



MERCHANDISING

Conformity & Audit Solutions

"Where products compete for the consumer's final purchase decision, the battle may be fought in the media market — but the war is invariably won at point of sale"

CONTACTS FOR CONFIDENTIAL INTEGRATED MARKETING DISCUSSIONS:

Graeme Nicholas
UK Int +44-1256-880133
gn@chimaera-europe.com

TARGET, ATTRACT, TRANSACT™

HUMANISTIC DECISION PROCESS:

"PROBLEM RECOGNITION"

"INFORMATION SEARCH"

"EVALUATION OF ALTERNATIVES"

"PURCHASE DECISION"

"POST PURCHASE BEHAVIOR"

OVERVIEW: MERCHANDISING AUDIT

Merchandising remains one of the primary influencing factors when it comes to consumers making their choice of product at point of sale. Regrettably, millions of euros are wasted every year because of poorly conceived and executed merchandising. This is largely due to the lack of merchandising audit controls after the initial merchandising deployment. Invariably, the correct controls to ensure a positive ROI and accountability are simply not implemented.

At Chimaera we have taken an innovative approach to ensure that the manufacturer's monetary investment in merchandising is monitored, reported, and analysed during the whole merchandising campaign life cycle.

Definition:

Merchandising audit is the process of verifying that the appropriate merchandising materials have been deployed to the correct retail locations on time.

Benefits:

Manufacturers can compare their point of sale presence vis-a-vis their competitors, and assess the ROI of their communications collateral.

Importance

Merchandising materials are often left in the hands of the channel where various misplace and misuse situations can develop. Without an audit, manufacturers have no way of determining whether the materials are having any impact with their target customers.

Audit and Conformance

We have developed an effective process to assess the effectiveness of a manufacturer's merchandising investment.

- (1) Monitor** - We track the deployment of the merchandising materials in conformance with schedules and intended channel locations.
- (2) Audit** - Upon determining an appropriate sample size, we visit random retail locations to inspect the nature and quality of the deployed merchandising to collect information on behalf of the manufacturer.
- (3) Analyse** - We provide a comprehensive analysis of both our client's merchandising materials and displays as well as those of their key competitors. The goal is to identify areas for improvement to increase the overall effectiveness of the merchandising to increase sales.
- (4) Report** - A key element to our clients, is the feedback they receive from us. The reports we provide cover key areas as follows:
 - Merchandising in channel
 - Key channel partner feedback on merchandising
 - Key channel partner feedback on the product promotion
 - Competitor analysis (optional)
 - General review and assumptions
 - Recommendations
- (5) Review** - The findings are presented to the client as part of a briefing to provide the client with insight relative to the effectiveness of their merchandising efforts. The topics/areas covered in the review are jointly determined with the client at the beginning of the process to ensure their interests are met. Often our clients, prefer to exercise the review process through the optional 1-day client seminar which encompasses all the aforementioned activities but in a data-led interactive review.
- (6) Recommend** - The recommendations we make, as part of the "Review" process are based on four primary factors:
 - a) The positive program and merchandising factors we encountered and reported on through the various activities.
 - b) The negative aspects encountered.
 - c) Review of competitor activities.
 - d) Chimaera Audit data