

THE SIMPLICITY OF VISUAL MERCHANDIZING

By
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SMASHWORDS EDITION

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The Simplicity of Visual Merchandizing
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*A series of Books that I hope will help you have a better Understanding of
The Simplicity of the Business World
by
Hamish MD Currie*

The Simplicity of Visual Merchandizing

Chapter 1 - Introduction
Chapter 2 - Storefront the First Impression
Chapter 3 - Makro Store Layout
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Chapter 5 - Promotional Activity

Above all others, this book is for my daughter **Candice**. I would like to thank **Kim**, who took the time to read the entire work and made me sit and explain each of the concepts in simplistic terms, and then suggested that I should re-do it in that easy to understand simplistic format. This is why

the series have all started with Simplistic. I would also like to thank my mother **Nancy**, without whose steadfast belief in me, this work would never have been completed. Thank you.

Please note that I use UK English spelling throughout.

2- The Simplicity of Key Account Management

3- The Simplicity of Category Management

4- The Simplicity of FMCG Sales Management

5- The Simplicity of Retailing

THE SIMPLICITY OF VISUAL MERCHANDIZING

Chapter 1 - Introduction

Visual merchandising is the activity and profession of developing floor plans, fixtures and displays in order to maximise sales, of both goods or services. The purpose of such visual merchandising is to attract, engage and encourage the shopper so that they will purchase the displayed items.

The purpose of visual merchandising is to:

- Make it easier for the customer to locate the desired department and category.
- Make it easier for the customer to find the products that they need.
- Make it easier for the shopper to get other products that either match or blend in with their theme.
- Make it easier for the shopper to find specially promoted, displayed or strategic goods.

Shopping is a pastime that the majority of the population do not enjoy and would rather change the experience that they have. There is a problem with making a generalized comment on people going shopping in that there are certain stores that we love to visit, and others that we will avoid at all costs. Why is there such a very different experience between the perceptions of the different outlets? Quite often I have noted that a person will like a store from a group, and absolutely hate the same store in a different area.

It is important to note from the start that most shopping experiences can be affected by the visual appeal that one has at the outlet. The store has to understand that they are providing "entertainment" for you while you are in the store. There have to be aspects within the store that capture your

attention and provide you with some excitement. This does not mean that they have to have actors or entertainers to serve you, but that the displays and decor must hold your attention while you are there.

Obviously there are different types of stores that we have to visit that are selling goods that we need, and in some cases it is not possible to have the store looking to bright and cheerful. If you are in the business of selling coffins it is not a good idea to have the staff or the store to be decked out in bright colours. Dull and sombre is the order of the day for these types of outlets, but the merchandise and the accessories, such as the flower arrangements must be very tasteful.

Once you get into the proximity of the store you should either be attracted to it because of the store brand recognition or the store's presentation, or both. The store should represent an adventure where your attention is held from the time you enter till the time you leave. This is not always possible or practical due to the types of products being sold, but I will go into this in more detail further on in this book. The tools used to achieve these attributes are based on creating the most satisfying experience for the shopper, turning browsers into buyers.

An area that you will note in the aspect of visual merchandizing that you will note that I tend to concentrate on is that of the overall impression that is obtained by the store, and not just the effect of the products on the shelf. You should be able to look at the store and tell who their target market is, and by looking at the way the shelves are laid out and merchandized, what the strategy of the store is. In more outlets than I would care to remember I have walked out saying that the store has no chance of survival as there is no understanding of their target market or the shopper.

The other area that will be touched on only slightly in this book is the fact that we shop with all five senses, not only visual. I cover these more thoroughly in *The Simplicity of Understanding Shopping*. There are a number of stores that have increased their bottom lines by doing things that are so simple, and seen by the shopper as being a "Wow" value add to their shopping experience has been quite astounding. In most cases it is the kids who tell their parents that they would like to go back to those stores. I have gone and asked them to make popcorn and give it away free, mainly to the kids but anybody can have a small packet.

What this does is simplicity in the extreme. The smell either draws the people inside the store who did not plan on coming in, or it gives those who were going to anyway a "warm fuzzy feeling" that they are getting something for nothing. Because we buy with all five senses, we have now satisfied the sense of smell about the store, as well as that of taste. The interesting aspect with these exercises was that they were mostly done in non-food outlets. If you are aiming at a more sophisticated, mature, upper-end clientele then you are more likely to get the desired response from this market with freshly brewed coffee or flavoured tea.

We did a series of interviews with people, before entering the store, and on leaving the till point as to what they had planned to purchase, and what they had actually ended up buying. These interview were conducted with and without the introduction of the popcorn. There was a decided increase in the sales when there was popcorn to when there was none, the results of which varied dramatically dependant on the type of store that we were dealing with. You must be careful to change the type of promotional activity that you are doing as it can become stale very quickly and shoppers are very easily distracted.

Chapter 2 - Storefront the First Impression

The first time I met Bruce Barns, who is an exceptional person and retailer, I thought that he was not all there and that the lift definitely did not stop on all floors. I walked into his store where he was the store manager and he had a bucket of dirty muddy water that he was using to "clean" a perfectly spotless floor. Once he had finished this he went around the store and started to take products from shelves, where the merchandizing was perfect, and place them in areas where they did not belong. All of this to make his store more appealing to his consumer base!

Absolute nutcase was the first thing that entered my mind, and be careful of him. How could anybody in their right mind dirty a clean store and mess up well organized shelves that some poor space planner had spent hours or days getting right? He then proceeded to give me a lesson in having the visual store meet the expectations of the consumer who shopped in his store.

If he could afford to keep the store clean and well merchandized, the consumers would perceive that the store was making too much money from them and that he was likely to lose customers if he did. His store was aimed at a customer profile who had very little disposable income and had to make every cent count. To be honest, I only really got to understand how accurate he was when he was promoted to head-office and his replacement thought he was wrong and kept it clean and tidy. Within two months the store had a declined in turnover of over 38%.

I like to use this example because too often we are only interested in judging the store based on the one set of standards, which may not be the correct ones for that particular store with its consumer profile. The shopper or consumer who frequents an outlet have certain expectations and if what they see does not match this, then they are more likely to go and find an outlet that meets their expectations. It must also be noted that the appearance of the store may be offensive to the "non-target" consumers in the area, such as a store that is aimed at the young hip teenagers will have bright colours and posters and be playing their music rather loudly. It is therefore rather unlikely that you will find any "older" people going into the store to browse. The store must make the target consumer feel that this is the place that they would like to be seen by their peers.

Let's start at the point before we enter a store. Generally because it is a grudge pastime we have a very clear idea in our head as to where we are going and what we need to purchase, whether it be bread and milk, the newspaper, a sports shirt, shoes, perfume, or a new TV. We would then either know the store we are going to, or we will be going to the Mall or the High Street to look for an outlet that sells what we require. An important element in any store design is the visual feel of the storefront as this will immediately give a prospective shopper a good idea as to what to expect if they enter the store. Accomplished successfully, the entrance reflects the personality of the store and gives a glimpse of the merchandise available inside. We must always be aware of the fact that we shop with the five senses and the first sight of the store is critical as we only have seconds to register as to what type of store it is and if we would like to shop there before looking around to see what other stores are available. The store has to get the visual recognition right with just enough product to catch the shoppers attention, and not too much so that the shopper's mind will only see a clutter and move on.

You need to design a distinctive store logo that communicates your mission and is also able to provide brand recognition for the company. You will want this logo as a storefront sign, printed on merchandise, shopping bags, and point of sale and display signage. Most shoppers like to see a clear, clean, understandable, easily identifiable, and easy to read logo's and signage. It is also important to note that the logo can be a symbol with no words if it is going to adequately inform the consumer about the offerings of the outlet.

The way merchandise is displayed in show windows also has a lot to do with enticing the guests into the store. Whether you have a store in the mall or on the street, the customer has only a few seconds to view and be attracted by your displays. Your visual philosophy should replicate a billboard by making it bold, colourful, and simple. Outlets like baby shops often put one of everything into the window which can have the effect of the customer missing it all because they can't focus.

One of the interesting changes that has happened in some very exclusive up-market shoe shops has been the introduction of "lounges" with large screen TV that plays either live sport or one of the recent games. This has been done to keep the male chaperones unaware as to how long the wives or dates have been looking for and trying on shoes. These lounges are generally positioned as close to the entrance as possible so that the game can be seen from outside as this should cause the men to show an interest before the female has decided that this is the shoe store of choice. They are provided with free coffee, water and some biscuits to keep them occupied. What is interesting when you watch the couples enter the store is the way the wife points at the couch and says "sit", like the way Barbra Woodhouse would instruct the dogs she was training to sit down. I must admit that it is very catching, as even Kim has perfected not only the actions but the tone for "sit" as well.

You are also seeing some supermarket outlets putting the DIY section opposite the toiletries and cosmetic section. The reason behind this is that women take a lot longer in this section than they do in any other and the margins are higher for the retailers. In order to prevent the husbands from becoming too impatient and cutting the women's time short in this profitable section, they have put the equally profitable DIY section close by so that the men can spend time looking through this section.

Chapter 3 - Makro Store Layout

Makro store layout actually begins with the retail environment itself. For example, mall developers consider the product mix that will be offered in the new mall from the outset as they must decide what stores will be the anchor tenant. The balance of shoe stores, jewellery stores, clothing stores, and food court tenants is all based on a potential sales-per-square-meter model. If the balance and placement are accurate, the mall is a success. Mall developers use GIS in the form of site plans, floor layouts, and common area designs. Their measurements of success are in the percentage of rent receipts, the percentage of the mall that is leased, and the rate of tenant turnover. The retail store sales potential is estimated by pedestrian traffic counts in front of the proposed location, the mall's trade area, and the quality of the anchor tenants. The only real difference between the mall developer and the retail store in this context is that the mall developer has fewer products, and they are harder to rearrange.

Whether it is the Mall or the store, the developers and managers have to follow the Category Management roles to ensure the success of the venture. What are the destination stores or categories, which are going to be routine, where are the profit generators going to be situated, and which are going to be the excitement generators. This is covered extensively in "The Simplicity of Category Management". They even have to ensure that the toilet facilities are positioned in such a way as to encourage people to walk past the "not so popular" or profit generating categories.

The next level is the store level. The store may operate against a theme represented by the product mix remembering that seasonal adjustment may affect the theme. Traditionally, sales are measured at the store level, where individual departments within the store are indexed or measured against other similar stores or departments. The same principle applies when one looks at a retail store.

What are the destination departments / categories within the store. Where should they be placed within the store to ensure that there is maximum traffic flow past the other departments / categories. In developing an effective store layout, it is critical to ensure that the store is organized in a logical manner ensuring that the merchandise is easy to shop. The fixture should be merchandised according to the identified segmentation, i.e. the fixture should be laid out as the consumer shops the aisle. The fixture should be clearly signed in order to reduce confusion and to steer the consumer to their purchasing destination.

Makro store layout merchandising sees the store fixture not only in terms of sales created but also by how a fixture looks in terms of the products it supports and how it fits into the overall theme design. Is the theme being well supported? Where are the hot spots in the store, and why are they hot? Similarly are there cold spots, areas where the sales and / or profit per square meter is more than an agreed percentage, and what can be done to encourage shoppers to go past these areas and increase the sales through impulse purchases.

When the Makro Store Layout can be analyzed through shelf space and store fixtures sales value or volume, we are able to analyze targeted areas so that the performance of product and or promotions can be quantified by the Value they generate. Businesses can engage in micro-merchandising where they can track revenue by square meter and they are able to establish the effects of lighting, store layout, sale items, and other retail specific factors. This information also allows the supplier to tailor make promotional activity that will best suit the consumers profile.

Just as businesses have traditionally used stock keeping unit (SKU) numbers, or UPC's to track products, they can also use them to track where in the store the products were purchased. Tracking can be translated into Value captured per cubic measurement of shelf space and display area. This does give both the store and the suppliers to really get a better understanding of the effects of colour, display material, price, and any other features on the performance of a promotion or product. Certain colours do not have a positive impact on the propensity of consumer's purchases but suppliers insist on using them for whatever reason. There are numerous opportunities for companies to re-evaluate their POS material in order to be able to make the consumer more comfortable when seeing the display. This being said, there are a lot promotions with bold colours that do not really fit the message of the product that have worked extremely successfully.

There are several approaches to retail store organization and merchandise display. The first and most common is to display similar merchandise all in the same area, which would then be classed as a Category. In the case of the Baby Store the merchandise will normally be presented in this way, and you will probably have a stroller wall, a book section, fixtures for toys and novelties, and special cases for smaller or secured merchandise. A food outlet will have, among others, the following categories, perishable, fresh, frozen, beverages, bakery, dry goods, non-foods, and health and beauty.

Dependant on the type of outlet and the space constraints it has, you might, want to consider as an alternate presentation method such as Lifestyle Merchandising, which can look like "A Shop within a Shop" concept. With this method, diverse products like apparel, books, lamps, furniture, etc., which all reflect the same theme, are displayed together in a room setting. Some stores have gone to the extreme in this by trying to have all products associated with a room in the house found in one area. As you can imagine this can work for certain rooms but there are a number of products that could fit into more than one room and in a lot of instances they are not fast moving products so it would not be feasible to keep sufficient quantity to be able to merchandize in more than one area.

As a more thematic interpretation of 'cross merchandising', presenting products in this manner can also increase the perceived value of items that normally would seem unconnected with any other merchandise..

You may find that a combination of the two merchandising styles may best be suited to your market area or target customer. Similar to the new wave of home furnishings stores that have divided their stores into lifestyles sections of the home, such as the Living Room, Dining Room, Outdoor, and these stores also have departments in which products are presented that cover more than one area, such as glassware, cookware, electronics, etc. The same is true for apparel retailers who give you dressing suggestions with coordinated look mannequin presentations, you can also find your favourite fit from their large selection of jeans or shirts in designated areas. Food stores have tried to do the same with their departments and use the function of cross-merchandizing to increase consumer impulse purchasing.

Creating room settings in highly visible focal areas of your store and positioning commodity products in convenient locations that make it easy for the customer to stock up achieve the best of both methods of display.

Organizing the store in either way presents a logical arrangement that helps the shopper to browse through the product range, and determine which items would best suit their lifestyle. Never for one moment think that the store is completely correctly laid out for the customer. It is important that you walk the store as often as possible, reviewing the merchandise presentation and display always looking at it from the customer prospective, always asking yourself the question, "If I were shopping in this store, would I be want to buy?"

Chapter 4 - Visual Shelf and Display Merchandizing

When we focus in from the Total Store Layout we concentrate on the last level which are the fixture and the displays. We need to fully understand what this fixture did in sales yesterday against our expectations? This must always be done using a Scorecard that will enable you to benchmark the performance against similar products within the same store and similar stores with the same profile shoppers as the one you are evaluating. If storeowners reconfigured the product mix, colour, and lighting, could they enhance the point of purchase? If so, by how much, again against what the increase was expected to be? Please always remember that it is not the "brightness" of the lighting that is important, but the way in which it is being used. This is particularly true in the Health & Beauty categories where you need to have brighter lighting, mirrors, and other aids to assist the customer with their shopping decision.

If they have the ability to make adjustments in relationship to what is actually occurring on the floor, they should be able to keep the store operating at the highest level, which maximises the yield and keeps service levels high and operating costs low. Certain food stores are moving into having an area dedicated for the meal offerings that are right for the time of day, and give discounts for the remaining meals not sold during the dedicated time slots so that there is space for the assortment for the next meal.

Shopping to most people is a "grudge" that they would rather get over with as fast as is humanly possible. The store needs to make the experience as painless as possible by making the products easily available, where they would be expected to be, in quantities that meet the consumer off-take requirements, in an environment that is as pleasant as possible, with fresh quality products [this goes for both food and non-food products], and with checkout lines being as short as possible.

Adding to this the store needs to add excitement to the experience that the shopper experiences. Think of it as a show that they are coming to. Has the shopper's attention been held during the performance or did they get bored and want to walk out? Did they understand the plot and could they find the clues to complete the picture? You certainly do not want the customer to walk out of the store thinking that they have been playing hide and seek, and that their range of products that they wanted to find was so well hidden that they felt that had lost the game. People like to win so let's make it as easy as possible for them to visually find the products that they want, and make displays so appealing that they are "forced" to buy from these displays.

Trying to get this area of the business as appealing to the consumer or shopper as possible is where I feel that too much money is wasted. This is due to the lack of understanding that most companies have for the stores policies or preferences. How often have we seen marketing departments producing stunning Point of Sale [POS] material or display material that is either rejected by the store or is just not practical for the type of outlets that they are supposed to be going into.

Please understand that in no way am I trying to advocate that Marketing or the Agencies must stop doing advertising material for the stores. What I am advocating is that there is some form of checking system or team that would comprise Marketing, Trade Marketing, Category Management and Sales. I was involved with a company where all of the product development, POS, packaging and pricing was decided by Marketing. I had been in the company for two weeks when Marketing unveiled a new product that was aimed at the upper end consumers. I asked if they were expecting to get the product and the POS into the largest retail in the country, to which they said with such glee that they were even going to offer it to them on an exclusive basis for the first six months. I stated what I thought was the obvious, but obviously not, that it would not accept it as the colours were the same as their Private Label product. Horror it was rejected by the Retailer and our group had to write off millions.

The Goals of Visual Merchandising - Shopping with Our Eyes

Goal 1: Get attention

The store's first mission is to let potential shoppers know he is there and to create awareness. The outside of the building should announce the store's presence. To be truly noticed, the store's branding must make it be recognized. It must clearly tell the shopper what business they are in, supermarket, men's clothing, sporting goods, etc. If there is something special on at that time like buy one get one free it must be boldly proposed to the prospective customers. Shoppers need to be able to notice the store from the road and from the sidewalk.

Goal 2: Appeal to shopper

Now that you have got the shopper's attention, what next?

You need a way to appeal quickly to the shopper, giving them a reason to browse at what is on display, and to see what you offer. The shopper is only interested in what he sees and smells at this stage, and this must appeal to him.

Remember that we generally shop with our five senses, so if what they see, smell, hear, taste or feel is not to their liking they will not venture into the store. It is important to ensure that the target shopper senses are the one that the store targets to please. If your target shopper is a conservative

mature female it is not a good start if you have a "Punk" tattooed salesman or have rap music playing.

Also it is important not to have too much information or offers in the window as it confuses the customer and they are likely to be more intimidated.

Goal 3: Close the sale

A good display not only gets your attention and appeals to your interest, but it creates an irresistible urge to purchase the product. Displays are quite often referred to as silent salesmen, so it is imperative that these "salesmen" give the shopper the right message. Display items in a setting that is appropriate to their type, as if you display beautiful cakes and confectionery in front of the "fresh" fish section there is a strong likelihood that you will not sell any bakery items. Shoppers infer merchandise quality from the store atmosphere & appearance.

Once you have actually got the customer into the store you have to keep their attention through the in-store displays. I know that the retailers rent out the display space area, and that it is important to be seen participating in their promotions, but I would seriously like to know if either the retailers or the suppliers have done their homework as to what the maximum number of displays that should be allowed in an outlet per free walking area before it gets to become a clutter that the shopper blocks out of their mind while in the store?

What do displays do?

What displays do for your company is that it turns advertising into Sales, it stimulates impulse purchasing, it strengthens brand loyalty, and it increases the over-all category sales.

What displays do for consumers is that it reminds them about the brand and gives them new ideas. It relieves their shopping monotony, makes their shopping easier, while it speeds up the perceived shopping time spent in the store, and it creates impulse purchases and awareness.

What displays do for retailers is that it increases the average total basket [trolley] sales, and it helps develop steady consumers, and it attracts new consumers. A display of one brand increases sales of the total category, which would imply that we should be careful of having products from the same category segmentation as it could result in other categories not being positively affected due to space constraints.

How to plan displays.

- a) Know which stores should have promotions and why.
- b) Know what products to feature.
- c) Know the pack size.
- d) Know how much space and products are required.
- e) Know how to sell displays, to both the store Manager and the Consumer.
- f) Know the additional sales volume that should be achieved over your baseline sales.
- g) Know which products you would like to be next to and those that you would definitely not like to be next to.

How to evaluate your displays.

You've sold the Manager on the idea of a display and it has been built. Now - before you leave the store, is the time to evaluate it.

- a) Is it located in the traffic flow?
- b) Does it have real dominance in the store?
- c) Is the display the right size?
- d) Does it have a clear, simple sales message?
- e) Is the price prominent and easily read?
- f) Is the stock easily accessible?
- g) Does the display have stability?
- h) Is it easy and quick to refill?
- i) Are the products raised up off the floor?
- j) Are the products the right way up?
- k) Are the products neat and clean?
- l) Have all products been individually priced?
- m) Has the Manager agreed to keep display up for a specified period?

Why Merchandising is so important

An average supermarket shopping trip is around 22 minutes. In a store with up to 200 categories, that equates to less than 6 seconds of exposure for each category!

Almost 70% of purchase decisions in supermarkets are made in the store, with 20% of shoppers leave a store wanting to buy 1 more item.

- a) Make sure all of the products are easy to find.
- b) Make it easy for consumers to physically BUY products from the section.
- c) Keep inventories balanced to consumer demand.
- d) Organize sections by using the Consumer Decision Tree. [This is covered in great depth in "The Simplicity of Category Management" and is an extremely vital part of not only understanding the placement on shelf of your products, but understanding the actions and reactions of the consumer]
- e) Encourage shoppers to make product selections that are beneficial to your bottom line.

The Space Management example below on Ketchup will show just how important a), b) and c) above are to a store. The problem that we have is in trying to convince the store personnel of this, particularly if they are ones that rent out shelf space.

The benefits of Space Management [SM] for Retail Stores is that it balances shelf-stock to weekly unit movement, thus ensuring that the shopper is more likely to find the product that they are looking for. SM also influence shopping behavior, improve customer service and satisfaction, while increasing store efficiencies.

Balancing shelf-stock to weekly unit movement reduces costly out-of-stocks, eliminates wasteful overstocks, cuts in-store inventory costs, and increases inventory turns.

We are able to influence shopping behavior by matching the product mix and display to store area, customer demographics and demand. SM allows the store to position products by retailer goals, such as profit, pricing, movement, ROII, etc. It also allows for the generation of more impulse sales of retailer goal items, such as their private label, by giving them better exposure. It also allows the

store to fine-tune product ranging, brand and category adjacencies which will allow for more cross-merchandising sales.

Improve customer service by organizing categories and brands to make sections easier to shop, create space for new items, more sizes, greater variety, thus allowing for more products-in-stock more often to satisfies shoppers and encourage more store loyalty.

Increase store efficiencies thus achieving better case pack-out, cut backroom overstock, reduce order/stocking labour with correct inventories, and speed up reset time with accurate easy-to-read plan-o-grams. Faster turns means less out-of-code markdowns and spoilage and ensures proper placement of new items on shelf for optimal sales.

Space Management - Example Tomato Sauce [Ketchup]

I was part of a team that evaluated the implementation of a Plan-o-gram for the sauce category in one of the largest outlets in the country. Space was obviously at a premium and when we looked at the various sub-categories within the category noted that Tomato Sauce [Ketchup] was the leading sub-category with over 60% of the sales value and over 70% of the sales volume.

When we examined the Tomato Sauce section it was noted that there were 15 brands and 33 Sku's. [Selling Known Units]. Of the 33 Sku's 3 accounted for 96.1% of the sales value, and if we kept the private label it moved to 96.8%, so as it was so important to them we kept these 4 Sku's.

Turnover went up by 28.3%. You would have thought that we would have had complaints from the consumers that we had reduced the range. Wait for it, we were complimented on increasing the range!! 33 to 4 is an increase? What we had was that people commenting that they could now find their brand in the store and that it was great to see that they were now keeping the brand leader.

Deviating from Plan-o-grams had a negative impact on store sales and gross margins. There is an opportunity to increase sales and gross margins with Plan-o-gram compliance.

Where Should Products Be Situated On The Shelves?

With block or vertical merchandising the prime sales position will be the first in line in the direction of customer traffic. The positioning of pack size within the brand will then be arranged vertically with the smallest pack size on the top shelves, the next largest on the next, with the largest on the bottom shelves.

It is also important for the retailers and suppliers to understand the literacy rate of the shoppers who visit the store. The less literate that the shopper is the greater the care that needs to be given to ensure that products with similar names or colours are not situated to closely together otherwise you may get extremely annoyed customers who feel both ashamed and cheated when they find out that they have bought the wrong product.

Colour breaks between products is important to assist the shopper in making the correct decision when buying a product. It is also important to establish what colours should not be placed either next to each other or in sequence. If the local football team's colours are blue and red, and that of their biggest rivals is green and yellow, you might find a sub-conscious boycott of a green and yellow display.

Chapter 5 - Promotional Activity

“What is my marketing plan, and how can the Retailer's promotional plan work for my goods?” The business press is filled with articles on major retailers’ focus on various fronts and how they plan to capture their target markets, or have plans to enter or expand into the market. These retailers will probably offer national branded products and be very competitively priced in order to make their presence known to shoppers. The problem that we notice is that there is no real correlation with what the senior managers of these retail groups say, and what the consumer sees when they enter the store.

How will the independent retailer compete against the bigger, more promoted, retail groups? Good visual merchandising and store planning will play an important part in ensuring that they are attractive to their target market. It may be difficult to compete with the larger national chains’ prices, but displaying current, fashionable merchandise, sold by knowledgeable sales personnel and priced within a consistent value range will establish your business as a viable alternative to those stores. Price is an important perception within the "Value for Money" shopping experience that the shopper experiences within each store. You, generally, do not mind pay a little extra for a product if the experience that you had in a store is above expectation. The smaller independent stores know that they have to get the service levels right as that is one of their main weapons against the larger national groups.

Maintaining a store presentation of desirable products that are clean, merchandized according to the agreed plan-o-gram, easy to find, and easy to buy will provide a great service to the shoppers. Good in-store signage is the important final element of store presentation and promotions. Category signage that helps to guide the customer through your store is essential. In addition, creating a professional looking graphics package that displays price and features and benefits messages clearly communicates the value of your offer.

One of the areas that I found rather strange was the one about the positioning of promotions in a store. We ran a test where we place Coke at the entrance of the store, within 10 paces of where you got the baskets and trolleys, at a discounted price which was nearly half price. The understanding was that most female shoppers would still be sorting out their handbag and trolley and would not see the promotion, which proved to be correct. We had put new barcodes on these products so that we could correctly see what had been bought at the discounted price and what had been bought from the "normal" area at the regular price. To our amazement we found that only 17.2% of the Coke had been bought on promotion, of which it was estimated that three quarters had been bought by male shoppers.

We then made a great promotional display that was really bright and eye catching in the area where you would normally find the Coke at the standard regular price and noted that we had an additional off take of nearly 13%. This, in conjunction with a large number of other promotional evaluations, gave us the confidence to conclude that if the display is attractive for a well known brand the reduction in price is not as important as the effect of the consumer or shopper being reminded about the brand or product via the visual display of the promotion.

Do's and Don'ts of Displays

Do's.

- a) Position the display so that consumers pass it before they get to the shelves.

- b) Position displays where the most customer traffic is bound to pass.
- c) Place your displays next to displays of other fast moving products. (e.g. sugar / cereals / biscuits etc.).
- d) Place displays where, if possible, they can be seen from outside.

Don'ts

- a) Place a display opposite an interesting demonstration.
- b) Put a display in the first few metres inside a store entrance or near shopping baskets.
- c) Select a site that is out of the traffic – no matter how inviting it appears.
- d) Place a display too late in the shopping pattern, after the consumer gets concerned about her budget.

Building Displays

When you are building a display you must ensure that you have taken the following into account.

- a) Stock pressure - there must be enough product not only for the expected off take, but also enough to ensure that customers feel the impact of the display.
- b) Dominance of displays - if the display is not big or impactful enough it will not be noticed by shoppers.
- c) Sales message - why have you bothered to do a display if the message is not understood?
- d) Pricing - can the shopper see the price easily?
- e) Accessibility - can they actually get to the product. A lot of displays that I see look superb but they are not able to get product from the display or are concerned that they will interfere with the lovely display.
- f) Stability - I have seen a canned vegetable display built in such a way that when the customer took one of the cans the whole display collapsed. I checked for the candid camera but it wasn't there.
- g) Easy refilling - can you fill the display if the store is busy?
- h) Cleanliness.
- i) Stock rotation
- j) Keep stocks directly off floor - remember that the store personnel clean the store's floor and are not usually that careful about the way in which it is done.
- k) Target consumer - there is no point in building a great display for a product that is not suited for the store's customer profile.

Conclusion

While all the suggestions contained here can be accomplished by anyone who is reasonably handy and creative, I suggest you consider retaining experienced display assistance at least once. Include in the price a hands-on training effort through which you can learn some of the basics of good display from a pro. Then you can freshen the displays and set up new ones with confidence.

We must also remember that the employees that we have chosen to be company sales representatives or retail store managers were not picked for their positions because of their great artistic flare, so why are we always surprised when we see displays that are below our expectations.

A store visit should be filled with a feeling that what we have seen was rather pleasant and that we would not mind a rerun.