

Staying ahead of the pack

Despite their expertise, retailers still need expert help in-store.

By David Burton.

Retailers are always under the pump. Missed sales, wrong stock on promotion and unexpected staff shortages leave store management teams in constant battle with head offices. So it's no wonder that the growth of outsourcing has led to a service revolution that will only continue to grow in the next 12 months.

Whether it's traditional merchandising, mystery shopper campaigns or new ways to promote the store and items on sale, retailers can't ever hope to do it all themselves. The many larger organisations and clever start-ups that offer new ways of doing things continue to thrive.

Successful retailing is different now

Nabih ('Nabs') Awad is General Manager – Merchandising and Assisted Selling at CPM and was recruited to help Australia's top organisations by generating sales, growing their brands and building lasting connections with their consumers.

Previously, as director of field operations for Crossmark, Mr Awad managed its national field operations and developed retail activation strategies for leading brands. He joined CPM in September 2015.

"There is a widely held view in marketing circles that the more channels and touch points a consumer is exposed to, the greater the prospect of making a sale," he said.

"While this may appear to be a logical conclusion to draw, the reality is that this is a misconception. It is our view that every additional channel widens the gap between consumers and brands."

Mr Awad says the average consumer is already exposed to as many as 3,000 brand images in a day, far more than we are able to take any meaningful notice of, so adding more seems unlikely to help achieve brand cut-through.

According to Mr Awad, another misconception facing retailers and manufacturers is the

notion that online shopping would make the physical store redundant. Recent events prove that the digital revolution in shopping is not the end of bricks-and-mortar retailing, but, rather, that successful retailing is different now.

However, he notes that ACRS Omnibus Research* revealed lately that Australian consumers believe the physical store is the most influential touch point in their shopping journey. In contrast, social media had the lowest importance in influencing respondents' final purchase decisions.

"Our clients are taking full advantage of retail selling via in-store innovation, salespeople and the relevant digital applications," Mr Awad said. "Through this lens, they are seeing more potential to create a sale by connecting directly with individuals in their chosen time and place."

"They are recognising that less is more, and this approach is far more targeted, with conversion rates much higher than could ever be hoped for from a billboard or a TV ad."

"Take, for example, our consumer electronics client who builds brand relationships through storytelling. They believe the principal channels where customers can have a



Retail Safari – multisensory customer experience.

compelling brand experience and meaningful interactions are in-store through the help of their knowledgeable sales associates. Their associates are trained to present the product in a personalised manner that can't be achieved online.

"Creating multisensory consumer experiences is key to the success of one of our FMCG clients. In order to introduce new users to a category, they have hosted an in-store farmers' market campaign that provided an immersive and interactive atmosphere where shoppers could relax, learn, experiment, taste and purchase. Our client saw significant increase in category growth and uplift in baseline sales and sold thousands of kilograms of their product."



CPM's Awad Nabin (Nabs) – clients recognising that less is more.

Mr Awad says another retail trend is the growing popularity of pop-ups. These temporary spaces are springing up across Australia and brands are maximising these lower-cost store formats. One of CPM's national telecommunications clients recently tested this medium.

"Their trial resulted in extending their reach and gaining sales by creating an additional brand footprint that disrupted consumers within the active shopper zone," Mr Awad said.

"Our clients are doing more to define themselves by offering more meaningful and memorable retail experiences while ensuring quality service to fulfil their customers' expectations. They're recognising that not only does physically holding a product create a sense of ownership, but it also drives must-have purchase decisions."

*Australian Consumer, Retail and Services, Monash Business School, Omnibus Research. 'The Australian Shopper', February, 2016.

Proxima offers a way to get noticed

When it comes to gaining consumers' attention at an event or in a retail store, computer smarts combined with digital technology are without doubt the way forward.

Proxima is an Aussie start-up, designing and building software that engages people with content that is relevant to where they are and what they are doing.

Proxima has created two distinct product offerings. The first being Proxima Events.

“We have rethought how people interact, connect, stay in touch and learn, both individually and with their peers, to create more engaging, end-to-end event experiences,” Proxima co-founder and Creative Director Seb Pedavoli said.

The second offering is Proxima Signage.

“We have redefined digital signage and the ability for people to communicate visually while lowering the cost of entry of digital signs and making it easier for more businesses to display engaging content remotely,” Mr Pedavoli said.

“Any company looking to engage with their customers in new ways, with content that is relevant to them in that instance, is our target market. Our price points allow us to cater to businesses from both ends of town and, while we work with a number of major enterprises, licensing our product to small and medium enterprises at a low cost means that we don’t have to turn anyone away, no matter the business size.”

Proxima has customers across a number of different industries, such as tech, travel, retail and aviation. Customers such as Qantas Loyalty and IBM use the company’s software to improve experiences for consumers.

Mr Pedavoli says retailers can leverage Proxima’s software to create a new level of shopping, which merges the physical space the consumer is interacting with and the content in the digital world of online retail, to create an interactive and personalised experience.

“Imagine you have a department store,” he said. “Your customer walks in and switches on the store’s mobile app, which they’ve used for the past few days to window-shop. Immediately, the app determines the customer is in the store and lets them know exactly where they can find the items they were researching.

“As they start to wander around the store, carefully placed beacons trigger prompts to the consumer’s

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The average consumer is already exposed to as many as 3,000 brand images in a day, far more than we are able to take any meaningful notice of.

phone, presenting the season’s latest collection and recommendations based on their wish list, shopping cart or previous online interactions.

“In the back-end, that same technology alerts the appropriate attendant to be on standby for the customer to discuss the clothes in more detail. The app tells the customer an attendant is ready to chat, giving the customer the choice to get more help in person or shop solo.

“The customer now has the power to choose how they finish their shopping journey. For the store attendant, the same technology offers huge efficiencies. Knowing which clothes are on the rack could let attendants determine when they need to be filled, or the number of items in each change room.”

Mr Pedavoli says Proxima’s software can be utilised to revolutionise a customer’s store experience, by inspiring them, solving their needs faster and informing them effectively.

“Our solution’s value lies in connecting people,” he said. “We’ve designed our offering so it’s simple to use for both our customers and their consumers, at a low-cost point. For example, our digital signage offering can be run on an Apple TV, which is only a few hundred dollars. This is significantly cheaper than traditional digital signage models. Our goal is to help companies deliver a more engaging, interactive, personalised experience.”

One customer example given by Mr Pedavoli is George P Johnson Experience Marketing Agency (GPJ), which engaged Proxima to provide its digital signage solution for the IBM Connect events.

“Using our Signage + Platform content management system, GPJ was able to facilitate for



ASMCA Acting Chairman Keith Quigg.

IBM Australia a level of content and communication that wasn’t possible before without Proxima Signage,” he said. “GPJ was able to deliver a smarter and more engaging signage solution across multiple IBM Connect events in different countries.”

Are you aware of WARES?

Traditionally, outsourced service businesses had their own associations, such as the Association of Sales and Merchandising Companies Australasia (ASMCA), POPAI and ASMI, while retailers congregated at ARA, Retail Council and the other retail bodies. Now there is a global movement to help suppliers, third-party service companies and retailers collaborate on the important role of making sure a store fulfils its role of making the shopping experience great.

Done well, a great store experience should lead to a sales increase, or, at the very least, ensure that sales are not lost through out-of-stocks. Store staff alone can’t have time to document or fix all of the issues that occur daily in-store.

WARES stands for World Alliance for Retail Excellence and Standards and has already held a number of seminars overseas. Understanding how small matters and attending to detail can drive business is vital to both sides of the supply chain achieving their goals.

Locally, WARES membership and ongoing news updates and education are being handled by ASMCA and Acting Chairman Keith Quigg is the contact.

The launch of this new

collaborative WARES venture is highly appropriate given the fact ASMCA organises the Joe Berry Australian Retail Industry Executive Award for suppliers and retailers, which is now in its 28th year. *Retail World* is the long-term media partner for the awards.

Woolworths options leading the way on in-store data

Some suppliers report a slight tapering off in requests to be involved in in-store activity via the Woolworths in-house-run media hub.

The Woolworths in-house-managed system is designed to extract the best possible campaigns for suppliers’ in-store advertising budgets and is run by each individual category buyer that has the expertise (and KPI budget achievement expectation) on their category.

Woolworths needs more promotions to work, to snap out of its ongoing ranking of number two in quarterly comparative sales increases behind Coles.

Woolworths currently has a larger range of brands than its competitor and therefore is in need of more support from in-store service providers to assist store staff.

Woolworths’ Empower and Engage program allows both suppliers and third-party merchandise companies to gain a better understanding of store sock levels and forward promotions and planogram changes.

This is another option for outsourced in-store services to lead the way in detailed store coverage. ♦

Sign up to digital signage

The AOpen Chromebase Commercial display unit is a solid-state, all-in-one touch device designed to be extremely robust and secure, making it ideal for interactive public display in high-traffic environments, according to distributor Goodson Imports.

Able to be mounted in portrait or



landscape, the 22-inch Chromebase Commercial is suitable for digital signage, POS or kiosk systems.

The multitouch panel features a waterproof tempered glass front, tamper-proof cable and mounting, and its fanless design keeps dust out. It is also shock and vibration resistant. Together with the Chrome operating system (OS), it can display content via apps by accessing the cloud.

AOpen's Chromebox Commercial, meanwhile, is a shock- and vibration-resistant solid-state device for powering digital displays and vertical applications, with a wide operating temperature range (up to a maximum of 60°C).

Goodson says features such as built-in hardware encryption and verified firmware

boot means that retailers and clients can be confident they will be protected from unauthorised breach of information or updates.

The Commercial Chrome devices of AOpen are designed for 24/seven use, are fanless and tamperproof, and include features to ensure uptime in tough environments. They also come with in-built wi-fi, bluetooth and ethernet, as well as powered RJ45 ports to support POS and kiosk applications.

AOpen's latest product range is a collaboration between Google and AOpen using the Chrome OS platform, which Goodson says is perfect for digital signage as it is centrally cloud-managed, secure, easy to operate and lean in comparison with other platforms. ♦

Tyco introduces source-tagging service

Tyco Retail Solutions has launched a data-driven merchandise-protection program aimed at maximising the value of retail source-tagging initiatives.

Retailers have limited time and staff to manage electronic article surveillance (EAS) programs, but Tyco says that with its 'source tagging as a service' (STaaS), retailers can rely on the company to oversee their entire EAS tagging program to help increase sales, solve shrink issues and optimise store productivity.

By analysing retailers' data, Tyco says it can pinpoint key shrink trends by department, category, vendor and universal product codes to identify high-shrink items, comparing the results to retailers' existing item-protection strategies for maximum payback.

After conducting extensive store audits, Tyco specifies items to be tagged, certifies

optimal tagging placement and supports engagement of suppliers. Monthly one-page dashboards track progress and program compliance to predetermined success metrics.

Tyco says that with its STaaS, retailers have actionable data to make sure the right items arrive protected and ready for immediate placement on the floor. It adds that its data-driven approach and category-management expertise allows retailers to merchandise products with confidence, while refocusing staff to serve customers and drive sales.



Tyco says leading mass merchants using the new service have reported double-digit increases in sales and double-digit decreases in shrink.

The company adds that STaaS builds on the success of Tyco's industry-leading source-tagging program, which has protected nearly 60 billion consumer products and apparel items worldwide.

In 2015, according to Tyco, its source tagging achieved a fifth consecutive year of growth as more retailers embraced both traditional tagging and recirculation of reusable hard tags. The company says source tagging with Tyco's dual-technology EAS and radio-frequency-identification hard tags also enables retailers to gain vital item-level visibility and connection to the internet of things. ♦

Toyota offers forklift range with 'autopilot'

The Toyota Material Handling Australia (TMHA) range of BT-branded automatic-guided-vehicle (AGV) forklifts contains autopilot technology that is claimed to provide reliable and accurate driverless operation for transporting, stacking or picking.

The autopilot system can function independently and alongside manually operated equipment.

For added flexibility, the autopilot-equipped forklifts can also be operated manually if required.

TMHA National Sales and Product Manager Automation Tony Raggio says one of the advantages of Toyota's AGV range is its similarity to the existing range of BT pallet trucks, order pickers and reach forklifts.

"Our AGV-enabled forklifts are essentially the same as their existing manual counterparts, with the only difference being the addition of Toyota's autopilot technology," he said.

"This means operators can enjoy all the reliability, safety and durability benefits expected of Toyota forklifts with the added benefits of automation – while servicing and maintenance procedures remain unchanged."

The key advantages of AGV forklifts include increased safety with a reduced risk of accidents, smooth workflow and greater reliability as well as improved efficiency.

"We envisage the AGV forklift range making real productivity improvements in busy warehouse, storage or production environments where repetitive movements are common," Mr Raggio said.

"Another advantage is that, as a Toyota-backed product, we offer full nationwide back-up and support services – the same as for any other forklift or other item of material-handling equipment.

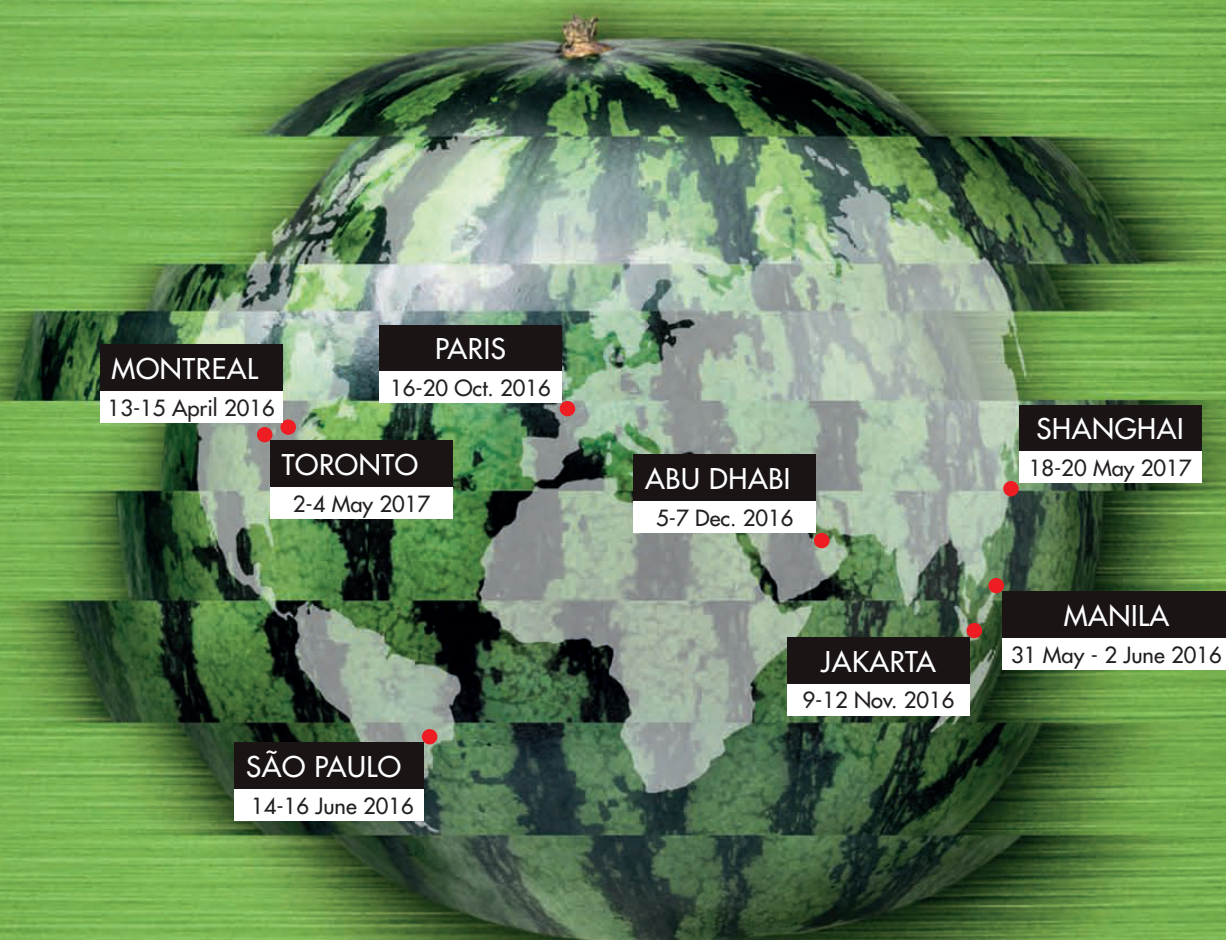
"AGV customers in Europe are reporting significant increases in productivity as soon

as they take up the technology, and we expect the ROI for the AGV forklifts to be between 12 and 36 months."

The range will begin arriving in Australia in August. ♦



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*Source: IRI MarketEdge, Independents Scan, MAT, 20/03/16, Beans & Ground Coffee, Value (Dollars)

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