

Brand Ambassadors

*Three Steps to
Brand Activation
at Retail*

You're in the supermarket. An in-store marketer is dishing up a new barbecue sauce. She has raw, diced chicken cubes on a tray. She cooks the cubes—and then serves them on the same tray.

A recipe for disaster. At worst, serving food products in supermarkets is recipe for disaster. At best, it represents a huge missed opportunity to gain competitive advantage for retailers and manufacturers alike.

It's not that retailers and manufacturers don't recognize the potential of this type of in-store marketing event. For twenty years, the Donnelley/Cox Survey of Promotion Practices ranked sampling at or near the top of "most popular" marketing tactics.

The issue is rather that the in-store events being done are not being done properly—and at a number of different levels ranging from simple cleanliness to more complex matters of brand image and messaging.

As a result, in-store marketing programs today sometimes do more harm than good. Not only do sub-standard marketing programs fail to accomplish the immediate goal of converting a trial into a purchase, they can turn off shoppers to the point where a return trip to the store falls into doubt.

A formula for success. Curing what ails in-store events is not complicated. It does, however, require retailers and manufacturers to work together to ensure that the right in-store marketers are reaching the right shoppers with the right offers at the right time and place.

To accomplish that goal, retailers and manufacturers must consistently use high quality, trained people for retail events. They must also bring to bear the databases and technologies that ensure a first-rate, on-target in-store marketing experience at all times.

Just Three Steps

1– Great People

- Cleanliness is job one
- Quality personnel is critical
- The timing today is perfect
- It's not a job, it's a career

2 - High Technology

- The human side of CRM
- Activating consumers at retail

3 - Superb Follow Through

- In-store “brand ambassadors”
- High-tech and high-touch
- Make yourself at home

The End Game

- Funding available
- The change agent
- Change agents for hire

About Chain Reaction

Just Three Steps

1

GREAT PEOPLE

Recruiting high-quality, well-trained people as in-store “brand ambassadors” may be the single most important thing retailers and manufacturers can do to ensure a shopping experience that converts shoppers into customers.

■ **Cleanliness is job one.** Clearly, it’s important to both retailers and manufacturers that the sampler is well informed, professional and friendly. Where food samples are concerned, it is also essential that the sampler adhere to the strictest health standards. Indeed, according to a 2001 survey by *Progressive Grocer*, “cleanliness” ranked as the number one concern of supermarket shoppers.

If shoppers receive tainted samples they are never going to take another sample in that store — that’s for sure. Chances are they will not return to that store, either. In all likelihood, they will tell ten other people about their bad experiences.

One bad sample can indeed easily snowball into a much larger problem. Given that most markets are saturated with supermarkets, most shoppers have ample alternatives. It can take years for a supermarket to recover from an in-store marketing misstep.

Unfortunately, quality samplers — the kind who will protect a store from the small disasters that can add up to big losses — typically are the exception, not the rule, at retail.

■ **Quality personnel is critical.** The way third-party labor is recruited to work as in-store samplers typically is problematic. In a majority of markets, samplers are supplied by small, local employment agencies that have signed contracts to provide in-store labor and only have access to a limited talent pool that may not meet the marketing objectives. Because of such agreements, it’s often impossible for a retailer or manufacturer to bring the concept of “brand ambassadors” to life.

What ends up happening? Sampling programs — one of the most effective promotional tactics available — are discontinued because of a lack of access to personnel who are qualified to execute the programs.

Retailers certainly are in a position to remedy this situation by reassessing existing contracts for third-party labor. Manufacturers, just as certainly, stand to im-

prove their relationships with retailers by paying the freight on higher quality in-store sampling personnel.

■ **The timing today is perfect.** The time has rarely been better for both retailers and manufacturers to gain competitive advantage by upgrading in-store personnel.

For one thing, the prospective labor pool is more full today than at any time in the recent past. For another, the field is wide open for anyone who chooses to differentiate on the basis of a quality shopping experience as opposed to competing on the basis of price.

■ **It's not a job, it's a career.** Traditionally, working at retail has been about bagging groceries. Forward-thinking retailers and manufacturers have an opportunity to recruit higher-quality people by providing training and a long-range career path. In this window of opportunity, there is a chance to put better quality people in stores.

If that were to happen, "Customer Relationship Management" (CRM) could be brought to life in new and profitable ways. Indeed, quality, in-store personnel closes the loop on CRM.

2

HIGH TECHNOLOGY

Using transaction data to put the right samples into the hands of the right consumers, to increase sales and profits, is immensely important. Understanding which categories are most relevant to a given store's shopper base certainly drives a more focused effort against categories that matter by store.

■ **The human side of CRM.** The data mining or "Customer Relationship Management" (CRM) opportunity is potentially much broader than popularly believed, particularly where marketing at retail is concerned. The opportunity is to use data to improve not only sampling programs but the shopping experience in general.

In addition to matching the merchandise mix to the shopper profile, the data should be used to make sure that *shoppers* are treated like *customers*.

If, for example, a certain store attracts a significant percentage of soccer moms, that store should be sensitive and responsive to the lifestyle of soccer moms. In addition to acknowledging the day's soccer game, the store might

feature sampling programs and other promotions that appeal to the hectic, stressful lifestyles of soccer moms.

Meal solutions certainly are near and dear to the hearts of busy moms, for example. There might also be beauty tie-ins to rescue some of these overstressed soccer chauffeurs with spa treatments.

■ **Activating consumers at retail.** True CRM requires more than numbers-crunching and category management executions that simply re-arrange facings on the retail shelves, or segment shoppers for direct-mail drops.

Retailers and manufacturers must evolve their definitions of customer relationship management to a new, higher level—the *human* level. More than anything else, that means making sure that samplers and other store personnel are trained to make customers out of shoppers.

3

SUPERB FOLLOW THROUGH

The ultimate competitive advantage depends on applying a deft combination of high technology and the human touch to get close and stay close to shoppers.

■ **In-store “brand ambassadors.”** With quality “brand ambassadors” in the store, retailers and manufacturers are well-positioned to work together to gain the kind of understanding that’s essential to top-notch consumer relationships.

In-store personnel not only make a shopper feel like a guest, and hand out samples now and again. Their most important role is to get a read on what shoppers like and don’t like about the shopping experience.

■ **High-tech and high-touch.** This kind of feedback can be as simple as instructing personnel to ask shoppers for feedback and recording the responses either on paper or via a handheld, palm-size computer. The dialogue might be based on a “casual” conversation or a more formal interview. Either way, shopper opinions can help a store bridge the daunting gap between being “great” and being merely “good.”

This type of on-site research is so valuable because it concentrates on those shoppers who are actually in the store, as opposed to other types of surveys that might include those who have never set foot inside your store. A program through which the retailer actively surveys shopper opinions would provide tremendous competitive advantage.

■ **Make yourself at home.** While most supermarkets have frequent shopper databases, relatively few include email address as part of their data set. Retailers have a tremendous opportunity to learn more about their best customers by offering the opportunity to opt in to an email list.

The list can be used not only to target special offers, but other types of information. The opportunity to survey email list members is especially valuable. The ability to stay in touch with consumers with regard to what they like and don't about their favorite store would provide a significant competitive advantage.

THE END GAME

Retailers who are serious about building stronger relationships with shoppers cannot avoid the inevitable: the strongest relationships are personal. In today's economy, consumer trust and confidence are at historic lows. Now is the time for leading retail companies to take what they know about customers likes and needs and marry them to in-store strategies that put *people* into the equation.

■ **Funding available.** Interestingly enough, a quick survey of marketers reveals that the current trend of reduced spending on in-store sampling and demonstrations has little to do with budget tightening. To the contrary, brand marketers—virtually in concert—report that they would be willing to pay a premium for in-store sampling and demonstration programs if they were ensured a quality job.

Tremendous competitive advantage is in the offing to retailers and manufacturers who invest in creating in-store events that are high-quality and on-target. The opportunity is so great precisely because so few in-store marketing programs are either conceived or implemented with care.

■ **The change agent.** Clearly the agents of change must be the retailers. They own the stores. They control the in-store workforce. They know more about shopper preference than any other party. But it seems that in their slim-margined world, they lack the human resources to focus on this important initiative.

It's a very low hurdle for most retailers. Most shoppers are interested in a shopping experience that serves their most basic needs for household goods. Imagine the impact of a shopping experience that delivers over and above the shopper's baseline expectations—even by a little bit. It wouldn't take much extra effort to over-deliver, and yet the upside potential to retailers and manufacturers who do is tremendous.

■ **Change agents for hire.** A cadre of agencies is focused on enhancing the quality of in-store marketing programs. The resources, expertise and enthusiasm are in the offing.

Brand activation at retail results when all the elements of the marketing mix are creatively conceived, precisely targeted, fully aligned and implemented flawlessly. It's simply a matter of retailers and manufacturers bringing those resources together.

ABOUT CHAIN REACTION

Chain Reaction brings together the capabilities of three companies — Clarion Marketing & Communications, a marketing communications agency; TradeZone, a promotion marketing execution company; and 1.2.1 e-Marketing, a database marketing and data mining company, into a seamless, end-to-end retail marketing solution.

■ **Clarion Marketing & Communications** provides integrated strategic planning and execution resources spanning direct marketing, CRM, interactive and sponsorships, as well as the creative resources required to assure the full integration of communications tactics through retail.

■ **TradeZone** is a leader in technology-enabled execution of in-store and field marketing services, including a proprietary Web-enabled database management system for real-time program tracking and collaboration.

■ **1.2.1 e-Marketing** provides proprietary technologies and patented services enabling retailers to network together to become a “nationwide customer-centric media,” leveraging their shopper data in order to dramatically improve the efficiency of consumer, trade and advertising funds through customer specific communications.

Chain Reaction offers a broad range of retail marketing services including: retail promotion development, collaborative marketing, field marketing, in-store execution, event and tour management and local promotional media placement.

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