

# Kiddicare's multichannel

Alison Lancaster, the retailer's chief marketing officer, explains how she is orchestrating on- and offline marketing to support the brand's aggressive store-opening programme. By Jane Bainbridge

Kiddicare is a brand that bucks the current retail trend in several ways. At a time when many retailers are contracting and closing stores, it is aggressively expanding. While other chains have struggled with strategies for shifting their focus from 'bricks and mortar' to online sales, Kiddicare is travelling in the opposite direction, by opening more stores nationwide, having already established itself as a successful retailer.

Alison Lancaster (pictured right), the brand's chief marketing officer (and the marketing director, non-food, for Morrisons.com), therefore has a particularly noteworthy marketing role, as she contends with the challenges and opportunities that come with a rapid store-opening programme.

## Online strength

The expansion of Kiddicare, which has gradually built itself into a significant online operator from its roots as a long-established local retailer in Peterborough, has been achieved thanks to Morrisons' £70m acquisition of the brand in 2011.

The influx of Morrisons' cash allowed it to purchase 10 Best Buy sites, which it is transforming into Kiddicare stores. However, the benefits of the Morrisons buy-out also extend in the other direction, according to Lancaster.

'Without that investment, we couldn't have bought the Best Buy stores in one fell swoop, and it helped us to hire and attract the best people in the business. In turn, we're able to help Morrisons with technology and digital marketing, to take the supermarket side into dotcom,' she explains.

These are the areas where Kiddicare is particularly strong. While some marketers often express a fear of drowning under data overload, Lancaster sees only the opportunities that tech and digital marketing present.

'As a direct marketer, it's the most

Everything I've done has always been accountable, so I've been very used to the metrics. Now, I have even bigger and better metrics to go with. The challenge for businesses is how to put the infrastructure in place to make sure you take advantage of those really powerful data insights,' she says.

For Lancaster, everything comes back to the customer, whether it is the best channels to reach them and how to talk to them or what products to offer and which areas to expand into. She says this is more important than

execution, and Radian 6 as its social monitoring tool.

'This is just going live,' explains Lancaster. 'It's only when you make all those connections that you can start to tune it in. So we're still at the test-and-learn stage and it requires a lot of effort. Our CRM should be complete – at least the first stages – by next summer.'

'Radian 6 allows us to have a snapshot each day of the social noise around our brands and that feeds into Salesforce, so we can see if customers or site visitors are vocal on social media. So

there to support the after-sales team. However, she adds: 'As we're moving to multichannel more truly, where we have a large retail estate, we need to be able to take phone orders, too. Although we don't expect [telephone sales] to be a huge piece of the business, you can't say to the customer "you can't do that". It's about being there at the right time and in the right place for the customer. The call centre is based downstairs [at Peterborough] and we have one in Bradford on the Morrisons side.'

Mobile is also growing: about 20% of Kiddicare's online visitors come via this channel. 'It's going to be a huge part of the future, from a marketing and a customer touchpoint perspective,' says Lancaster. 'That includes tablets. We have a team just looking at mobile – we call it the "little web", and the "big web" is the internet site. If you bucket it all under "web", you aren't doing your customers a true service because how you behave on a Mac or PC is different from the touch and tap and flick of a tablet.'

In the advertising arena, Kiddicare has an established relationship with the baby-specialist press, which Lancaster describes as a 'very obvious way to find mums'. The brand has also run tactical TV advertising and did so again in the fourth quarter of 2012.

'We're making people aware we're here and that we have some great deals. We can't assume everyone automatically goes to the web, so you do have

**'Consumers don't think in terms of channels. They think of a brand, and we need to be there, no matter where people shop'**

looking at what its competitors are doing.

'You can't ask customers for information and make them promises you then don't deliver on. So if you ask for, and get, information on customers and their preferences, you have to then be prepared to execute to their wishes. So it's about digital tech enabling digital marketing,' she adds.

The data insight infrastructure Lancaster is establishing at Kiddicare includes Salesforce CRM as its main system to capture and hold customer information, Responsys for its email

you get it all together and then work out your next best action.'

With about 85% of Kiddicare's business coming from online, efforts were focused initially on paid-for search advertising and online marketing.

'Without marketing, no one knows you're there, so it's a fundamental part of the business. Now, as we open stores, we have to look at a new marketing mix, going from just online to cover the traditional channels as well,' she says.

Lancaster adds that as a dotcom business, Kiddicare's contact centre was

Kiddicare the brand's ambition is to open 20 to 25 stores





# annel masterplan

to find them at other times in other places,' she says.

'With new stores opening, we work with [pregnancy sites] Emma's Diary and Bounty, for instance, and do invitations to the openings, so we can target women who either recently had a child or are mums-to-be. We do ads in the local press to announce we've arrived. In our market, about 42% of first-time mum nursery purchases are made by friends and family. So reaching out beyond specialist press or sites is important.'

Kiddicare expects to expand its traditional direct marketing efforts in the future. 'We've done invitations to store openings and we are going to bring more direct marketing into our mix, because we've had several requests from customers for a catalogue. So although we thought we were a modern, contemporary retailer/etailer and it was all online, mums like paper as well, so we'll bring out a catalogue next year,' adds Lancaster.

## Traditional methods

As part of its quest to keep in tune with its customers, Kiddicare runs traditional focus groups. 'We also do face-to-face groups to find out what they want and keep up with shopping behaviour. Then we can adjust our marketing campaigns to meet the customer's needs, and if we get that right we'll be in a good place compared with our competitors,' she explains.

There are other areas of marketing Lancaster wants to develop further, not least the 'more traditional, expensive above the line'.

'Now we've got a true multichannel offer and we're part of the Morrisons family, we can raise the profile of the brand. It's about the life-time value of customers: we want to get a customer when she's pregnant, and keep her through her baby journey and subsequent children and ensure she comes back to or recommends the brand.'

'When we have more national coverage we can establish our brand presence. In Peterborough, we've been a retailer since 1974 and we're well-known, but as we reach other parts of the country, not everyone might have heard of Kiddicare.com. With the new



stores, we've dropped the ".com" from the title. Many retailers think in terms of channels but customers don't. They think of a brand. The brand is Kiddicare and we need to be there, no matter where people shop,' argues Lancaster.

Building a strong brand and maintaining its core principles – guaranteed lowest prices, trusted and expert advice and excellent service – will be a challenge considering its aggressive store opening policy. By summer this year, Kiddicare will have opened all 10 stores and its stated ambition is to get to 20 to 25 stores. It also has global aspirations for Kiddicare.com.

To ensure that Kiddicare stores aren't pitted against the brand's online offering, Lancaster says the company is 'not getting hung up' on what channel shoppers use. Each store will get the credit for a sale made in its area, regardless of how the purchase is made.

'Stores are a vital part of the experience and many pureplays are now thinking about retail as part of the experience they offer. You can't restrict how the customer accesses the brand.'

As the phenomenal rise and increasing influence of sites such as mumsnet.com illustrate, mothers are a force to be reckoned with and can be extremely vocal about their

opinions on topics as diverse as prams, customer service, politics, TV programmes and health issues, with social media providing the perfect forum. The key, Lancaster argues, is harnessing mothers' desire to share information.

'These days, unlike the past several decades of marketing, the customers are in complete control. The web provides radical transparency and they can find anything – there are not many places to hide information.'

'So you have to work with that and embrace it. It's about listening to what they think about your brand, the market, category – it's like the most detailed and intense focus groups, going on 24/7. You can't tell them what to do in social, you have to start a conversation but then enable them to express what they feel. It's not a hard-sell channel; it's a very emotional and powerful channel.'

One direct consequence of Kiddicare listening in to mothers' social chatter was the creation of community spaces in its stores, where kids can play and where Kiddicare can run activities such as mother and baby yoga sessions. 'It's not all about just selling to mum, it's about it being a place you can come and just celebrate your time with your little one and other mums.'

## Bright future

Although Lancaster acknowledges that marketers have to work harder during the recession, as most customers have less money to spend, she is optimistic about marketing and the opportunities.

'It's hugely exciting: there are brands that didn't exist until relatively recently which are now some of the biggest on the planet, such as Amazon.com. However, it had to do traditional TV advertising to build its brand, so all the old-school core marketing skills are still true – it's about how you adapt and blend them with modern techniques. That's the skill of the marketer now, to really think – rather like an orchestra – how you get it all tuned in so it makes a fantastic noise that can be heard over everything else in the marketplace.'

'It's test-and-learn in a way that stays true to your brand values, respects your customers, isn't too Big Brother-ish and balances the old and the new.'