

Perfect Store | White Paper

The Consumer Goods Manufacturer's Guide to Optimizing and Selling the "Perfect Store"

The Consumer Goods Manufacturer's Guide

to Optimizing and Selling the "Perfect Store"

In today's cloud-enabled, mobile-first world, perfecting the art of selling in retail environments has been radically transformed. A perfect store strategy, based on the thinking that there is an optimal store merchandising layout for every store type, in any geography, regardless of store size, is not effective in maximizing consumer purchasing trends. Consumer goods companies are also discovering that flawless retail execution is no longer enough. To achieve an advantage in the crowded retail landscape, companies need to be able to have data and analytics at their fingertips to do more, know more and sell more than competitors – across every retail channel, in every store, on every day.

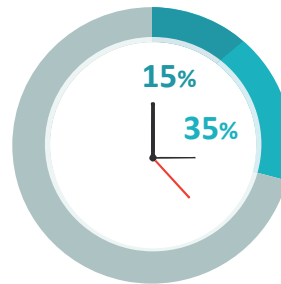
Companies adopting this approach to optimizing their perfect store processes are winning at the shelf by:

- providing the technology and tools to streamline and simplify retail execution
- communicating and aligning field reps with the vision and goals for each store
- guiding reps with the steps and best practices to achieve their store targets
- empowering field reps with the data and tools to engage store managers with valuable information

These changes are giving field representatives the ability to complete more tasks in each store visit, know more than the competition and share that knowledge with the store manager – with the goal of helping stores sell more of the company's product. This "do more, know more and sell more" philosophy, fueled by technology and information, is serving as the ultimate optimization guide to achieving the perfect store at every location.

To achieve an advantage in the crowded retail landscape, companies need to be able to have data and analytics at their fingertips to do more, know more and sell more than competitors – across every retail channel, in every store, on every day.

Benefits of Perfect Store Optimization



Do More

Better field team targeting and store visit objectives drive a **15% to 35%** percent increase in productivity. This is based on adjusting store visit patterns, providing focused in-store tasks and reducing the time spent compiling multiple data resources.

Source: IRI- Perfect In-Store Execution (October 2013)



Know More

Up to 14% in lost sales can be attributed to out-of-stocks, misplaced displays and promotional non-compliance.

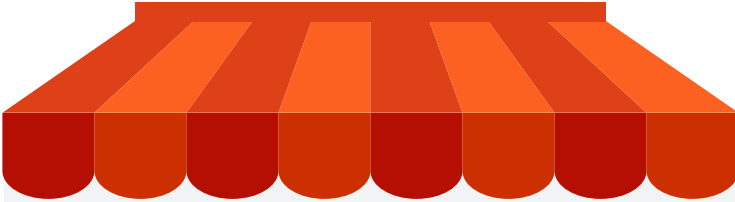
Source: Accenture- Winning the War in the Store by Optimizing Field-based Sales Activities (2012)



Sell More

Perfect sales execution can increase same store sales **10% to 20%**. Streamlining in-store processes, increasing company-wide data accuracy and eliminating the information gap between the corporate office and the field pave the way for selling more product.

Source: IRI- Perfect In-Store Execution (October 2013)



What's Needed for Perfect Store Optimization (PSO)



Vision of a Perfect Store for Every Store

A common pitfall in retail merchandising is the idea that the definition of a “perfect store” is the same for all store types. There are specific nuances that not only vary by region, but also by market, channel and retailer, then again by individual store. Consumer goods companies that have the ability to plan and execute retail activities across a number of retail channels will be able to realize the valuable benefits of PSO. The path to perfection can be achieved by first analyzing the data to define what the perfect store looks like and then putting the tools in place to execute a profitable perfect store vision that is unique to every establishment.



Processes and Tools

Hopes of achieving the perfect store are also affected by the field rep's productivity during a store visit. An automated and guided workflow process enables consumer goods manufacturers to optimize tasks, communicate and monitor daily goals and speed the completion of routine tasks.



Data

Consumer goods companies are in a unique position to aggregate point of sale data, distribution data and inventory data into meaningful information to share with store managers. Store managers can often only access data for their own store, so data about where the store stands, relative to other similar stores, is very valuable. A strong rep will use this data to become a trusted partner of the store manager. Without access to store-specific data that can be used to influence store managers, field reps will remain challenged to break down the barriers and drive positive results during each store visit.

Must-Have Technology & Tools

Mobility, Data and Processes

A prerequisite for PSO is having the right tools and proven technology enablers. A technology solution that can generate a continuous flow of real-time, store-specific data and close the loop between the corporate office and the field will improve planning, communication, execution and visibility across the entire organization.

The Gartner *Market Guide for Retail Execution and Monitoring Solutions for the Consumer Goods Industry*, evaluated the offerings from field force retail execution software providers and assessed their ability to deliver mission-critical solutions to the consumer goods industry. A key finding in the report noted that “as the retail execution and monitoring market matures, the focus is shifting from transactional capabilities to those that can help a field sales force to sell more and do so more consistently.”¹

Utilizing mobile devices, such as smartphones and tablets, places powerful insights into the hands of every field rep, allowing quick access to competitive analysis, pricing, data visualization tools and historical data. Additionally, industry-leading software solutions offer new platforms that work offline and accommodate multiple languages in order to deploy retail execution initiatives globally. With the right resources and the ability to harness insights immediately, manufacturers will have the upper hand to improve results at the store level.

Perfect Store Enablers

- ▶ Data to define what the perfect store should look like
- ▶ Analytics to transform data into meaningful insights
- ▶ KPI targets set at a national, regional, territory and store level to generate a PSO roadmap
- ▶ A closed-loop cycle to review KPI targets and refine in-store activities by store
- ▶ Mobile field tools to access real-time store performance against KPI targets
- ▶ In-store task optimization to increase speed, efficiency and productivity
- ▶ Fact-based selling tools fueled by store-specific data
- ▶ Technology to convert a sale into an order on-the-spot

¹ Gartner: Market Guide for Retail Execution and Monitoring Solutions for the Consumer Goods Industry by Dale Hagemeyer (March 4, 2015)






A Guide to Perfect Store Optimization

Ultimately, achieving the benefits and conquering the challenges of optimizing the perfect store begins with preparedness. The following guide entails the four key steps to pursue perfect store execution.

1 Define Your Vision of the Perfect Store

From warehouse clubs and big box retailers to dollar stores and family-owned brands, the size and scope of the global retail landscape is widely diverse. By acknowledging that every store is different, consumer goods manufacturers can better outline and define the perfect store for each type of store that sells its products. The responsibility of defining the perfect store and setting singular goals and guidelines for a market, channel or territory must start at the highest level. The exercise of pinpointing the characteristics that define the perfect store (for every store) will serve as the foundation for your brand's PSO initiative.

The following thought starters may prove helpful to kick-off the process among C-Suite executives:

-  Define specific goals for product placement, assortment, price and promotion compliance.
-  Ensure every in-store opportunity is being actively pursued and monitored.
-  Evaluate strong and weak relationships at the store level.
-  Confirm every store visit is consistently executed to achieve positive results.
-  Identify KPIs to determine where to focus continuous improvement efforts.

Finally, engage in a conversation surrounding the technology factors that are needed to drive daily execution of the perfect store. Are there specific tools, devices or resources required to fully empower field reps to inspect, reinforce and sell the newly-defined perfect store? If so, evaluate the investment needed to succeed both in the short and long-term.






2 Communicate Your Perfect Store Vision to Field Reps

The key communication that ensures field reps know what to aim for and measure against rests upon the pre-defined KPIs determined in Step One. Filtering the perfect store parameters from the corporate office to the sales force will enable reps to effectively "inspect what is expected" for each store. Guesswork is removed, allowing optimization to take center stage.

Best-in-class consumer goods manufacturers have systems and processes in place to directly measure, motivate and compensate field reps for each effort taken to achieve perfect store status. Field reps need to have access to KPI targets, see their achievement against those targets and understand what needs to happen at the store level to reach set goals. A mobile retail execution software solution offering real-time dashboards and reports will empower sales reps with the on-the-go insights needed to turn objectives into sales.

Taking the steps to establish standard processes will guide brand messaging, tasks and productive analysis in the field. However, developing such processes will require consumer goods manufacturers to examine the entire retail execution process and uncover answers to important optimization questions.

Checklist to Achieve Perfect Store Optimization

-  Field reps know what the perfect store looks like and how to achieve it
-  Specific plans, task lists and objectives have been set for each store
-  Retailers can approve an order on-the-spot
-  Management can review store KPIs quickly and in real-time
-  Field reps have a reliable tool that makes every store visit effective and productive

3 Empower Field Reps to Sell Your Perfect Store to Retailers

Now that the corporate office, management and field reps are aware of the perfect store vision and strategy, retailers must be brought into the loop. The burden lies with the manufacturer to educate each retailer on how to represent its version of the perfect store. A case must be made as to why moving the store towards perfection will drive more revenue for both the retailer and the manufacturer.

Deploying sales reps into the field without access to fact-based, real-time data is detrimental to PSO.

.....

According to Forrester, grocers such as US-based Publix Super Markets and Shaw's Supermarkets receive as many as 1,000 deals per week and might introduce 20,000 new products or product promotion variations per year.²

.....

Convincing an overly-harassed, floor space-challenged store manager to focus efforts on your products is far easier with store-specific data and visual analytics to back up the sales pitch.

The collaborative benefits that come with being a perfect store will require the field rep to sell “the vision” to the store manager during each and every visit. This level of achievement will require arming the field team with the right tools, technology and guidance to secure buy-in from retailers quickly and easily. By taking a more consultative, data-driven approach, companies will improve collaborations with retailers while improving operational efficiency.

For example, a field rep for a confectionery manufacturer is prompted to visit a retailer and outline how its profits will increase if candy bar A and B are swapped for candy bar C and D. This type of advanced planning, fueled by up-to-date field intelligence, further empowers field reps to forge more meaningful relationships with retailers.

4 Put the Plan into Action and Measure Results

With a roadmap in place and field reps equipped with the tools and intelligence needed to bring the perfect store to fruition, an ongoing “checks and balance” approach is needed to evaluate and measure activity. For best results, field data should feed back into Step One so the KPI targets and vision of the perfect store can be continuously monitored and refined by the entire organization.

True PSO utilizes KPI targets to make better business decisions and further enables the manufacturer to direct efforts toward stores that yield the biggest impact to revenue or territory performance. A closed-loop retail execution strategy will also generate visibility throughout the organization so items such as volume and margins can be monitored in real-time. Course correcting and getting ahead of a problem – before it’s too late – will reduce fire drills and enable the company to work together to improve results.

Consumer goods manufacturers must also have a way to measure PSO compliance quickly. When choosing a field execution solution, lean toward features that will allow a range of KPIs to be set and monitored for each individual store using data visualization, graphics and dynamic data. A mobile solution is a must to promote communication and empower field reps to quickly gather and share data that drives the perfect store.



² Forrester: Improving Retail Promotion Execution (2007)

Conclusion

The process of ensuring every store is compliant with your product facings, shelf placement, brand signage and promotional activity is riddled with granular execution factors. When retail execution is poorly managed, the end result will be reduced profits, poor market share and unsuccessful moments of truth.

A streamlined retail execution strategy focused on being more effective in store (do more), communicating your perfect store vision to field reps (know more) and selling your perfect store to retailers (sell more) will drive PSO and ultimately, secure more wins at the shelf.

Brands that actively define and communicate their version of the perfect store and equip field reps with tools to optimize each individual store using a comprehensive set of KPIs will have greater success in today's retail landscape. Improving communications between the head office and sales reps will strengthen a consumer goods manufacturer's ability to gather analytics from the field, prioritize activities based on business value and redirect activities that are aligned with perfect store KPIs. The goal is to have a tool that communicates what the perfect store means to your brand, the value of that vision and a user-friendly platform to present a strong case to retailers.

When vetting a software solution to support PSO strategies, turn to best-in-class providers that understand the consumer goods market and offer a configurable and scalable, cloud-based tool that will work on multiple platforms and mobile devices. This is especially important to automate the execution of daily tasks and better collaborate with retailers using real-time data and insights. Additional features that will help field reps perform daily responsibilities efficiently and effectively, such as route planning, visual dashboards, image capture and a guided workflow, will further your efforts to achieve PSO.

How StayinFront Can Help



Do More

StayinFront applications enable reps to target the right stores, schedule their day easily using mapping tools and effectively plan their route. Using [StayinFront TouchCG®](#) on an Android® iOS® or Windows 8® mobile device, field representatives can call on more stores and complete more tasks in each store visit. [StayinFront EdgeCG®](#) helps reps do more in store with advanced features like image recognition to speed audits, barcode scanners that streamline up data entry and advanced filtering tools so the rep sees only what they need to see, which ensures focus on the right activities



Know More

[StayinFront EdgeCG®](#) easily integrates with backend ERP systems and with 3rd party point of sale data to ensure reps have a complete view of the store, including accurate store-level data about sales, promotions, displays, inventory and orders. Reps who can deliver this kind of information to store managers become valued partners and get more of the store manager's time and attention during every visit. [StayinFront TouchCG®](#) features integrated analytics, KPIs and dashboards that are updated in real-time, while the reps works, providing instant feedback on how in-store actions help the representative achieve their goals.



Sell More

[StayinFront Pitchbook™](#) integrates external information, such as point of sale data, with current in-store shelf condition information and promotional and marketing information to deliver a dynamic, interactive, one-of-a-kind presentation to the store manager. Field reps deliver valuable information, such as relative sales of products across other local stores in the chain, along with interactive promotional calculators that display projected uplift in sales and margins, allowing the field representative to be a valued partner for the store manager and work toward the common objective of selling more and increasing the retailer's bottom line.

[Learn](#) how StayinFront can help your business **Do More, Know More and Sell More.**

StayinFront, Inc.

Corporate Headquarters

107 Little Falls Road
Fairfield, NJ 07004-2105
Phone 973.461.4800
Toll Free 800.422.4520

 stayinfront.com
 sales@stayinfront.com

Global Offices

Australia

Level 1
Building C,
Talavera Corporate Centre
12-24 Talavera Road
Macquarie Park NSW 2113
Australia
Phone +61.2.9900.1100

Australia

Level 27
101 Collins Street
Melbourne, VIC 3000
Australia
Phone +61.3.9221.6330

New Zealand

9 Blake Street
Ponsonby, Auckland
New Zealand
Phone +64.9.361.0888
Toll Free 0800.0800.355

India

304 IT Tower 2, InfoCity
Gandhinagar - 382009
Gujarat India
Phone +91.79.6671.9000

Singapore

16 Collyer Quay
#21-00 Suite 24/25
Singapore 049318
Phone +65.6818.9116

United Kingdom

StayinFront House
12 Corporation Street
High Wycombe
Buckinghamshire HP136TQ
United Kingdom
Phone +44.(0)1494.430.130
Toll Free 800.422.4520

Turkey

Büyükdere Caddesi
Yapi Kredi Plaza C
Blok 40-41 k17 Ofis 8
Istanbul Turkey
Phone +90 (212) 317 41 56

Ireland

15 Killegland Street
Ashbourne
County Meath Ireland
Phone +353.1.83.57.774