- **FIRST:** CAMPAIGN IN INSTAGRAM
- **FIRST:** IMPLEMENT DATALOGIX
- **FIRST:** IMPLEMENT GLO-CAL CONTENT
- **FIRST:** LAUNCH SIMULTANEOUSLY ADVERTISING IN FB MOBILE & DESKTOP
1. Shaping the digital industry for competitive advantage

- Leveraging scale to drive innovation on the next platforms
1. Shaping the digital industry for competitive advantage

- Pioneering with start-ups: more effective and efficient ways of marketing
  - **NewAer:** Embedding iBeacon technology
  - **Digital Genius:** Leveraging artificial intelligence
  - 80 pilots, 38 start-ups scaled
1. Shaping the digital industry for competitive advantage

- Shaping industry standards on viewability, verification & value to maximise ROMI
1. Shaping the digital industry for competitive advantage

- Shaping industry standards on viewability, verification & value to maximise ROMI

'Keith Weed, chief marketing officer at Unilever, the consumer goods group whose brands include Dove shampoo and Hellmann’s mayonnaise, said Facebook’s move to give advertisers greater transparency was “very encouraging”.'

"We want to get what we pay for," said Keith Weed, chief marketing officer of Unilever, one of the world’s top advertisers.

'Unilever, the consumer goods group and second-largest advertiser in the world, has been particularly vocal about the need for much greater transparency in the market for online advertising.'

Source: Financial Times

Source: Financial Times

Source: Wall Street Journal
2. Data driven customisation

- Hypertargeting and more efficiently buying media through the ULTRA automated trading desk
- Lowest level of ad fraud

1. A person visits a webpage
2. As page is loading, seller lets buyer know there is an available impression
3. Buyer evaluates if person is someone we want to serve ad to. If ‘yes’, buyer submits ‘bid’ to seller
4. The seller accepts or rejects ‘bid’
5. The selected ‘bid’ results in an ad being served on the webpage
2. Data driven customisation

- Using consumer search queries to predict trends
- Match consumer needs with content and purchase opportunity
Get Started
3. Mobile first: personalisation at scale

- Unlocking the power of location, weather and interest data to identify audiences through micro targeting

FROM: Location and weather targeting

TO: Location and weather targeting
4. Building world class capabilities

- People Data Centres (PDC) providing real-time insights to people-related questions through the combination of live data sources
- Consumer Engagement Centres: 10m engaged per year (5.4m conversations)
- People Relationship Marketing (107m records)

- Active in 5 key markets
- €4m saved in 6 months
- 220,000 conversations listened to per day
- 10 core languages

Faster, Better, Cheaper
4. Building world class capabilities

- Investment in digital companies, insourcing leading edge expertise, knowledge and insight to help us learn fast, then scale.

- Mobile database marketing in emerging markets
- Music licensing for advertising
- eCommerce retail measurement

- User generated content for visual commerce and marketing
- Content management across platforms
- Fast, low cost on-line research
5. From ‘like‘ to ‘buy‘: Monetising the route to market

- Partnerships to drive scale
- Focused execution for competitive experience
- Building infrastructure for greater purchasing influence
5. From ‘like’ to ‘buy’: Monetising the route to market

Connecting our shoppers with their trusted neighbourhood traditional trade grocer for home delivery of FMCG shopping needs, via the internet.

<table>
<thead>
<tr>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopper logs onto Hamara Shop</td>
</tr>
<tr>
<td>Shopper logs onto Hamara Shop</td>
</tr>
<tr>
<td>Retailer receives online order</td>
</tr>
<tr>
<td>Order delivered to shopper’s home</td>
</tr>
<tr>
<td>Shops for her basket with her trusted local retailer</td>
</tr>
</tbody>
</table>

Humara Shop
Summary:

• Shaping the digital industry landscape for competitive advantage

• Highly skilled in digital marketing and ecommerce to win today and tomorrow
  • Data driven customisation
  • Mobile first: personalisation at scale
  • Building world class capabilities
  • Monetising the route to market