

# Shopper Marketing Excellence:

## Marketing effectively at the POS

Barcelona, September 2009

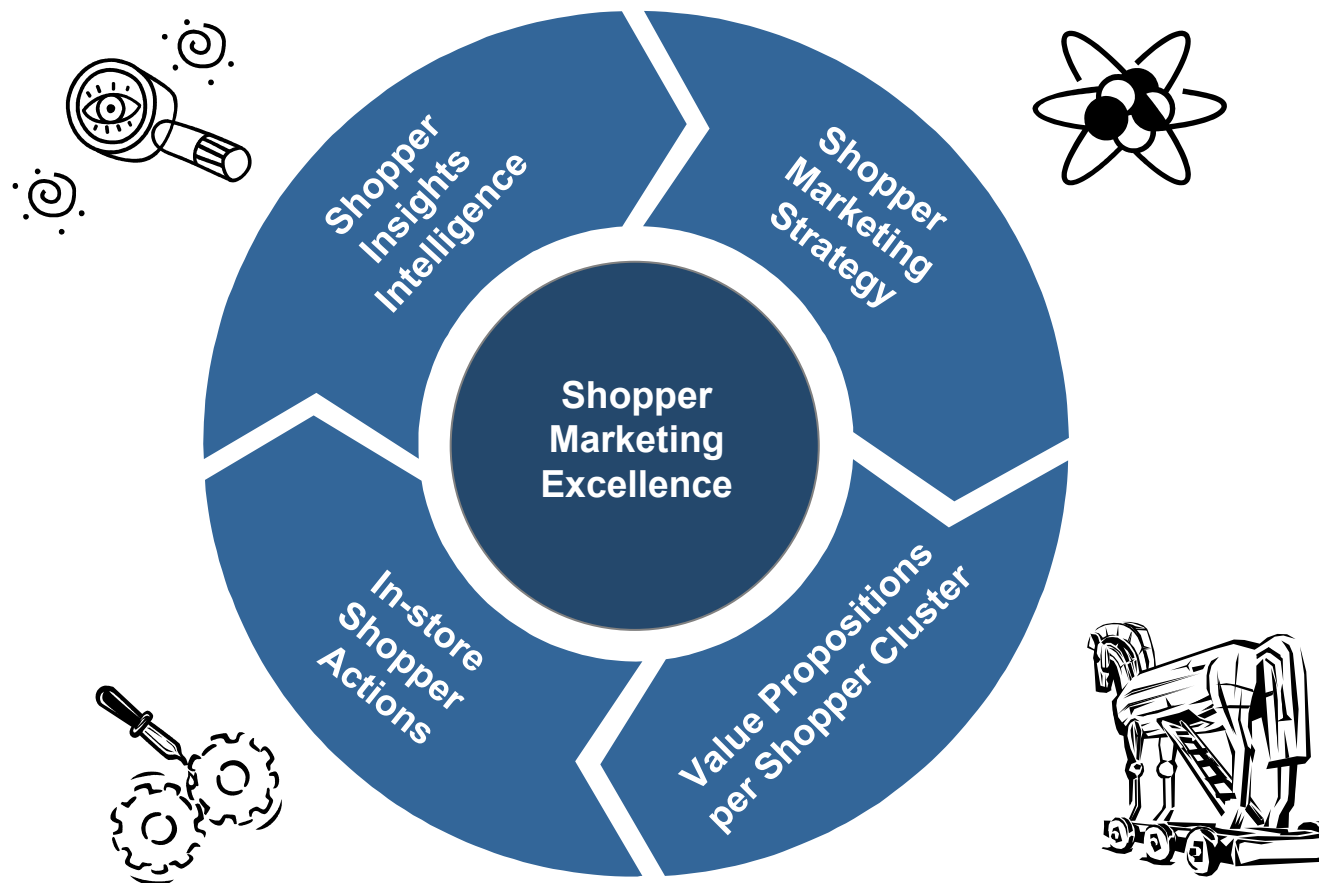


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# Shopper Marketing Excellence

## Key elements for marketing effectively at the POS

An effective approach to Shopper Marketing sets up the entire shopper experience to lead potential shoppers to buy target products. The goal is to profit from every sales occasion and each opportunity to persuade potential shoppers before, during and after their purchase experience.



# Agenda

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**Key elements for marketing effectively at the POS**

**How can Advisium Group help you improve your Shopper Marketing?**

## Key elements for marketing effectively at the POS

### Why Shopper Marketing?

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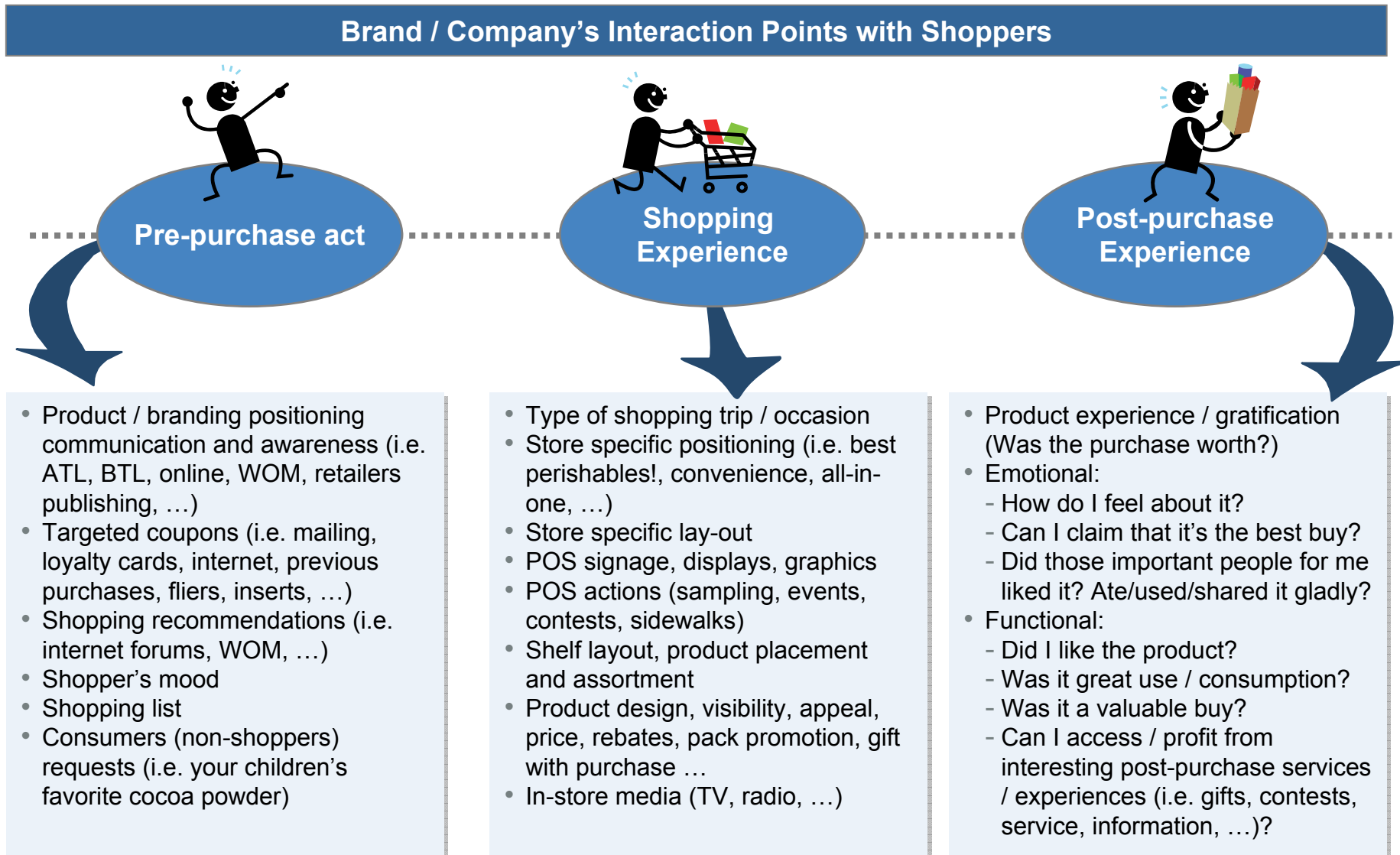
- **Marketing effectively at the point of sales (POS) = today's strategic priority:**
  - Need to communicate better with shoppers: Loss of efficiency of traditional marketing and communication means (Marcom as we knew it, seems to be doomed!)
  - Need to increase new products adoption and consumption rate: Larger number of product launches during the year... but lower success rates... while the customers, the channels and the organization gets at least saturated (the innovation race is tough!)
  - Need to optimize Trade Marketing expenditure's results : In-Store marketing spending has kept growing during the last 10 years, but not always coherently tied with the manufacturer's marketing and communication strategy (most of the times, driven by a reactive approach to retailers' demands!)

- **At every shopping occasion, there is a need to convince potential shoppers that your product is the one that they MUST buy, since:**

**>60% of a shopper's purchasing decisions are actually made at the POS!**

# Key elements for marketing effectively at the POS

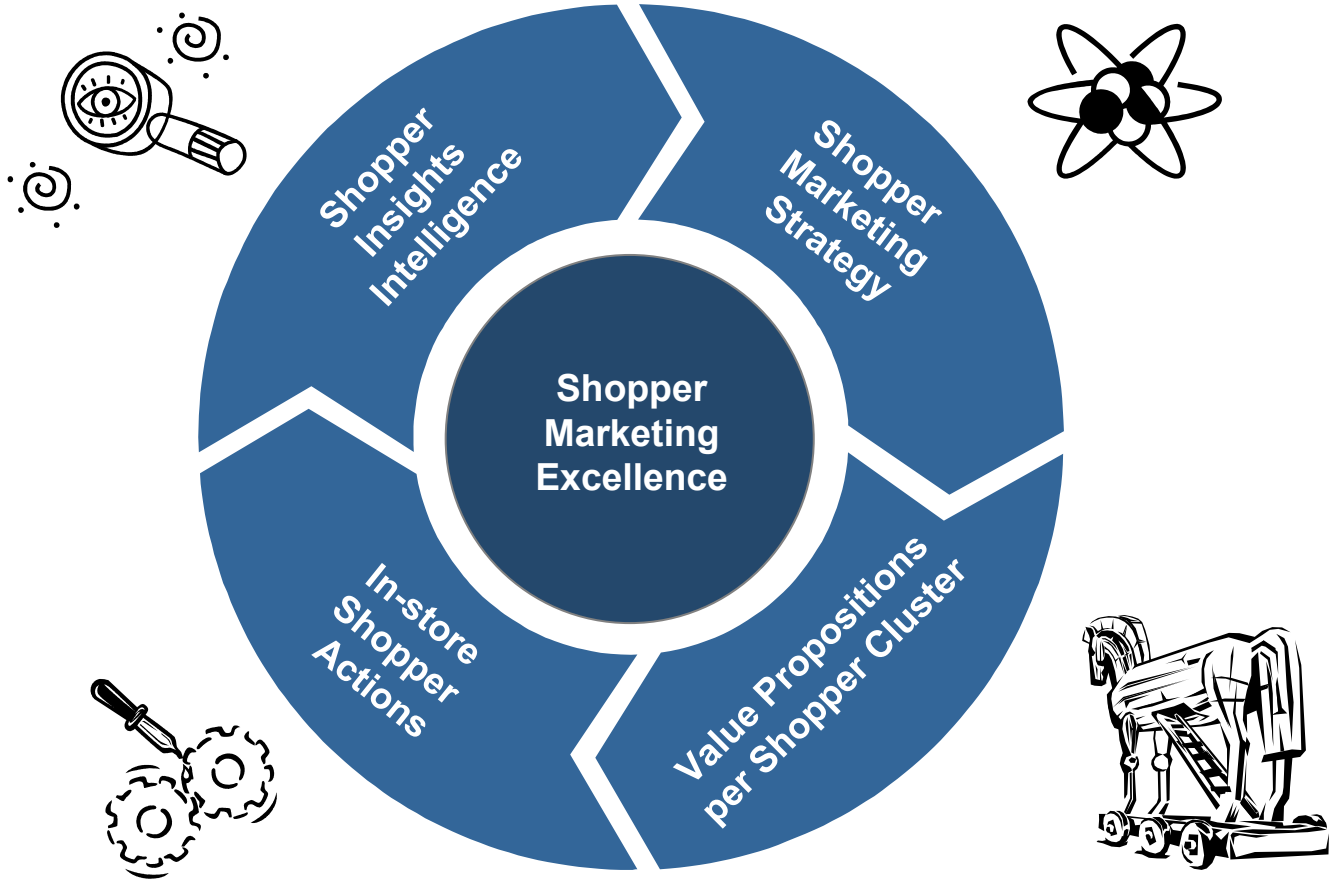
## Need to convince before, during and after every purchase experience



# Key elements for marketing effectively at the POS

## Shopper Marketing Excellence approach

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# Key elements for marketing effectively at the POS

## Shopper Marketing Strategy



The first step to a Shopper Marketing Excellence is setting up a Shopper Marketing Strategy, which considers the shoppers' purchasing values, the sales channels' / retailers' own objectives and the company's internal capabilities.

### External

- Define **shopper marketing strategy** based on the opportunities, needs and possibilities for the business to set-up shopper marketing actions **considering every Key Account** and every **product category relevant to the target shopper segments** (top-down approach)
- **For every product**, define **target** shopper segments and channels and **specific goals** for: visibility, customer growth/loyalty and influence on shopping attitudes / habits... (bottom-up approach)

### Shopper Marketing Strategy



### Internal

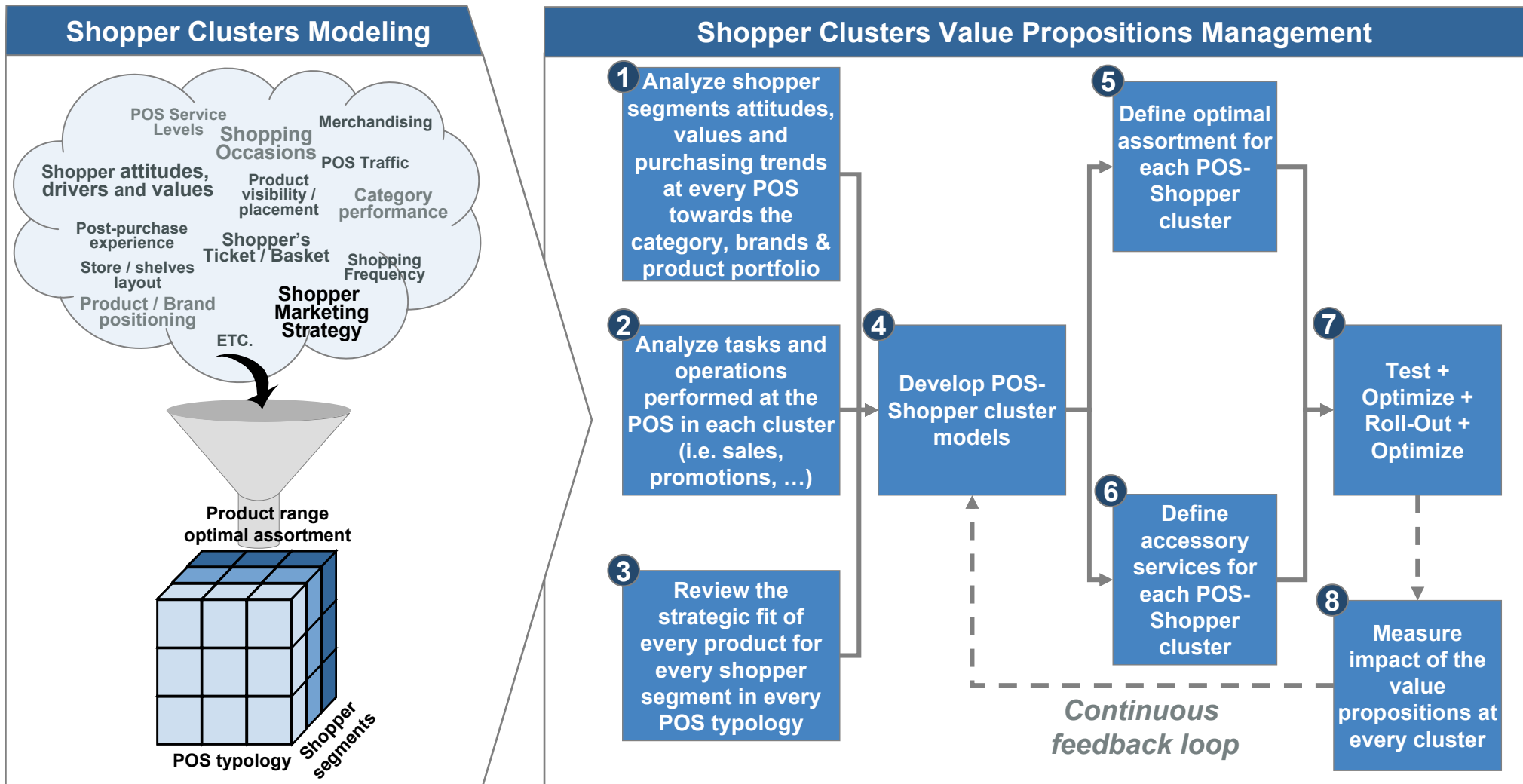
- Build **efficient workflows** which help all the business areas to **accelerate** the value offers **time-to-market** and that offer **specific answers** to every **shopper segment** - coordinating marketing, KAMs, RAMs, field force, trademarketing, logistics, R&D... (optimize the shopper offer funnel)
- Define specific goals and plans to **develop internal competences** to excel in-store marketing and merchandising capabilities to effectively **connect** in-store activity **with the rest of the brand's marketing / communication actions** (ensure maximum consistency)

# Key elements for marketing effectively at the POS

## Cluster Value Propositions



Cluster analysis helps defining offers that target better the shopper attitudes towards specific products and categories within a specific POS. General guidelines for product assortment, merchandising, price and promotion policies per cluster are its most important outcome.





# Key elements for marketing effectively at the POS

## In-store Shopper Actions



The real impact of Shopper Marketing comes through the execution of in-store shopper actions. Every little detail counts to profit from a continuous flow of potential buyers.

### Instore Marketing Set-Up Checklist

- ✓ Very focused **communication** artworks / **merchandising solutions** with **short, simple and relevant messages**; improving **visibility, motivating** visits and purchase acts, always building consistently on the brand's corporate image
- ✓ Promotions and **optimal assortments** that help to profit from traffic generated by the category (particularly by competitors' products) to push your products sales
- ✓ Detailed **activity plan** per KAMs / RAMs / trademarketers / fieldmarketers / merchandisers
- ✓ **Measurement, analysis**, scorecard development and launch of actions to improve shopper marketing activities efficiency
- ✓ Database build-up to help **understanding** the **effects on shopping behavior** of the customers preferences, category dynamics, promotions, price policies and store assortments

### Because EVERYTHING counts...



# Key elements for marketing effectively at the POS

## Shopper Insights Intelligence



Collecting and understanding shopper insights closes the loop for accomplishing a Shopper Marketing Excellence. Data collection, research and analytic capabilities are critical to develop internal Shopper Insight Intelligence.

### Sources of SHOPPER INSIGHTS

- Adhoc interviews, surveys, focus groups, ethnographic research to understand shoppers' psychology: attitudes, preconceptions before shopping experience, point of purchase decision triggers, behaviors and perceptions about the POS and the category, post-shopping attitudes and reflections
- Customers' ticket analysis and identification of buying patterns
- Competitors' shopper marketing actions, clusters characterization, assortment
- Tracking of company's promotions results
- Online buzz / WOM (i.e. Twitter, blogs, forums)
- Fieldmarketers, merchandisers points of view / observations / claims / recommendations
- Other research methodologies (i.e. ethnography, heat mapping, cameras, shopper labs, ...)

### To help the organization to improve the Shopper experience



# Agenda

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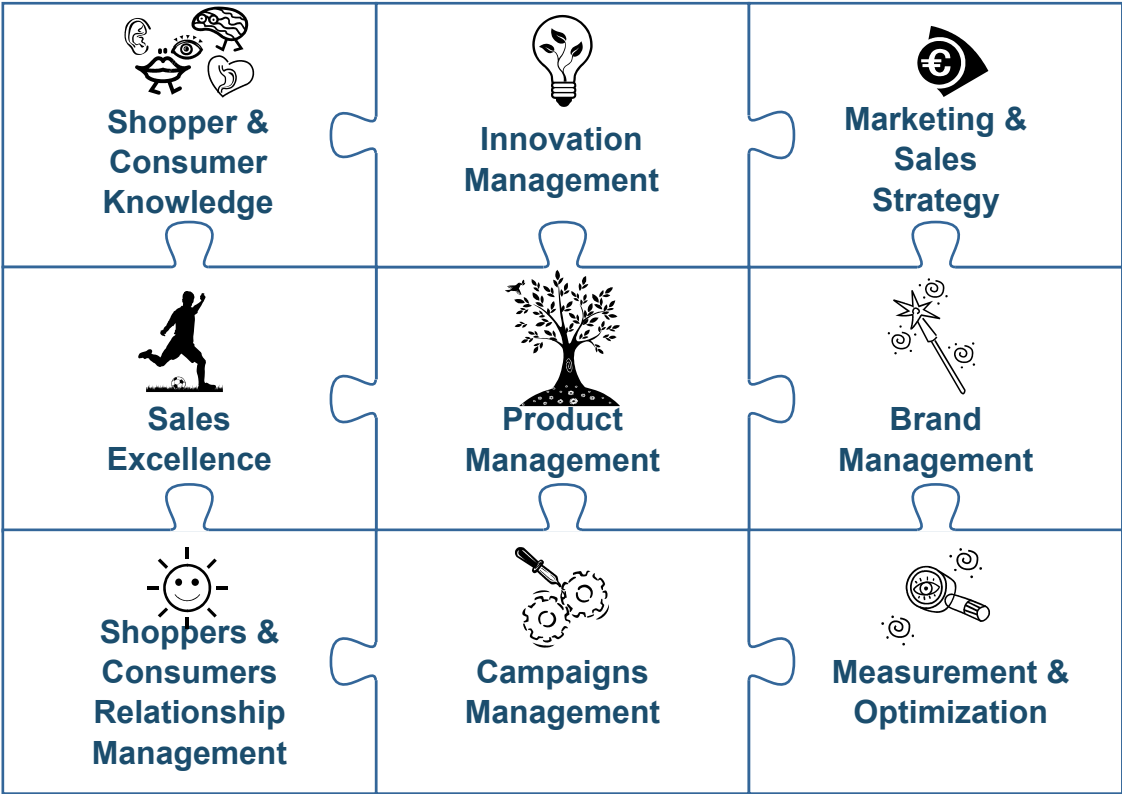
**Key elements for marketing effectively at the POS**

**How can Advisium Group help you improve your Shopper Marketing?**

# How can Advisium Group help you improve your Shopper Marketing?

## Our expertise areas fit perfectly with the Shopper Excellence Model

Advisium Group has solid skills and knowledge to help your organization arrive to a Shopper Marketing Excellence state.



# How can Advisium Group help you improve your Shopper Marketing?

## A shortlist of our shopper marketing capabilities (non extensive)

Focus Area	Approach	Benefits	
Interim Management	<b>1 Shopper Driven Product Innovation</b>	<ul style="list-style-type: none"> <li>Develop and design products with improved visibility and attributes to foster impulse buying</li> <li>Lead the product launch pipeline from insights gathering to launch date (and post-launch)</li> </ul>	<ul style="list-style-type: none"> <li>Accelerated time-to-market product launch</li> <li>Enhanced innovation tank capabilities</li> <li>Improved success ratio probabilities</li> </ul>
	<b>2 Shopper Marketing Fieldforce Management</b>	<ul style="list-style-type: none"> <li>Launch in-store merchandising methods and activities</li> <li>Team management, motivation, tracking, measurement and reward</li> </ul>	<ul style="list-style-type: none"> <li>Add up to the organization's management skills</li> <li>Field marketing methodologies launched and fine tuned</li> </ul>
	<b>3 Shopper Marketing Strategy Implementation</b>	<ul style="list-style-type: none"> <li>Test, fine-tune and roll-out shopper marketing strategies</li> </ul>	<ul style="list-style-type: none"> <li>Speed and cost effectiveness</li> <li>Results commitment through proven experience and track record</li> </ul>
	<b>4 Shopper Campaigns Management</b>	<ul style="list-style-type: none"> <li>Campaigns conceptualization, launch, track and optimization</li> <li>Set-up and manage front / back-office circuits and campaign support actions</li> </ul>	<ul style="list-style-type: none"> <li>Shoppers' optimal experience and brand's consistency</li> <li>Responsibility and accountability for results</li> </ul>
Consulting / Advisory	<b>5 Shopper Marketing Strategy</b>	<ul style="list-style-type: none"> <li>Define shopper marketing strategy, specific goals per brand, segment, account, ...</li> <li>Design efficient workflows and plans to develop internal competences</li> </ul>	<ul style="list-style-type: none"> <li>Solid growth axis and model</li> <li>Decisions and actions led towards best choices</li> <li>Improved efficiency of shopper marketing expenditure</li> </ul>
	<b>6 Shopper Clusters Modeling</b>	<ul style="list-style-type: none"> <li>Perform shopper clusters analysis</li> <li>Develop general guidelines for product assortment, merchandising, price and promotion policies per cluster</li> </ul>	<ul style="list-style-type: none"> <li>Solid shopper marketing intelligence repository</li> <li>Stronger input models for optimal offers / assortments design</li> </ul>
	<b>7 Shopper Insights Research</b>	<ul style="list-style-type: none"> <li>Carry out adhoc interviews, surveys, focus groups, ethnographic research to understand shoppers' psychology</li> <li>Analyze shopper quantitative data</li> </ul>	<ul style="list-style-type: none"> <li>Improved understanding of shopper behaviors, drivers and triggers</li> </ul>
	<b>8 In-store Optimal Offers Design</b>	<ul style="list-style-type: none"> <li>Design optimal offer assortments, POP materials guidelines and promotions per POS</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced offers to improve sales close probabilities at the POS</li> </ul>



**Contact: Francisco Pestana**

**email: [fpestana@advisium.net](mailto:fpestana@advisium.net)**

**<http://www.advisium.net>**



## Marketing

Convince shoppers and delight consumers

## Innovation

Seed the ideas of tomorrow's success

## Growth

Move your business towards new dimensions