

Getting the right mix

When it comes to your sales and distribution strategy, striking the right balance is the key to success. With so many operators out there, it can be a challenge to find the right one for your business. *Retail World* spoke to some of the industry leaders in the sales, distribution, merchandising and marketing fields to see what the latest trends are in the retail landscape.

Association of Sales and Merchandising Companies Australasia (ASMCA)

Established 32 years ago to represent the food broker community, ASMCA has evolved to represent service providers, merchandising teams and trade representatives. The association has a board of five members who operate under a strategic plan that is targeted at increasing the standards of delivery and the benefit of the employees involved. ASMCA also presents the highly regarded annual Joe Berry Award for emerging industry executives, which celebrates its 30th anniversary next year.

Executive Officer Keith Quigg shares his thoughts on how the merchandising industry has changed over the years and his predictions for the future.

“The face of merchandising services in this country continues to change and, within a year or so, there will be little in common with the merchandising of even five years ago,” he said. “Moves by the major retailers to incorporate significant data collection and data usage in merchandising functions will further require the service providers to change their modus operandi.

“New apps are being prepared that will see merchandisers have access to in-store data through each store’s own internet functions. Such access will allow the interrogation by merchandisers of item-by-item data on stock holdings, stock counts, promotions and accurate shelf pricing. By taking this step, the retailers are beginning to engage merchandising teams into store management elements, enhancing but stretching allocated duties.

“This movement will have remarkable effect on the

accuracy of shelf management and will start to bring the store compliance much closer to the levels that should already be in play. This is a boost for the retailer and an increasing responsibility for the suppliers and their merchandising teams. Given the total store numbers, the pressure on the merchandisers will, over a short time frame, become seriously drawn towards shelf management and on the suppliers on total store coverage – for most suppliers, an impossible task.

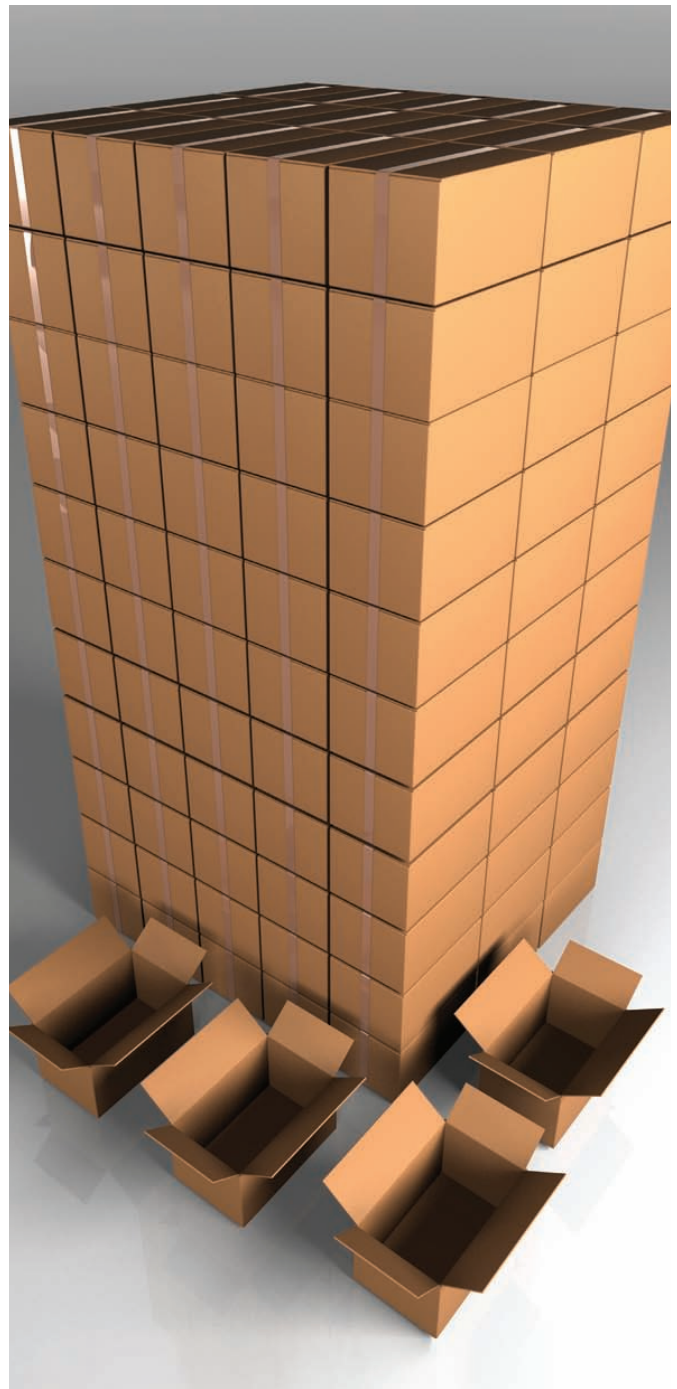
“One of the most logical moves will be to engage a service provider with wide store coverage to either complete the task on their behalf or to cover the gaps that in-house teams cannot. Given the spread of supermarkets and other stores in remote regions, it is possible that some stores will never have the coverage of metropolitan stores, but there will be a significant lift.

“ASMCA members are already participating in many of these store coverage roles and adding the shelf management tasks will be a manageable proposition. If you would like more information on those members who can handle the additional coverage, we will be happy to assist. Please don’t hesitate to send us an email to enquiries@asmca.com.”

Retail Safari

Retail Safari provides a suite of retail marketing services that connect consumers with brands in an environment where the ability to influence is at its strongest.

The integrated channel structure activates brands along the purchase journey, triggering the impulse to buy at critical points both in-store and out-of-store. Services include trial and purchase strategies, product demonstrations and sampling,



experiential expos and events, brand activation, at-shelf high-advice sales experts, and cross-promotional, merchandising and retail training.

General Manager of Retail Activation Lynne McKay discusses the role Retail Safari plays in the grocery channel and how retailers can make the most of the challenges they’re facing to work to their advantage.

“We have heard from our clients across both the grocery and non-grocery categories that they are facing a range of new challenges,” she said. “The business of retail is undergoing a revolution rather than evolution, where long-

successful brands are battling to maintain relevance with consumers. They are not only facing tough competition and shrinking budgets, but their consumers’ purchase journey has become increasingly complex and cluttered. With the increase in customer touch points, the gap between brands and consumers is widening.

“Given the rapid and accelerating pace of change in the sales and marketing environment, these disruptions are key concerns for our clients. Not unique solely to the Australian market, the challenges that retailers and brands are facing in the

sales environment are being seen globally. Here's a list of challenges that our grocery clients are facing and our recommendations on how they can maintain relevancy with their consumers."

The empowered and thrifty consumer

"More so than ever before, the consumer is in greater control. These empowered consumers have easy and rapid access to multiple sources online and use the information to their benefit to aid them in making brand choices.

"Simultaneously, consumers are gathering social recommendations, reading user reviews before buying important items, and are comparing shopping options both online and in-store. As a result, in some cases today's consumers have more product and competitive information than the retailer's own in-house staff. If their needs, expectations and desires are not being met, these empowered consumers will shop elsewhere. This is why knowledgeable retail salespeople are critical to the

sales and marketing mix. In order to maximise influence with consumers at store level, it's vital that brands and retailers properly invest in their shop floor staff so they can be seen as a trusted resource where they can pass on expert advice."

Australians want consultants not cashiers

"According to recent research, Australians want retailers to be consultants, not just cashiers. They expect retail salespeople to provide them with honest and expert guidance in their quest to make the right purchase decision. Receiving personal face-to-face guidance gives shoppers confidence in their buying decisions."

Cluttered consumer journey

"Today's retailers and manufacturers face enormous challenges in activating their brands in the face of an overcrowded marketplace and an increasingly empowered customer. With the growth in channels and touch points, the gap between brands and consumers is increasing. Brands and retailers need to ensure



Retail Safari in-store sales and marketing services.

that the 'last three feet' of the consumer's journey lives up to their expectations. Hence, knowing how, where and when to engage consumers along their purchase journey has never been more critical. How can businesses cope with the intense competitive pressures and constant changes which characterise the modern sales environment?"

Private label growth

"Particularly in the grocery channel, private labels continue to grow both range

of products and market share in Australia. As quality improves, consumers have fewer concerns about buying private label products. They've come to realise that generic store-brand foods are actually made by the same companies that produce the higher-priced name-brand stuff. These products have been known to come out of the same factories with the same ingredients inside, the only difference being the label. The result is that, often, switching to a private label is an easy way to save money without sacrificing quality.

"What's important to note with these challenges is that it should not be seen as a complete loss of sway with customers. On the contrary, as consumers make their purchase decisions it should be seen as an opportunity for greater engagement. The retailers who offer consumers more personal forms of connections on the way to the check-out will be successful ones in maintaining relevancy with customer in today's marketplace." ♦

Superior Sales Force National Business Manager Ben Schofield

Please share some background on Superior Sales Force.

Superior Sales Force was created to provide brands with a voice at store level. New and existing brands need effective sales and merchandising representation if they are to move from the warehouse to the retailer's shelf, fridge or counter. From humble beginnings in the corner of a small bedroom, Superior Sales Force has maintained its core value of accepting the challenge and getting the job done. This value is shared across the entire business, which feels more like a family than a fast-growing company.

What role does Superior Sales Force play in the grocery channel?

Our focus on results and in adding value to every call has seen our grocery channel involvement increase dramatically over the past five years. The partnerships we have formed in the grocery channel have provided a strong platform for growth, for both Superior Sales Force and the brands we represent. We have a unique, fresh and focused approach that is far from the traditional 'tick and flick' merchandising method from days past.



Technology and the integration of sales data is allowing field teams to allocate resources where and when they are needed most.

How important is the role of sales and merchandising in retail?

Winning at the shelf is the key to a product's overall success in retail. Getting it right through effective sales and merchandising can make the difference between a product being placed in a shopper's basket or remaining on the shelf and marked for range deletion.

What is your advice for a retailer or brand looking to engage a sales and merchandising company?

Having a field team that is focused on delivering the best possible outcomes for the brands and their products has a big impact on overall results. From addressing any OOS/supply/ticketing issues to achieving off-location displays for upcoming promotional activity at store level, effective field execution is a must have.

What trends are impacting on merchandising in the grocery channel?

Technology and the integration of sales data is allowing our field teams to allocate resources where and when they are needed most. Addressing the areas of most importance that will generate the best outcomes for our trade partners and the stores we call on is a trend that I can't see changing anytime soon.

What trends do you expect to see in the future?

Retailers will continue to move with the changes in consumer behaviour. Smaller basket sizes through the check-out, but more frequent shopping occasions will continue, and those baskets will be filled with healthier, fresher products. Retailers that have a better local offering and relevance while providing true value to the shopper will be in the best position for the future.

What are your predictions for the industry?

We will see a market share reshuffle as other international players enter the market. Technology will also change the way we shop, as the retailers utilise data and technology to create a more interactive shopping experience. ♦