



Best Practices:
10 Keys to Building
Your Retail Presence

Maintaining a Brand

Having a great product is a fantastic reality. However, building a great brand is a completely different animal. The practices within this guide will help you tame the brand beast; we'll help you enter the market and achieve the results your product deserves.

1. Understand Retailer Relationships

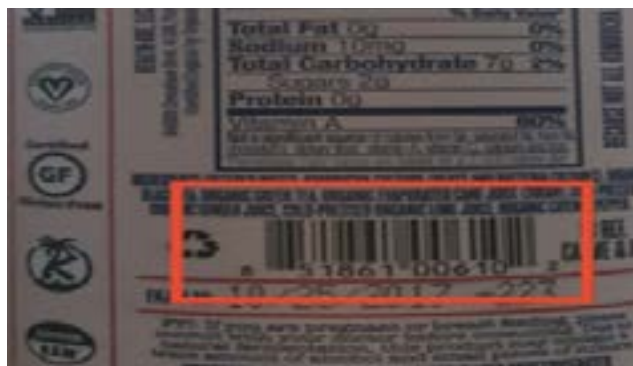
Retailers are carry a new product to the masses. But remember that these stores have a product all their own -- with its own supply, demand, and eager market. That product is shelf space.

Just like any other large corporation, retailers have a bottom line to meet. Savvy retailers carefully monitor which products bring in the most revenue and which should get the boot. Shelf space is a limited resource and the competition is cutthroat. To survive on the shelf you must bring in more revenue than your competitor.

Since retailers charge businesses based on the amount of space they want on the shelf, bringing in high returns is critical to your brand's success. One important step to make before jumping into the shelf space competition is to **seek out a patent attorney**. If a product or its design is unique and not yet trademarked, it can be very easy for larger retailers to simply take ideas that work well in their locations. Be sure to cover your basis on the legal front first.

Another way to prepare for negotiations with retailers is to **join GS1 US**. This nonprofit company is a necessity to any businesses who want their product in retail locations, because they supply part of the UPC found on unique products.

There is a one-time fee to join the organization, and after that there is a maintenance fee which depends on how many unique codes are needed for products.



UPC codes are only one of the factors to take into consideration when considering the costs of bringing a product to retail. Shipping, packaging, and returns (if the business plans on shouldering return costs) should all be considered before entering negotiations with a retailer. The more research and preparedness that suppliers bring to the table, the more leverage they will have against retailers in negotiations.

2. Build a Support Plan

For the same reason that bringing in high returns for retailers provides leverage in negotiations, having clear plans for how to create demand for the product is a surefire way to show retailers that they are not wasting their time on your product. This includes how the business will avoid stocking problems such as shortages or product returns. Large retailers are only interested in brand new products with a proven track record; **build a strong support plan**.

To begin, look to small businesses such as family-owned chains and boutiques for inspiration.

Entrepreneur Bonnie Marcus, creator of “The Bonnie Marcus Collection” started out creating wedding stationery in her living room. Now her product is featured in large retailers such as Target and Bed Bath and Beyond. When asked what the critical steps are for getting a product into retail outlets, Marcus recommended bringing the product to trade shows, and personalizing interaction with retailers. Speaking about pitching a product to retailers Marcus says “An important buyer probably receives hundreds of emails a day. We always recommend taking the time to send a handwritten thank you note, to develop a more personal relationship with the buyer.” If the product has performed well in similar outlets, it can be a great selling point to potential retailers. Finally, setting up a system for regular maintenance of product displays and stocking helps to reassure retailers, and lets them know the business is committed to their outlet. A team of field representatives who act as merchandisers can ensure that every display looks exactly how it should.

3. Create Killer Packaging

An often underestimated aspect of the retail process is product packaging. A recent MWV study on packaging satisfaction found that only 11% of consumers worldwide are completely satisfied with packaging in products they purchase. This leaves huge rooms for improvement in package design and considerations should be taken depending on the type of product a business is bringing to market. Not only is packaging vital to attracting the attention of potential customers, retailers won't want to stock a product which has boring and plain packaging. The same MWV study found that 64% of consumers who purchased new products did so because the packaging caught their eye. **Create packaging that pops** and seek outside opinions before sending it to the press.



4. Fight Hard for a Position

Once you've locked in a committed retailer, it's time to **nail down the details**. Shelf placement can make-or-break your product and should be one of your first points of negotiation. Shelf-location, both horizontally and vertically, directly affect your product's visibility and, in turn, your sales. The following charts, taken from a [2010 study conducted by Erjen Van Nierop and Dennis Fok](#), show the effect of varying shelf locations.

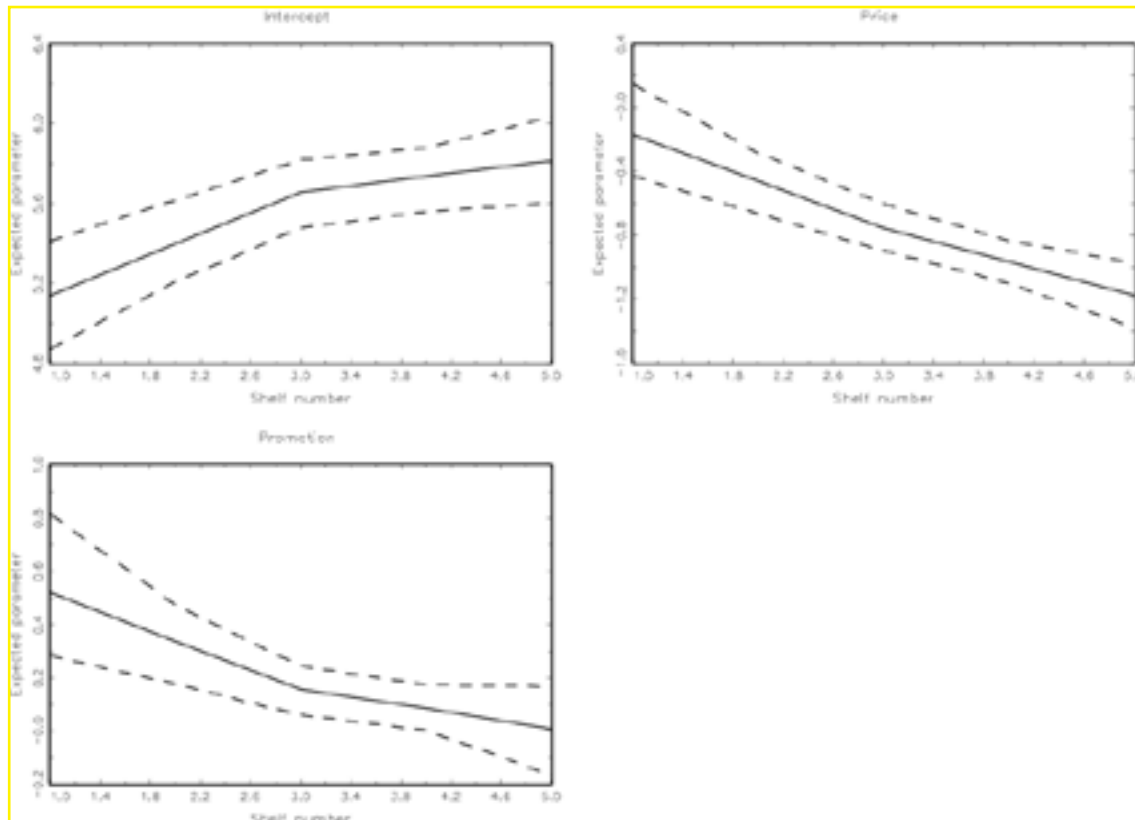


Figure 4: Impact of shelf number (varying from 1 to 5) on marketing-effectiveness parameters (dashed lines show 95% HPD).

Another point to discuss is facings. According to a [2010 study by Jared M. Hansen, Sumit Raut, and Sanjeev Swami](#) which focuses on retail shelf allocation, the effect of vertical facings on sales is nearly double that of horizontal facings. By effectively placing the product in retail locations, businesses can further the already high returns that packaging and planning ahead have provided for the brand.

5. Capitalize on In-Store Promotion

While shelf location and packaging are extremely important, if you want to optimize your returns in retail channels, **look to your in-store promotions.**

Once the consumer is engaged, it's time to seal the deal. Window posters, drink-cooler stickers, floor stickers, hanging signs, and in-store radio ads are great examples of effective retail merchandising. according to James Maskulka, associate professor of marketing at Lehigh University in Bethlehem, Pennsylvania, unplanned in-store purchases "are likely motivated by a variety of in-store marketing communications: coupons, sampling, end-of-aisle displays, etc.." While retail outlets often limit the amount of promotional material a certain brand can put in-store, and will certainly ask for some form of compensation for the ability to do so, it is up to each individual business to decide if the extra sales from the materials will outweigh the costs.

6. Sample Your Product Generously

For food and beverage products, there are even more options for promoting directly to potential customers. Having field representatives in-store to give out bites of a candy bar or sips of soda can help new customers familiarize with your product. **Give out samples and promotional items** to get your product off the ground. According to a study conducted by independent research firm Knowledge Networks PDI, it can also boost sales for established brands significantly. The study found that products in certain categories saw day-of rises in sales up to 475%! It also shows long term effects with an average of 57% increases in sales over a 20 week period. Not only does this promote sales, but it helps to minimize consumer regret which can often result in brand-switching—something which can be extremely detrimental to the growth of a new brand trying to break into the retail market.



7. Formalize Retailer Relationships

For newer brands with less footing, it's wise to **set up very specific guidelines for retailers**.

One thing all brands should discuss is cost. Ask: what is the forecasted cost for increased advertising, prime in-store positions, or more prominent displays?

Another point of discussion is retail staff education. Educating store employees on your product can be extremely effective. While maybe less so in a gas station or convenience store, the benefit of arming employees with information is that they become walking, talking advertisements for your product right in-store.

Another area of discussion should be product returns. If a defective product or unsatisfied customer comes back with the product, will the retail outlet shoulder the cost or will you? Deciding on the way to handle situations such as these early on will avoid future conflict with retailers and maintain healthy relationships.

Finally, it's important to discuss the boundaries of promotional materials and store presentation. In order for a consistent, positive brand image to stick to your product, you need the retailer to be on the same page. **Make your brand's personality loud and clear to retailers**. Include this in your relationship agreement as well.

Healthy and formal relationships between retailers and suppliers encourage a long-lasting relationship with high returns for both parties involved.

8. Leverage Feet on The Street

It certainly takes a village to break into the retail market. Teams of field representatives are a necessity for a brand to create buzz and grow quickly. **Build a strong team of representatives** that are dependable and familiar with your product. If it's not financially possible to hire a team of representatives, then consider a third-party brand ambassador services that offers street promotion.

Consider positioning street teams on the busiest local streets, or in areas with a high traffic of your target demographic. Play on your environments to get the most out of street promotions; If it's an especially hot day, consider promoting your product near a beach or pool. Insure the brand is reaching the eyes and ears of consumers nearby to local retail outlets to give the product better coverage coupled with in-store promotion and better returns.

9. Spend Time in Your Market

It's the responsibility of the brand manager or field representatives to **gather valuable data from the field**. Pay close attention to the retailers' compliance with agreements made regarding product placement, sales, consideration, and metrics of competing brands.

While many people think that data collection is only useful for online retailers and websites, according to Tim Callan, Chief Marketing Officer for RetailNext, brick and mortar retail outlets may soon have a better understanding of their customers than online firms do. He goes on to say that "decision making capability is infinite, while there are only so many things they can do online." Using the correct tools to collect and analyze data from the field will make sure that the established system is functioning properly, just as it was set up in the first place.

10. Measure, Analyze and Adjust

The old adage goes, you can't manage what you can't measure. As your brand grows and your product becomes more successful, data collected from field representatives will begin to show trends across different retail outlets -- **collect as much useful data as possible**. Using these data in conjunction with some form of field management software helps managers to create a "big picture" of what patterns are occurring within different types of retail outlets, different locations, and different consumer demographics.

Customizing forms for data collection, using in-field order management software, and evaluating each retail outlet individually are just some of the benefits that new technology has afforded businesses hoping to break into the retail market. Using these data will help maximize returns and provide even more leverage when negotiating with future retailers.



The screenshot shows a mobile application interface for a 'Favorite Drink or Snack Review'. At the top, there's a status bar with 'Verizon', '9:02 AM', and '83%' battery. The app header includes a green circular icon, the title 'Favorite Drink or Snack Review', and an 'EDIT' button. Below the title is a text input field with the placeholder 'Favorite Drink or Snack Review'. A green button labeled 'Take Photo of Food or Drink' is positioned below the input field. Further down, there's a section titled 'Is it a Snack or a Drink' with a radio button labeled 'Drink' selected. Below this is another green button labeled 'Please Take Photo of Snack or Drink'. A photo of a drink bottle is visible in the next section. At the bottom, there's a section titled 'How many Calories?' with a text input field containing the number '80'.

Win at Field Sales

Though strong alone, these keys to building your retail presence work best when employed together. With a great product in one hand and the proper information, tools, and resources in the other, you can break into any market.

Thank you for downloading this guide. We wish you the best of luck!

-The Repsly Team