STUDY: OPPORTUNITY WILL REMAIN POST-COVID

Short wait times and other factors drive retail, grocery and restaurant customer satisfaction when it comes to picking up goods ordered online.

That’s according to the Rakuten Ready 2020 Time Study, which reflects the growing influence on customer loyalty driven by the online pickup experience since the breakout of the COVID-19 pandemic.

Since shelter in place restrictions were enacted in many parts of the U.S. in March, the volume of online order-for-pickup transactions grew more than 200%. More than 82% of consumers said they have used the service to purchase from restaurants, grocery stores and other retailers in the last six months.

“Order for pickup is a differentiator helping merchants enhance customer loyalty in the pandemic and will continue to provide a competitive advantage in a post-pandemic world,” said Jaron Waldman, CEO of Rakuten Ready. “Our study underscores that merchants have a tremendous opportunity to grow traffic and revenue by redefining and optimizing their order for pickup experience to adjust for consumer worries and gain their trust.”

The study found that reducing customer wait times for pickup continues to be a key factor for producing long-term customer loyalty. But the pandemic has made it even more important for consumers to spend as little time as possible in stores waiting to pick up orders. This extends the trend identified in last year’s report that found customers who wait under two minutes for an order are four times more likely to repeat purchase from the same retailer or restaurant.

Brand loyalty, ease of process and uniqueness/value of products also contributed to customer satisfaction for brands that scored poorly on wait times.

HONDA, GM TO DEVELOP A ‘RANGE OF CARS’

General Motors and Honda Motor have signed a non-binding memorandum of understanding to team up in North America to share vehicle R&D and engineering costs.

Under the North American automotive alliance, both companies will share common vehicle platforms, including both electrified and internal combustion propulsion systems “that align with the vehicle platforms,” GM said yesterday.

Both companies plan to begin discussing their efforts to combine vehicle platforms and technology “immediately,” with engineering work beginning in early 2021.

Under the deal, the companies will work on a “range of vehicles to be sold under each company’s distinct brands.”

ADVERTISER NEWS

Walmart has posted a list of the “36 hottest toys” with expectations that the category will remain in heavy demand throughout the Christmas selling season. “Toys have really played a critical role in families over the last few months especially with everyone being at home a lot more,” said Erin Fish, Walmart merchandising director for girls fashion dolls. Among the toys making the retailer’s list for 2020 are Frozen 2, L.O.L. Surprise, Paw Patrol and Star Wars.

Burger King has unveiled two new restaurant prototypes with features such as triple drive-thrus, meal pickup lockers and takeout counters. Sales through the fast-food chain’s drive-thrus represented 85% of its sales in the U.S. in the second quarter, up from 67% the year before. Josh Kobza, COO for Restaurant Brands, the parent company of Burger King, said the coronavirus pandemic is forcing the business to innovate more quickly. “We’re seeing more and more guests wanting to dine off-premise, wanting to use drive-thrus, wanting to do takeaway,” Kobza said... Keyboard covers and webcams are items that are showing up in a lot more back-to-school shopping carts. “We are shipping more than we ever shipped before,” said Carl Wiese, chief revenue officer for Poly, a manufacturer of noise-canceling headphones and webcams...

Gift retailer The Paper Store has exited Chapter 11, after filing for bankruptcy less than 50 days ago. Backing the retailer in its reorganization is a group of investors led by real estate firm WS Development, the company said in a press release. The group buying The Paper Store out of bankruptcy paid $22 million for the retailer along with assumed liabilities, according to court documents... Red Wing Shoes has teamed with 50 companies to hold job fairs at its 525 stores on Labor Day. Red Wing is recruiting to fill about 80 positions, and other participating companies including General Mills, Sleep Number and Land O’Lakes will also promote their job listings... Target is adding 600 new items to its Good & Gather grocery private label line, including frozen wood-fire pizza, jalapeno avocado hummus, honey vanilla butter and meatless burgers.
NEW HOME SALES HIT 13-YEAR HIGH IN JULY

According to the most recent data from the U.S. Census Bureau, new home sales across the U.S. increased 13.9% from June to July, hitting a seasonally adjusted annual rate of 901,000 units. That is the highest recorded pace since 2006 and a 36.3% increase since July 2019.

“This is exactly what NAHB’s builder confidence survey has been indicating in recent months,” said Chuck Fowke, chairman of the National Association of Home Builders (NAHB). “Consumers are being driven by low interest rates, a growing focus on the importance of housing and a shift in buyers seeking homes in lower density areas.”

New home sales are up 8% on a year-to-date basis, which has led to correspondingly high levels of activity for home builders across the U.S. Housing starts in July spiked to their highest levels since 2016, leading to the kinds of activity typically seen in the wake of major tropical storms.

One of the only things holding housing back at all is the rising cost of construction materials, in particular softwood lumber, which has more than doubled.

“Despite these positive conditions, affordability challenges remain especially as builders are dealing with building cost increases, including a dramatic rise in lumber costs in recent months,” said Fowke.

PODCASTING AN ADVERTISING BRIGHT SPOT

Digital radio spending has declined during the pandemic, which is in line with reduced advertiser demand. But research firm eMarketer says it expects growth to rebound by 26.8% next year.

Podcast advertising, however, remains a bright spot of growth within digital radio. Spending on all types of podcast ads, including host-read sponsorships, will rise by 10.4% this year to more than $780 million.

Next year, podcast ad spending will surpass $1 billion in the U.S. for the first time as growth rebounds to 44.9%. That will boost podcast advertising to almost one-quarter of the digital radio ad market.

Only a small share of digital radio advertising is traded programmatically, but that share will increase to 16.5% this year. By 2022, more than $1 billion worth of digital radio ads will be traded through automated means.

THIS AND THAT

Google is expanding access to local news by adding the Your News Update to its Podcasts app, allowing subscribers to listen to news segments based on location, interest and preferences. Google Assistant users will also be able to prompt Nest smart speakers to play local news... Facebook will block new political ads in the final week before the U.S. presidential election, the social network said yesterday. “We’re going to block new political and issue ads during the final week of the campaign,” CEO Mark Zuckerberg posted.

“It’s important that campaigns can run get out the vote campaigns, and I generally believe the best antidote to bad speech is more speech, but in the final days of an election there may not be enough time to contest new claims.”

AVAILS

KMBC-TV, Hearst Television’s ABC affiliate in Kansas City, has an opening for an experienced Account Executive. We’re looking for an AE who is highly motivated, can grow revenue on existing accounts and secure new advertisers to the station. Ideal candidate will have strong business development experience and the ability to effectively negotiate. If you have a proven track record of producing revenue on multiple platforms, click HERE to apply. EOE.

KFVS-TV 12, Cape Girardeau, Mo., seeks an energetic, passionate, analytical and creative National Sales Manager who is up to the challenge of growing share and uncovering incremental revenue opportunities across multiple platforms. The ideal candidate will have a keen attention to detail and be organized. Client engagement is a top priority. Candidates should also have the ability to work in a fast-paced environment, handle multiple challenges simultaneously and be excellent in broadcast sales negotiation. CLICK HERE for more info or to apply now. EOE.

See your ad here tomorrow! CLICK HERE for details.

WEEKLY U.S. JOBLESS CLAIMS TOTAL 881,000

New filings for jobless claims totaled 881,000 last week, better than estimates as the employment market continued its gradual progress during the coronavirus pandemic recovery. Economists surveyed by Dow Jones had been looking for a total of 950,000.

The number reflects an improving labor market as well as a change in methodology from the Labor Department to address seasonal factors. Unique circumstances associated with the coronavirus likely caused jobless claims totals to be overstated during the pandemic.

While the number represented a drop from previous weeks, those totals were not revised, making comparisons difficult.

Spots n Dots returns Tuesday, September 8
NBA PLAYOFFS: NATIONAL TV AD SPEND $290.6M
About halfway through the NBA Playoffs (without the NBA Finals), 38 games have averaged 1.96 million Nielsen-measured viewers, with national TV advertising spending comparable to a year ago.

ABC has aired two of the games, averaging 3.6 million Nielsen-measured viewers, while TNT has aired 24 games, averaging 1.9 million, and ESPN has had 12 games, averaging 1.8 million.

Two additional games, on NBA TV, averaged 285,000 viewers. All games are playing in the ESPN Wide World of Sports facility in Orlando, Fla., due to the COVID-19 pandemic.

Some $290.6 million in national TV advertising spend has been spent halfway through the playoffs so far, according to iSpot.tv. This is comparable to a year ago, when the entire NBA playoffs (76 games) pulled in $634.2 million in national TV advertising.

Looking at the entire regular season this year (the pre-pandemic period from Oct. 22, 2019 to March 11, 2020 and the restart season, July 30 through Aug. 14), iSpot says national TV advertising totaled $770.4 million. That’s 6% higher than the $726 million in estimated spend for previous regular season.

Pre-pandemic, from Oct. to March 11, the league ran 625 brands, totaling $540.9 million in national TV advertising, totaling 23.6 billion impressions.

REPORT: STREAMING MEDIA DEVICES TOP 1.1B
The rise of over-the-top video distribution, including Netflix, Amazon Prime Video and Disney+, has pushed the global number of streaming video devices (including connected TVs) in homes past 1.1 billion, according to new data from Strategy Analytics. The finding from 27 countries underscores the role of television manufacturers in OTT video distribution in homes.

Samsung tops the market with 14% of devices in use, followed by Sony (12%), LG (8%), Hisense (5%), TCL (5%) and Amazon Fire TV (5%). It follows then that Samsung’s proprietary operating system (Tizen) accounts for 11% of deployed devices, followed by WebOS (7%), PlayStation (7%), Roku OS (5%), Amazon Fire OS (5%), Android TV (4%) and Xbox (4%).

The research highlights the fact that streaming video is increasingly viewed on TV screens rather than mobile devices, particularly during the pandemic, and connected TVs have become a leading platform in video streaming. “Over-the-top TV and video streaming to the TV is a complex and evolving landscape compared to mobile devices, where only two platforms dominate,” David Watkins, director at Strategy Analytics, said in a statement.

David Mercer, VP, media and intelligent home at Strategy Analytics, said that as pay-TV declines, so too will traditional television and video platforms. TV streaming, Mercer says, represents the future of television and video.

“The next decade or so we expect Internet streaming to dominate consumption of television and video content across much of the world,” he said. “This research reflects the early stages in the evolution of the platforms which will come to dominate this ecosystem for many years to come.”