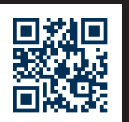


RETAIL NEWS INSIDER



BUILDING CUSTOMER LOYALTY THROUGH EXPERIENTIAL MARKETING



The award-winning Interactions *Retail News Insider* offers a look at the trends, best practices and news affecting today's retail environment 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.

Retail News Insider has been 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.

Gold Award Interactive Communication/E-Newsletter
AVA Digital Awards

Gold Award Corporate Newsletter
MarCom Awards

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

Best Internal Publication
MarCom Awards

Best Employee Publication
International Academy of Visual Arts Communicator Awards

Best In-House Trade Publication
San Diego Press Club

Best Regularly Featured Column (Essentials to Engagement)
Content Marketing Awards

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Ready, Set, Go! Interactions Helps Retailers and Brands Take the Show on the Road



Bharat Rupani
President, Retail Services

Given that Daymon is a global organization, with a presence in dozens of countries around the world—not to mention the myriad of service offerings for retailers and manufacturers—it can be difficult for everyone to know all of the ways our organization can help our partners succeed. Throughout my career with Daymon, I have had the good fortune to work with many parts of the business—from Private Brands to International, and now with Interactions and SAS. I've had the opportunity to get to know these teams intimately, and to see how the pieces of the puzzle can fit together to make just the right picture for our clients. That scenario isn't always possible for all of our associates, and that's why establishing a collaborative culture at Daymon is at the core of our success. We empower our teams with knowledge on all of our capabilities, not just their focus area, and we find this is a real value-add that our teams can bring to the retailers and brands they work with.

One of my good friends and long-time Daymon colleague Dale Whitehill sets the standard for collaboration.

His approach, both with the retailer he works with and with all of the divisions within Daymon, is a how-to manual for any of our accounts. With Dale's permission, I am sharing his best tips for putting a collaborative culture into action.

#1. Don't wait for an RFP to start building a relationship with a client. When you are working with a retailer, you represent our entire organization. You are setting the stage for the expansion of your business as well as the addition of other Daymon businesses. Don't ever think it's just you out there. You are one of many.

#2. Listen. Keep your eyes and ears open around the retailer. Onsite teams know the retailer the best and can suggest solutions others haven't even thought of. Use your physical proximity to our clients to everyone's advantage.

#3. Over deliver on every piece of business. Regardless of the size or scope—every event, every new item introduction is another way to build trust.

#4. Relationship mapping is something that every account should be doing to better understand the economic buyer and other key players. There might be field managers who we should be partnering with, or other representatives who need to know we exist in order to support our program.

#5. Be strategic in top-to-top meetings. Talk about other areas of Daymon; think about industry trends and what's important to your clients. These discussions are the catalysts that take us into meaningful, impactful strategies.

#6. Sometimes we are the back-up, and that's okay. For a long time at one of

our key accounts we were the back-up solution when the incumbent demo provider was unable to execute events. We were always there, and over time the retailer knew they could trust us, no matter what. That was ultimately one of the main reasons this particular retailer expanded their business with us.

#7. Members of the on-site team can (and should) open the door for opportunities. Once there's an interest on the client side, it's critical to engage the appropriate subject matter experts from the appropriate business unit (i.e. Interactions or SAS) as they know their business best and what differentiates their services and brings value-add to the client.

#8. When there is an RFP, it's critical to have a cross-functional team. Communicate. Use resources around the organization and think about it from the retailer or brand's perspective. Are we bringing all that represents Daymon to the table?

#9. Keep positive and keep your relationships fresh. The sales process can be a long one, and can take many interactions with a client before a program is in place. It's important to know who the key players are at all times.

#10. Deliver results. We make a lot of statements about why Daymon is better and why we deserve the program, but it all comes down to execution. Once the hand-off to operations takes place, that's where we can really shine—and deliver the results retailers are looking for.

Bharat Rupani
Bharat Rupani

Share the Love OF VALENTINE'S DAY

Americans are spending more than ever on Valentine's Day—over \$140 each, according to the National Retail Federation. While traditionally considered a holiday for sweethearts, Valentine's Day is now a family affair, with many consumers also buying for children, teachers and even pets. Sales Advisors are in the perfect position to help consumers show their love through unique Valentine's Day gifts.

As Lauren Smith, Account Executive for Interactions, explains, Sales Advisors have a great advantage in offering Valentine's Day and other gift ideas. "Experiential marketing events like in-store demonstrations evoke emotions for consumers. Not only do they get to experience the product hands-on, they also get to build a relationship with the Sales Advisor."

Some ideas for Valentine's Day gifts can come with pairing unique items that are being sampled, such as wine, beer, ice

cream or pastries, with more traditional gift items found in another area of the store. Sales Advisors can also offer ideas for creating theme gift baskets that incorporate products on their cart, like "breakfast in bed" (filled with pancake mix, syrup and other morning favorites) or "picnic in the park" (with crackers, cheese and bakery-fresh bread).

For those looking to cook a special meal for their loved one, Sales Advisors can provide recipes and meal ideas using the ingredients they are sampling that day.

Special meals are also a great Valentine's gift idea for children. Sales Advisors can suggest parents or grandparents use the cookie, biscuit or pancake mix they are sampling to make heart-shaped treats for the little ones in their lives. They can also point out how the healthy snacks they are sampling, such as juice boxes, granola bars, fruit snacks or nuts, would make great additions to little ones' lunchboxes—and are a healthier (and thoughtful) option over candy.

Sales Advisors can also help highlight useful and unique gifts for coworkers, teachers and friends consumers may be shopping for. For example, the luxurious lotion, gourmet coffee or snack-size packs of favorite treats a Sales Advisor is sampling could all make thoughtful tokens of appreciation.



[From the Front Lines]

Overcoming Obstacles

There's no doubt that some items are harder to sell than others. Cookies and crackers often fly off the shelf (and Sales Advisors' carts), while items shoppers are less familiar with may have less broad appeal.

Take seafood, for example. Most consumers fall into one of two categories: either they love or hate it. But Sales Advisor Dolores "Dee" Lowe, who specializes in seafood demonstrations, says she never lets an individual's reluctance to try something new hold her back.

"Whenever I offer a sample and someone tells me that they don't like seafood, I always try to find out more," Lowe says. "First I ask if they are allergic. If they're not, then I ask them if they've ever tried it the way I'm preparing it. A lot of times shoppers have had one bad experience with fish or they tried a recipe they didn't like."

If that's the case, Lowe says she encourages them to give the product another try, highlighting the great opportunity in-store demonstration events provide in allowing shoppers to try new types of products before they commit to buying them. Using well-tested, tasty recipes to showcase products—and sharing those recipes with shoppers so they can recreate them at home—often adds to the appeal.

Lowe finds the risk of encouraging shoppers to try something they might not like is well worth taking. When reluctant consumers find they enjoy a product, they often buy it. Many even return the following week reiterate how much they liked it—leading to more opportunities to share new products with shoppers.



Dolores "Dee" Lowe
Sales Advisor

Consumer Centricism Drives Changes in Retail Merchandising

By Michael Bellman, President SAS Retail Services

There's a fundamental shift underway in the retail merchandising world as more retailers take back greater control of their in-store conditions.

We're seeing this through a variety of trends that are becoming increasingly commonplace, including the dedicated in-store execution (ISE) model that has become a mainstay of SAS Retail Services' offerings.

For those who may not be familiar, the basic idea of a dedicated ISE program is that a merchandising company, like SAS Retail Services, partners with a retailer to execute all of the new item cut-ins, category updates and remodels across all of its stores. This is a major change from years past, when it could take anywhere from 4 to 12 weeks for an entire chain of stores to be stocked with a new item. That meant consumers could be searching for weeks before actually finding new products in some stores. Or more likely, they went searching elsewhere.

The dedicated ISE model is all about putting control back in the hands of the retailer and preventing or recapturing those lost sales. Instead of having brokers focus on getting the work done at the retailer, suppliers partner with retailers directly, who then work with a single merchandising provider like SAS Retail Services. Through our ISE programs, we've managed to reduce new item cut-ins to 1 week. Products are getting onto the shelves and into consumers' hands faster than ever.

That's really the driving force behind this. The retail world has been becoming more consumer-centric over the past several years. **By taking back control of their store shelves, retailers are able to give consumers a better, more targeted shopping experience.**

Emboldened by the success of dedicated ISE models, retailers are now looking to focus this success to other areas of execution. For example, some of our retailer partners are now looking at the planogram writing—again, taking control over what goes where on the shelf. Many are also undertaking remodels to expand their fresh departments and create shopping experiences that keep consumers coming into the store, instead of turning to the many online options they now have.

We'll continue to see more of these types of shifts in the coming years as retailers try to connect more with their customers. Because ultimately, when the retailer has more involvement and control over store conditions, the consumer wins.



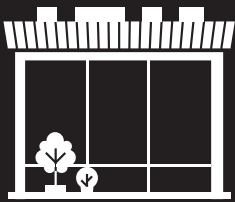
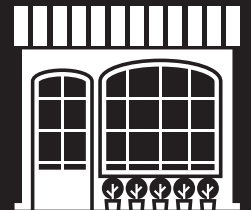
Michael Bellman
President SAS Retail Services



U.S. Food Retailers

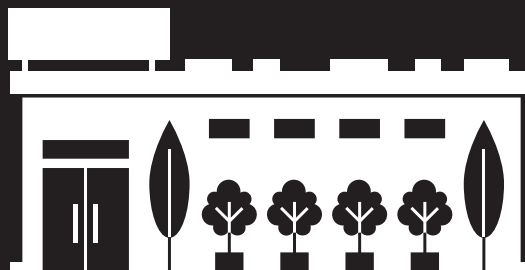
Each year, *Supermarket News* releases its list of the top 75 food retailers and wholesalers in the U.S. These are the companies with the highest grocery revenues nationwide. So who made the top 5? If you're expecting a sweep by 5 dedicated supermarket chains, you're in for a bit of a surprise:





BUILDING CUSTOMER LOYALTY THROUGH EXPERIENTIAL MARKETING

By Retail News Insider



WELL-EXECUTED EXPERIENTIAL EVENTS EVOKE EMOTIONS, STIMULATE THE SENSES AND HELP BUILD THE RELATIONSHIP BETWEEN THE RETAILER AND THE CONSUMER.

Events like chef demonstrations, outdoor grilling events and grand openings featuring face painters, musicians and balloon artists can drive sales, increase loyalty and prompt word-of-mouth referrals. In essence, they create a shopping experience that online retailers simply can't match.

As the demand for personalized connections grows among consumers, so does the need for retailers and brands to building experiential marketing programs to engage with their audience. The problem for many retailers and brands is knowing where to start. Some hesitate to create a program because they think it's too expensive, or time or labor intensive. Yet with over **70 percent of purchasing decisions being made in the store** (according to trade group Point of Purchase Advertising International)—and **98 percent of consumers saying they're more likely to purchase a product after experiencing it at a live event** (according to market research firm Event Marketing Institute)—experiential marketing programs have simply become too valuable to ignore.

Fortunately, it is possible to build and execute a program that benefits any retailer, no matter their size, budget or prior experience. Here's a look at several of the key best practices for building an experiential marketing program that sets your store apart.

FIRST THINGS FIRST

Experts stress that one of the most important things to keep in mind for retailers who are just starting out with experiential marketing is to start small. "Don't think you need to blow out the budget," says Ryan Dee, Senior Account Executive for Interactions. "It's best to start smaller and see what will work for you and your customers first."

A global leader in experiential marketing events, Interactions often relies on pilot programs to get its retailer partners started with an experiential marketing campaign. "We might do 10 or 12 events in a few stores to show the retailer how the program will work. This way the retailer doesn't have to make a large commitment right off the bat. We can test different ideas and see what resonates best with shoppers," explains Dee.

As an example of how a small pilot program can work, Lauren Smith, Account Executive for Interactions, describes a recent pilot executed for a supermarket chain in the Northeast. "The retailer wanted to increase



"Front-line staffing is a critical aspect of executing a successful experiential marketing campaign—and often the one that needs the most support."
—Tracy Johnson, Interactions Senior Account Executive

awareness and sales in its beauty care category. We helped develop a pilot program of in-store beauty events, which involved monthly in-store 'makeover' events in 10 stores over a 6-month period. That showed the retailer how the program would work if rolled out to all of its 85 stores, and also proved that the events would generate sustained sales lift."

Single events, as opposed to ongoing programs, are also an option. Retailers can start their experiential marketing campaigns with grand opening or reopening events. "A grand opening can help a retailer deliver the



best first impression—using trained, experienced Brand Ambassadors to build a relationship with the customer right from the start," says Smith. "There's no commitment for the retailer beyond that single event, though many clients choose to do additional because of the sustained excitement they generate."

EXPERIENTIAL EVENTS DELIVER

The numbers don't lie—**shoppers want experiential events**, and will reward retailers and brands who provide them.

96% prefer to spend at retailers who offer product demonstrations

87% have purchased a product from a new brand after an event

81% have made an impulse-buy because of a demonstration event

95% want more non-food demonstration events

Source: Retail Perceptions, November 2014

CREATING A CONCEPT

Once a retailer chooses to start a program, the next step is to decide on a theme or concept. Retailers should begin by knowing their customers and having an idea of what they want their experiential marketing program to achieve. These two areas will help build a program that will resonate with their core audience.

Having a clear vision for the outcome is critical for operational success, says Micah Wightman, Director of Operations for Interactions. "There aren't too many things we can't do when retailers are clear on what they want," he explains. "But if they aren't, it presents extra challenges."

To identify concepts and build themes, Interactions relies on in-depth shopper and community research to create concepts that are unique to each program. Brand Ambassadors can also provide critical direction as they can determine what will resonate with consumers who live in the local community where a retailer or brand wants to host an event.

By researching and aligning with the core customer, retailers have a better chance of ensuring the success of any event marketing program.

Finally, by identifying the goals for the program, retailers can measure success in terms of attendance,

social media mentions, leads or post-event sales. These metrics will guide the development of the program.

BUILDING A STAFF THAT EMBODIES YOUR BRAND

After choosing a concept, the next step is to create a clear plan for execution. “Front-line staffing is a critical aspect of executing a successful experiential marketing campaign—and often the one that needs the most support,” says Tracy Johnson, Senior Account Executive for Interactions. “It’s the first thing we work on from an operational perspective. It takes time to source and develop adequate levels of staffing and to ensure event staff are qualified and trained to represent a retailer or brand.”

While retailers developing their own programs might at first consider staffing events with existing associates, Wightman warns that comes with disadvantages. “When retailers have their own employees try to do an event, they’ll frequently be pulled off to do their regular job,” he says. “That makes it hard to consistently execute and measure the outcome of an event. The retailer may have planned a 6-hour event, but their employee was only able to devote 4 hours to it. In that case, the true potential of the event won’t be reflected in the sales.”

Wightman also cautions against trying to save on budget by hiring staff at lower wages. “When you pay a higher hourly rate, you tend to get a higher-quality Brand Ambassador,” he says. “Time and time again we’ve seen that spending a little more up front on staffing pays off with much higher returns-on-investment (ROIs).”

“There’s a big difference between someone who is just handing out samples and someone who is excited to share the product with consumers and really knows and embodies the brand,” adds Johnson.

THE FINER DETAILS

When it comes to planning, execution or any other aspect of ensuring a successful program, experts stress the importance of looking not just at the big picture, but also the finer details. Depending on the program, this may include everything from supply logistics, to ensuring all staff that handles food is food-safety certified, to tracking and analyzing measures of a program’s outcome, such as sales lift, loyalty sign-ups or consumer impressions, in order to calculate ROI.

“There’s a lot of due diligence that has to happen,” says Dee. “The benefit of working with an experience company like Interactions is that we take care of ensuring that all details are attended to.”

Communicating all of these relevant details to and ensuring an ongoing dialog between the different parties involved in each aspect is another key to executing a successful experiential program. From the Brand Ambassador executing the event, to the store manager hosting it, to the category manager whose product is featured—everyone needs to be informed and involved in order to build consistency and continuity.

“Eighty-seven percent of consumers say live events are more effective than TV commercials.”
 –Event Marketing Institute, EventTrack 2015



As Interactions’ experts point out, program consistency and continuity are critical to producing successful events that reinforce the brand experience and provide the ultimate payoff for retailers. “The most successful experiential marketing programs are those that give shoppers the same experience no matter what store they go into. That cements the retailer’s cultural and brand identity for shoppers,” concludes Dee.

MARKET WATCH CALENDAR

January	Merchandising & Big Data
February	Experiential Marketing
March	Bottom Line: Investing in Technology
April	The Cost of Crime, Part 1
May	The Cost of Crime, Part 2
June	The Cost of Crime, Part 3
July	Grocery Labor Market
August	Exponential Technology
September	Giving Back: The New Marketing Cause
October	Engaging Innovation
November	Voice of the Consumer
December	2017 Trends

2016

Up Next

The Internet of Things is changing retail.

Are you ready?

Within the next two years, **nearly 80% of shoppers** will have everyday items like cars, appliances and even entire homes connected to the Internet



55% of shoppers want devices to alert them when they are running out of products at home



73% of shoppers use retail apps during their shopping trip

28% of shoppers use mobile wallets



Retail Perceptions



Find out what else you are missing.

Six times a year Interactions, the global leader in innovative retail solutions and experiential marketing for retailers and brands, publishes the latest insights—directly from shoppers to you.

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Interactions
Consumer Experience Marketing
a DWW company

READY, SET, GO!

INTERACTIONS HELPS RETAILERS AND BRANDS TAKE THE SHOW ON THE ROAD



In-store demonstration events are a great way to get current shoppers interacting with your brand. But what if you want to attract new customers and spread your message throughout the community? Or what if you're an online-only brand without a physical store? Interactions has the perfect solution: a fully branded mobile tour.

Like many of Interactions' other services, its mobile tours are highly customizable and scalable. They can range from fully-branded RVs or trucks that travel around the country to a single car traveling throughout a community. A tour can also consist of a special event, such as an outdoor BBQ, hosted at multiple different locations on different days (no dedicated vehicle required).

Because of their flexibility, Interactions' mobile tours can fit many different budgets. In the past, they have even helped retailers or brands team up with complementary vendors to help sponsor tours and share costs.

The benefits of partnering with Interactions to create a mobile tour extend well beyond the development stage. "Our inspired creative team, experienced Account Executives and seasoned Tour Managers drive these programs from concept to activation with flawless execution," explains Jen Rose, Interactions Account Executive. "Most retailers don't have the tour management experience, on-the-road talent or time to put together large-scale programs like this together. Being experts in the industry, Interactions is able to align all the moving parts to ensure we not only meet our client's goals, but exceed their expectations."

Maintaining a constant line of communication with the client is imperative. "We create a detailed action plan with deliverables and deadlines that is shared with the client throughout the process," explains Rose. "This consistent


and ongoing communication gives the client peace of mind and helps strengthen our trusting partnership."

Many of Interactions' mobile tour clients are so impressed with the success of their events, they come back year after year to plan new tours. For example, Interactions just inked a deal with a nationwide auto parts store to continue its tour for a third year in a row. The tour, which includes a retailer-branded RV traveling to automotive events around the country, made 55 stops in 2015 and registered 15,670 new members to the retailer's loyalty program. The Interactions team directly engaged with over 47,000 automotive enthusiasts, and racked up over 800,000 impressions.

For other retailers and brands considering a mobile tour this year, the time to start planning is now. Summer is the best time for mobile tours in most areas of the country, and though the warm weather may still seem a ways off, tours generally take several months to plan from concept to execution. The upside of working with Interactions is they can handle it all—even when a retailer or brand doesn't have a firm idea in mind. "What sets Interactions apart is our ability to understand the customer's objectives and develop a creative concept that meets those goals in a unique and memorable way," says Rose.

To learn more about Interactions' mobile tour capabilities, contact Ryan Dee, Senior Account Executive, at rdee@interactionsmarketing.com.

DAYMON DOES: ANALYTICS



A major retailer needed to analyze and interpret its “Big Data” to ensure it was making fact-based decisions for future negotiations, but lacked the capability in-house. **TAHIR TAJ** from Daymon Worldwide and his team provided a customized solution using Daymon’s proven methodology. Our solution provided the retailer with the information needed to achieve critical financial objectives.



Tahir’s flexible approach combined onsite and offsite analytical teams. In partnership with the retailer, this team of dedicated analysts was up and running well before expectations. Said the customer: “Having the right people with the knowledge and experience of our business was critical to the success of this project. The quick response, flawless service and dedicated commitment to our business are why we have Daymon as our partner.”



To learn more, please contact
our CEO, Jim Holbrook, at
JimH@daymon.com

PUT US TO WORK
FOR YOU.