

# RETAIL NEWS INSIDER

*Find Out*  
**WHO'S SAYING  
CHEERIO TO  
GMOs**

**SAS Retail Services**  
*Wins Big!*

**Selling  
Romance**  
Valentine's Day Tips  
You Need to Know!

## CONSTANTLY CONNECTED: CATERING TO THE MOBILE LIFESTYLE





# EXECUTION PROGRAMS

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In-store

Outdoor

Insights

The award-winning *Interactions Retail News Insider* offers a look at the trends, best practices and news affecting today's retail environments as it relates to engaging shoppers and driving sales.

As the flagship publication for *Interactions*, *Retail News Insider* provides insight on trends that affect all levels of our business, practical sales tips for our field teams, as well as the latest news from our own consumer experience marketing experts. Our team embraces the concept that the world of shopper engagement is an ever-evolving marketplace, and goes inside the stories to take a look at what's happening in the U.S. and across the globe.

In 2013 *Retail News Insider* was named by numerous industry awards organizations as the best publication for associates. We are proud to set the standard for excellence in communication across industries, as well as for our own organization.

**Best Digital Communication Vehicle**  
International Association of Business Communicators Gold Quill Awards

**Best Internal Publication**  
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**Best Employee Publication**  
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**Best In-House Trade Publication**  
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**Best Regularly Featured Column (Essentials to Engagement)**  
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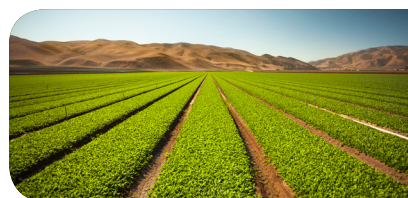
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# A Commitment to Our People

A great company is one that invests in its people and provides them with the necessary tools to succeed and excel—promoting collaborative and respectful relationships. Associates are then empowered to take these principles and communicate the same proactive behaviors to customers. This is not the responsibility of one person or one department within the organization. The accountability lies with each of us.

The Retail Services leadership team has done an excellent job taking responsibility for its own people, and our people have been outstanding in taking responsibility for our customers. Our people are the backbone

of our company, and more importantly our greatest asset!

It is imperative that our organizational culture reflects our belief that our people come first. We couldn't generate any revenue or profit throughout all of Retail Services without the dedication of our great people—thus our priority is to make this a great place to work for our people. Further, our associates are the face of our organization, and they are our competitive advantage to creating a lasting impression with shoppers.

Our people are the sole reason that we are consistently winning new business, which places added importance on the training and education we provide our associates. Our leadership team is encouraged to foster the development of associate training programs and pursue more progressive and innovative ways to operate. We recognize

that the future and security of this company depends on excellent service, and we are dedicated to not only maintaining—but improving this service for our customers.

For the 22 years that I have been with this company, our mantra has always been that our people are our greatest asset—and this is undeniably true. It is the responsibility of our leaders to create an opportune environment for our teams, and the responsibility of every associate to deliver their very best on behalf of our customers. I am proud of the company culture we have crafted thus far, and the individual efforts you have all made, and I look forward to continuing this journey on which we've embarked.

*Brett C. Barcelona*

Brett Barcelona  
President and General Manager  
Retail Services

## Editor's Corner

### We're Off to a Great Start!



**Kelly Short**  
Director of Global  
Communications

The feedback on last month's redesigned issue has started to roll in and I couldn't be happier to report that it's been overwhelmingly positive. Many people have noted how much they like the new format. Several

of you also let us know how excited you are to be able to use *Retail News Insider* in your meetings with retailers and to share our content with business partners. That's exactly our goal—to help educate you so you can succeed in your role.

To that end, we've put together another information-packed issue for you this month. In our headline Market Watch article, we explore the role of today's mobile lifestyle on shopper behavior and how retailers and brands can engage with those shoppers, right inside the store.

We also take a look at the GMO vs. non-GMO debate and the rise of non-GMO options on store shelves in our Trending Tastes feature. And in this month's Knowledge Portal, we learn about a big win by our sister company SAS Retail Services, who recently scored in the Pacific Northwest.

We've also got tips for our front-line Sales Advisors. With Valentine's Day right around

the corner, our Essentials to Engagement feature explores how Sales Advisors can go beyond boxed chocolates and roses to bring out the romance in almost any item they're demonstrating.

As always, thank you for taking the time to read our publication. I hope you find this month's articles both informative and enjoyable.

All the best,

Kelly Short

## Taking **Romance** Beyond Roses

When you think of Valentine's Day, red roses, heart-shaped chocolates and shiny jewelry may come to mind. As the second biggest gift-giving holiday after Christmas, it's true that some shoppers do focus on romantic presents for their loved ones; however, many also turn their sights toward more practical and non-traditional gifts. Perhaps owing in part to this, grocery stores have become a popular destination for Valentine's Day shoppers, especially last-minute ones, leaving Sales Advisors in a unique position to offer up gift ideas that take romance beyond roses.

A home-cooked meal can be a great way to say "I love you." Encourage shoppers to incorporate the foods you're sampling into a special breakfast or dinner for their significant others. For example, if you're demonstrating frozen waffles, suggest serving them with strawberries or raspberries for a delicious and fitting Valentine's Day breakfast. Or if you have a rice or pasta mix on your cart, suggest ways to incorporate it into a larger Valentine's-themed dinner. Bonus points for guiding shoppers to the aisle where candles are sold!

Candle-lit dinners aren't the only romantic meal option. If you're sampling more appetizer-like foods, such as cheese or fresh bakery bread, suggest shoppers put together a picnic for their special someone. Add some sliced salami or prosciutto, a bottle of wine and a little something sweet from the bakery and shoppers will have an instant romantic meal ready to go.

Even items you would never think to call "romantic" can become thoughtful gift ideas with a little creativity. For example,

if you're demonstrating laundry detergent or dish soap, suggest shoppers pair the item with a homemade coupon good for a week of doing the laundry or dishes. If you have a health or beauty care item on your cart, suggest putting together a gift basket by adding other items found in the store.

For example, vitamins could be paired with energy bars and protein shakes for a unique "gym lover's" gift basket. Thinking beyond the event cart in ways like this can help you engage shoppers—and boost sales and loyalty.

### From the Front Lines

## Putting Your Best Foot Forward

Did the New Year bring a new job for you as a Sales Advisor? If so, congratulations! We know any new job can be challenging at first, but we're committed to helping you succeed. With that in mind, we reached out to 10-year veteran Sales Advisor Nell Roe to get her tips on putting your best foot forward on the sales floor.

"One of the most important things to remember is that you're there to sell products and represent the store in a good way," says Nell. "So it's important to stick to the guidelines they give you. For example, keep your cart cleaned and

organized. It not only makes the event look good for customers, it makes your job easier in the long run."

"Also remember to keep smiling and engaging customers throughout the day," adds Nell. "Be friendly and welcoming. Tell them the selling points of the product and explain how they can make it at home. If you've tried a particular product before—tell them why you like it and the different ways you use it."

Last but not least, Nell encourages Sales Advisors not to give up or get discouraged if they struggle at first. "It can be hard for the first couple of months, but you'll get it. Just do your best and you'll see things get better as you go along. Soon you'll have regular customers you interact with and you'll be getting great responses to your samples."



Sales Advisor  
Nell Rose

# CONSTANTLY CONNECTED: CATERING TO THE MOBILE LIFESTYLE



By Retail News Insider

**I**f you're one of the over 175 million Americans who uses a smartphone, chances are you're living the mobile lifestyle. What exactly does that mean? In technical terms, the mobile lifestyle is defined as a way of life that's been shaped by the advent of mobile devices and mobility, which have and continue to impact every aspect of human behavior in today's constantly connected world. In real-life terms, it means you're engaging with friends via social media, depositing checks, paying your credit card bill, keeping track of your shopping lists and more—all via a 4-inch device that fits neatly in your pocket.

For retailers and brands, the implications of this new digital way of life are huge. "The mobile lifestyle is changing the way we shop," says Giovanni DeMeo, Interactions' Vice President of Global Marketing and Analytics. "Today, consumers have the ability to order pretty much anything online—from electronics to the most perishable of grocery items. We have to figure out how to engage with shoppers who are moving wholly toward that way of life."

Though the move to all-things-digital might, at first glance, seem to imply brick-and-mortar stores will soon become a thing of the past, the hard numbers show

that's not likely to be the case. According to the National Retail Federation, over 90 percent of shopping is still done inside physical stores. The real key will be marrying the in-store and mobile experiences for the 66 percent of consumers that Cisco Consulting Services says already search for products using their mobile devices before purchasing them in-store. As Jon Stine, Cisco Consulting Services' North American Retail Lead, puts it, "The retailers that will win more revenues from customers today and in the future will be the ones that offer the best online experience and integrate it with the consumers' in-store shopping experience."

**"The mobile lifestyle is changing the way we shop."**

—Giovanni DeMeo, Interactions' Vice President of Global Marketing and Analytics

Walmart has been one of the leaders in this area for several years now. The retail giant has created an app for smartphones and tablets that allows in-store users to scan products off the shelf and instantly see ratings and reviews from its website. Shoppers can also keep a running tally of their purchases to help make sure they're sticking to their budget before they get to the register. With the app's "store mode" turned on, in-store users can also view the unique layout and inventory of the location they're in. If an item they're looking for isn't in stock at that store, they're given the option of purchasing it online.



Home improvement leader Home Depot has developed an app with similar functionalities. It allows in-store users to search that particular location's inventory and pinpoint where an item is—down to aisle, shelf and bin (visibly numbered throughout the store). Users can also scan items in-store to look up online reviews, and order products on-the-go via their mobile device and pick them up at their local Home Depot store.

Wondering whether these types of apps truly engage shoppers any more than the "typical" coupon/loyalty card app that has otherwise dominated the marketplace in recent years? According to CNET News, within the first 2 weeks of Walmart's app launch, the company reported 60 percent of shoppers had turned on "store mode" and 12 percent of its online sales made through the app came from users inside its brick-and-mortar locations. As for Home Depot, its app has been downloaded by over 3.5 million users, and the company attributes one-third of its online traffic to mobile devices.

One progressive grocery retailer in China is taking this type of "in-store" mobile engagement approach to a whole other level by literally removing the walls that separate stores from the online world. Yihaodian, originally founded as an online grocer, has set up 1,000 "virtual" stores in parking lots, near large office buildings and in front of Chinese landmarks. These stores are completely invisible to passersby who aren't connected to a mobile device. But turn on your phone and you'll suddenly be able to view an entire grocery store through your screen. Shoppers can walk through the "aisles," selecting items with their phones or tablets and setting them up to be delivered directly to their homes.

Yihaodian's virtual stores were launched in 2012 and by the end of 2013 the company reported a gain of over 25 million registered users. "With a format like Yihaodian, retailers can have physical locations in any town and offer their customers an endless supply of products, without needing to pay for the real estate," says Abhi Beniwal, Interactions' Senior Vice President of Global IT.

As for the future of mobile lifestyle engagement, the possibilities are seemingly endless. For example, "smart fridges" could be connected to users' mobile devices, notifying them when the cartons of milk or juice inside are about to expire and automatically adding those items to the retailer shopping lists that users have installed on their digital devices. Or, a retailer could send digital notifications to alert shoppers about upcoming in-store demonstrations and allow customers who can't make it to the store that day to opt-in for the samples to be delivered to

their homes (perhaps even via drones) along with their next grocery order. As technologies evolve, so too will the mobile lifestyle—and the way retailers and brands can (and must) interact with shoppers.

As DeMeo admits, when evaluating any new trend or technology, it's natural to look for the potential drawbacks. But in this case, the only hazard for retailers and brands is not developing the capability to engage with customers who have adopted a mobile lifestyle. "In today's shopping environment, retailers and brands have to engage with consumers in more than one way," says DeMeo. "Because of the incredibly large and constantly growing mobile audience, that must absolutely include some type of mobile engagement that provides value-add to the in-store shopping experience. Those who don't develop these technologies do so at their own peril."

2014 MARKET WATCH CALENDAR	
JANUARY	The Evolution of In-Store Events
FEBRUARY	<a href="#">Living the Mobile Lifestyle</a>
MARCH	<a href="#">High Fashion Meets High Tech: How Wearable Technology Is Affecting Retail</a>
APRIL	<a href="#">From Lab to Table: The Future of Food</a>
MAY	<a href="#">Big Brother Is Watching—In-Store and Beyond</a>
JUNE	<a href="#">Managing Privacy in a Big Data World</a>
JULY	<a href="#">Marketing to the Multicultural Masses</a>
AUGUST	<a href="#">Augmented Reality: Real Retail, Made Better</a>
SEPTEMBER	<a href="#">Big Data 2.0</a>
OCTOBER	<a href="#">Start-Ups that are Changing the Face of Retail</a>
NOVEMBER	<a href="#">[en]Rich Your Content for a Better E-commerce Experience</a>
DECEMBER	<a href="#">2015 Retail Trends</a>

Past Issues

# SAS Retail Services

*Delivers One-Stop Merchandising Solution for Kroger*

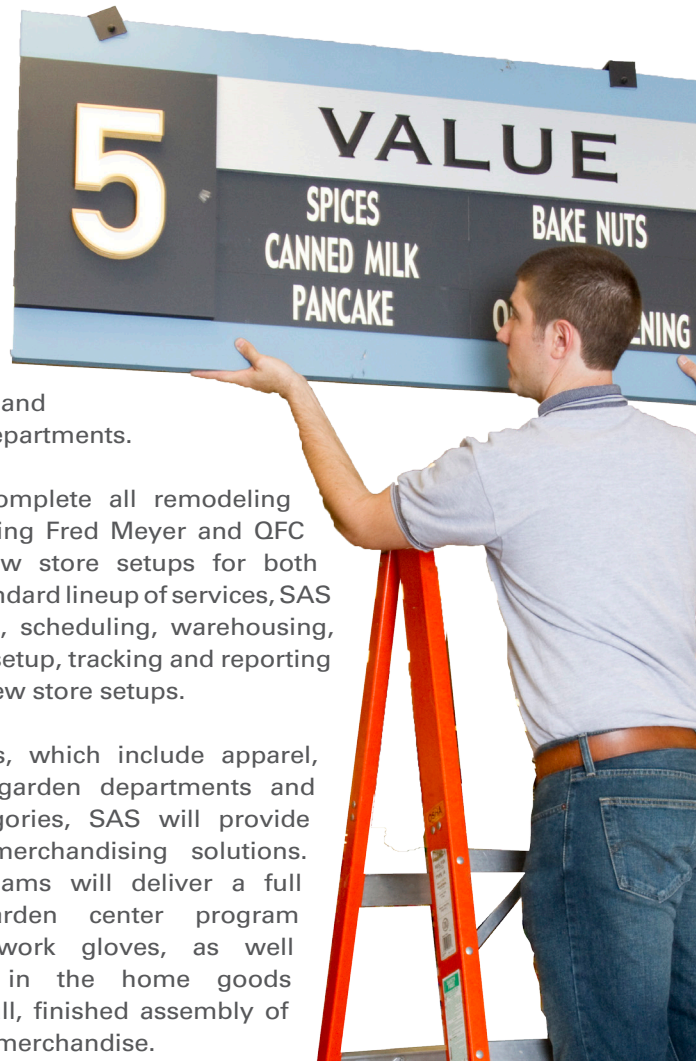
**S**AS Retail Services, the merchandising arm of the Daymon Worldwide Retail Services group, was recently named as the single source provider for two Kroger divisions in the Pacific Northwest—Fred Meyer and QFC (Quality Food Centers). In addition to the services SAS already provides to other Kroger divisions across the country, this move positions SAS as the biggest single source provider for The Kroger Company—the largest traditional food retailer in the U.S.

Management Plan Aligning Store Sales) and center store reset services at 133 Fred Meyer and 66 QFC locations. As part of this initiative, SAS' dedicated on-site field teams will complete merchandising work within the grocery, frozen, dairy, drug and general merchandising departments.

In addition, SAS will complete all remodeling work scheduled for existing Fred Meyer and QFC locations as well as new store setups for both divisions. As part of its standard lineup of services, SAS will provide full logistics, scheduling, warehousing, management, assembly, setup, tracking and reporting for these remodels and new store setups.

At Fred Meyer locations, which include apparel, electronics, home and garden departments and traditional grocery categories, SAS will provide several extra unique merchandising solutions. For example, on-site teams will deliver a full service lawn and garden center program for mulch, soil and work gloves, as well as assembly services in the home goods department—including full, finished assembly of grills, furniture and other merchandise.

"We see this as a great opportunity to enhance and grow our relationship with Kroger, and drive expansion of our services," says Hunter, who credits much of the continued growth of the partnership with Kroger to the ongoing innovation and collaboration between the SAS and Daymon Worldwide Kroger Teams.



"This is a major win for our business and elevates us to a whole new level," says Jeff Hunter, SAS Retail Services' Vice President of the Kroger division.

Under the new contract, SAS will provide KOMPASS (Kroger Optimization

## The Experts in Experiential Marketing

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Lindsay Holland, Senior Business Development Manager  
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### In-Store Merchandising New Business Opportunities

Michael Bellman, Divisional President - SAS  
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### Mystery Shopping and Primary Research

Michelle Gallegos, Account Executive  
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### In-Store Printed Marketing Collateral

David Deal, Director of Marketing - Global Brand Development  
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### International Services

Roy Timmerman, Vice President  
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# GOING BACK TO *Nature* WITH **NON-GMOs**

Sometimes what's not in a product counts just as much as what is.

**T**his fact is front and center in the current debate about GMOs versus non-GMOs. In case you're not familiar, GMOs are foods and ingredients whose DNA has been modified in a lab at some point, such as corn grown from seeds implanted with a gene that makes them more resistant to disease. On the flipside, non-GMOs haven't had their DNA altered in a lab. Though many food scientists insist there is nothing harmful about GMOs, market research firm The Hartman Group reports that an increasing number of consumers are nonetheless becoming wary of them and seeking out what they see as more natural options.

Fortunately for these consumers, numerous retailers and CPGs have stepped up to cater to this growing demand for non-GMOs—a trend that shows no signs of slowing. According to Packaged Facts, sales of non-GMO foods and beverages are predicted to increase by nearly 13 percent each year for the next 5 years, representing up to a \$264 billion industry by 2017.

Ice cream maker Ben & Jerry's was an early leader in the race to cater to consumers seeking non-GMOs. In February of 2013, Ben & Jerry's announced that while 80 percent of its ingredients were already non-GMO, it would begin the process of converting all ingredients to come from non-GMO sources. By the end of 2013, 14 of its flavors were already labeled 100 percent GMO-free, and the company reports its remaining flavors are on track to be fully non-GMO by mid-2014.

On the heels of Ben & Jerry's announcement, natural foods retailer Whole Foods announced it would require all products sold in its stores—from fresh meats to canned goods to beauty care items—to be clearly labeled if they contain GMO ingredients (or in the case of meat and dairy, if the animals were given GMO feed). Whole Foods has given its suppliers until 2018 to make the change, but has already begun to push out some GMO products in favor of non-GMO options. For example, in December, the retailer announced it would stop carrying Chobani® yogurt in early 2014, in large part because

the manufacturer could not provide a non-GMO alternative, reports the Wall Street Journal. But the dairy case won't be bare at Whole Foods, as other yogurt producers such as Stonyfield Farm and Wallaby step in to fill the void with their non-GMO options.

Most recently, Cheerios (made by General Mills) jumped on the non-GMO bandwagon when it announced in January that it had removed GMO ingredients from its original Cheerios® cereal. Though General Mills has publically stated it does not believe GMOs are harmful, in a press release, its Vice President of Global Communications Tom Forsythe said the change to Cheerios was made because "We think consumers may embrace it. General Mills offers [non-GMO] choices in most of our major categories in the U.S., and now we can say the same about the ingredients in original Cheerios."

Other companies stepping up to offer non-GMO alternatives include Annie's Naturals, Blue Diamond Almonds, Earthbound Farm, Fresh & Easy, Kashi, Meijer, Trader Joe's and more.



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And conversation is what opens minds, breaks down barriers, and brings the possibilities out into the open. At Galileo, we ask, "I wonder..." because we want to hear what you have to say and what your shoppers have to say. When we listen, we create targeted, tailored solutions to overcome your obstacles.

"All truths are easy to understand once they are discovered;  
**the point is to discover them.**" –Galileo Galilei

