



Turning a Shopping Location Into a Brand!

16

The Experience with All Senses and the Embedding in Our Motivational Landscape Makes the Brand

Hermann W. Braun

Abstract

I make brands by addressing the relevant motivators of the addressees in a credible and understandable way and leading them to an emotional connection. Then, in all my marketing processes, I have to deliver on my promise and make it tangible and tangible. In doing so, I have an easier time as a shopping destination appealing to my shoppers, but a much harder time in all my marketing processes and outlets making the promise tangible. For this reason, any mistake in positioning is like intravenous poison or at least ineffective and wasted money. Listen carefully as you read.

16.1 Preliminary Remarks

I would like to write this article as a practitioner who writes down his successful experiences in order to make them multipliable.

My first boss at Dr. Oetker, Dieter Bader (Group Sales Manager), taught me: You have to understand your counterparts, be able to put yourself in their shoes if you want to win them over to your cause. You need goals that are defined by measurable potentials and needs. Only then will you know what you are talking about – and not just believe.

Being part of the Ferrero team has given me the privilege of being part of the best marketing and sales team I have experienced in my entire professional career in retail, in the industry – nationally and internationally. Working with these marketing and sales

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luminaries has been a gift. The constant demand to find out the why and make it measurable was crucial for success. Nothing was left to chance. Every random idea was scrutinized for “why-can-it-work?.” Alain Capparros gave me the opportunity to become intensively involved in the restructuring of the Rewe Group and to successfully transfer the shopper marketing methods that had been successfully experienced and developed under my leadership at Ferrero to Rewe.

I do not claim to be a scientific paper, because everything written here is taken from practical work. Inspired by colleagues, partners and service agencies. This is how my colleagues and I successfully developed systems for positioning, marketing and negotiating between retail and industry, which we experienced from both sides. This is how the shopper marketing of Ferrero as well as of Rewe came into being.

16.2 The Why Question

A person does something when they have a need or when they are motivated. If I want to know why in the past grocers were able to be successful without branding, I have to investigate the “why question.”

16.2.1 Success Drivers of Food Retailing Up to the Turn of the Millennium

It started with an oversized demand with a small supply. The person of the dealer was the personified embodiment of my brand. He satisfied my need. Many retailers then multiplied the success of this one market by multiplying their performance in kind. Examples include Massa, Allkauf, Extra, Real, Plus, Lidl, Aldi, Metro, to name a few. The faster one expanded, the greater the purchasing volume/purchasing power became and thus the opportunity to position oneself better than the rest of the trade in terms of price (cf. Fig. 16.1).

The fast eats the slow and many bees drive the bear away. This explains the triumph of the supermarkets and discounters in Germany, which are figuratively stealing the thunder from the hypermarkets. From a formerly self-service department store-dominated market, the remaining ones are now fighting for survival. Great prices, great deals and rapid expansion were the key to success.

The increasing purchasing power and the associated sales price opportunities did the rest to reduce the trade to five major players today from the former 20. In a year's time there will only be four. Spar, Asko, Schaper, Tengelmann, Plus Allkauf, Massa, Nanz, to name but a few, have disappeared from the competition. Why? Because the winners were and are able to provide better services in kind.



Fig. 16.1 Drivers of success in retail: How it all began

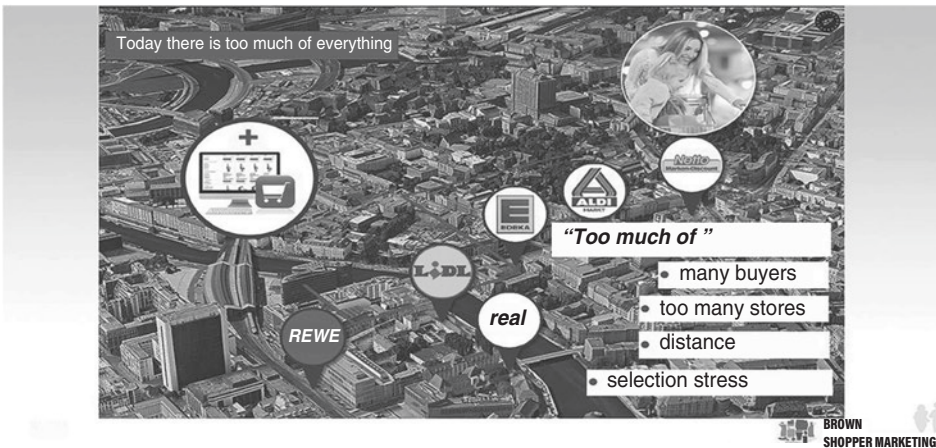


Fig. 16.2 Drivers of success in retail: Current decision dilemma of shoppers

16.2.2 The Decision-Making Dilemma Today

We have too much of everything: too much supply, too many shops and, in addition, online retail. I get everything immediately and, if necessary, on the same day from an inexhaustible online and offline assortment. I have decision and selection stress. What can motivate me, as shown in Fig. 16.2, to basically make one of these markets my favorite, in addition to the possible better weekly offer?

16.3 Decision Stress

My stress begins when I have to decide which market in town I want and need to go to in order to complete my shopping mission (see Fig. 16.3).

The “relevant set” of an average household in food retail per year consists of:

- 431 EAN,
- Or 365 brand names
- With an average of 13 items per shopping cart.

I want to spend today only €20, have 15 min time and do not want to look long. The market must have all my products and a little more at a good price. How does that work? If the retailer succeeds in fulfilling this shopping mission of the shopper better than his competitor, he is a successful retailer and the shopper is satisfied and comes more often. That’s the in-kind level of performance.

If I now also manage to place myself in his motivational space, then I can build up an emotional bond, and this protects me as a retailer more strongly against short-term differences in the benefits in kind. The shopper is more loyal to my market. That means I can be more expensive sometimes, my handout doesn’t always have to be so “sharp.” I’m turning into a love brand with the shopper. “He comes to me once more because he likes me, my business.” That’s the “emotional performance level.”

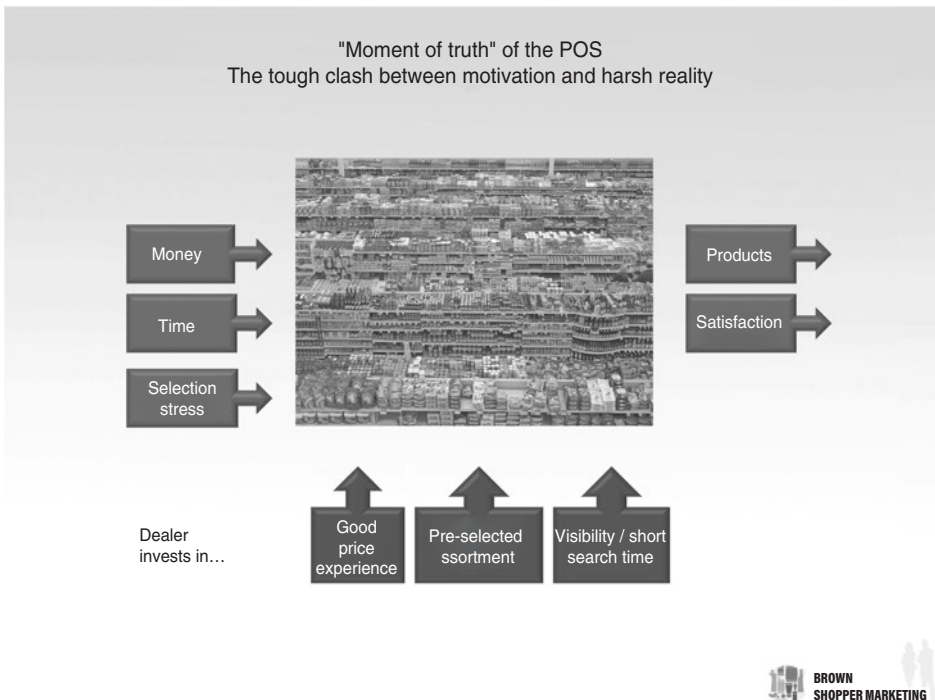


Fig. 16.3 The POS as a moment of truth. (Adapted from Sorensen 2008)

16.4 The Building Blocks of Branding

A retailer's branding is based on four building blocks:

1. I need to know the relevant motivational structures and relevant identity-forming factors of the shopper.
2. I need to know the brand cores, the competitor identities in this motivational space from a shopper perspective. I need to research my competitors, yes, I say “consciously research” to express that I need to know and understand my competition in all variations of appearance and marketing.
3. Within this motivational world of the shopper, I have to create a clear and unambiguous, i.e., “unique” positioning that distinguishes me from my competition in a way that can be experienced – or at least makes me recognizable. Can I also achieve this?
4. I have to align my marketing levers with the positioning and also make it tangible. If I want to be an Indian, I can't act like a cowboy. Can I also do that with my means and my organization?

The tangible positioning is more than a nice and crazy claim/slogan. It is my emotional value proposition and makes the difference in the long term, but also measurable in the short term. The idea that “positioning is long-term and takes longer to build image” is nonsense. Successful, experiential positioning works immediately. The USP – this challenging positioning philosophy is the “royal class” in product marketing as well as in shopper marketing, which decides decisively on success or failure with the consumer or shopper.

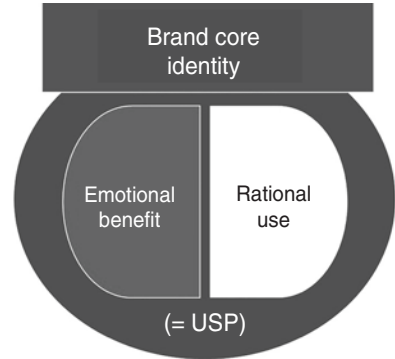
What is the “USP” Unique selling Proposition? According to my definition: the tangible and tangible-appeal performance feature that clearly sets me apart from the competition and can be experienced and measured.

Pragmatic marketing management is always about the following detailed aspects:

- **Motivators:** What makes the shopper/consumer tick: In which motivational world do they live and think?
- **Identity:** Who am I? Who do I want to be in the future, what do I want to stand for?
- **Differentiation:** What can I do better, make it tangible? Rational and emotional benefit.
- **Relevance:** Is what I do better important to the shopper/consumer and a superior performance characteristic? Do I satisfy a relevant need or solve a relevant everyday problem with the superior performance?
- **Understanding:** Does the shopper/consumer correctly understand the images I want to use to communicate my USP – the way I want them to be understood?
- **Credibility:** Are my superior services conveyed credibly in the communication? Does the shopper/consumer have the desire to engage with it?

The result of the positioning work must be to make the added value in the goods and services promise (USP), which consistently sums up the true character of the brand or shopping location (brand core), tangible in every detail in daily shopping (cf. Fig. 16.4).

Fig. 16.4 Components of the brand essence



16.4.1 Experience with All Senses

Humans absorb 10 million bits through vision. That is 10 times more than with touch – and the other senses then almost disappear in their strength of influence compared to vision (cf. Fig. 16.5).

Seeing and being seen is decisive with regard to the influence on the unconscious. But if we overdo it, if we are not clear in our messages and images, then it is all a wasted effort (cf. Fig. 16.6). Or in other words: money wasted.

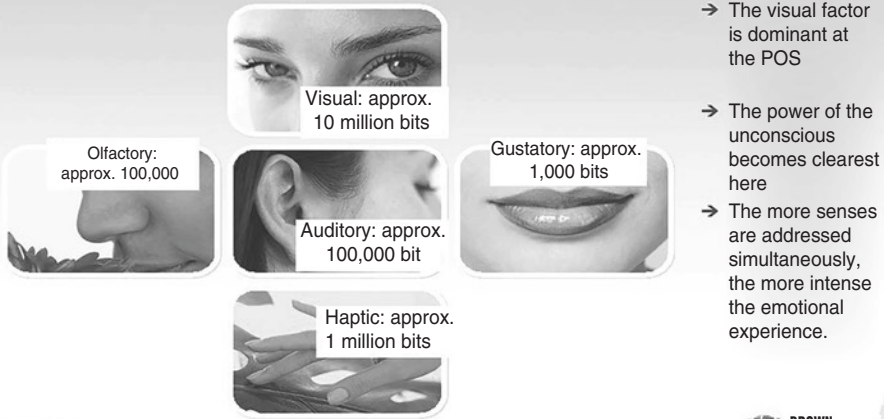
So I need to know:

1. In which world of values and motivation does society live? What is important to them, what are the “no gos,” what do they dream of and what do they abhor?
2. What are the motivational drivers for grocery shopping? What do you want, what do you definitely not want? How do you want to shop and how not at all?
3. What is my brand essence?
4. What is the brand essence of the competitors?
5. Where can I differentiate myself in a relevant way?
6. Can I bring this new positioning to life?
7. Which images convey my new positioning? What does Winnetou look like when I want to be Winnetou?
8. What materials do I have to use then?
9. Which color codes are relevant then?
10. What should the look and feel of the store be? Vintage? Green?

16.4.2 Nothing Happens Without Motivation!

What makes the shopper in the country tick? The decisive factor in this analysis (cf. Fig. 16.7) is that the respondents are selected precisely according to the regular and occasional shoppers of the respective retailers. These buyers must be selected in order to obtain

Visibility is the blockbuster of emotionality



Source: Group Nymphenburg Consult AG



Fig. 16.5 Visibility is the blockbuster of emotionality. (Courtesy of © Gruppe Nymphenburg 2009. All Rights Reserved)

Sensory overload and perception: Less is more:
Only 1% of what is perceived remains in the memory.

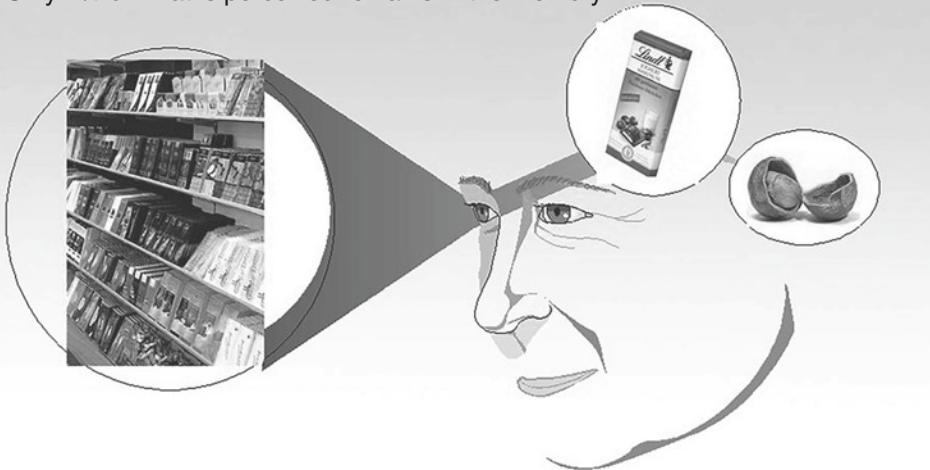


Fig. 16.6 Stimulus overload and perception. (Courtesy of © gdp 2008. All Rights Reserved)

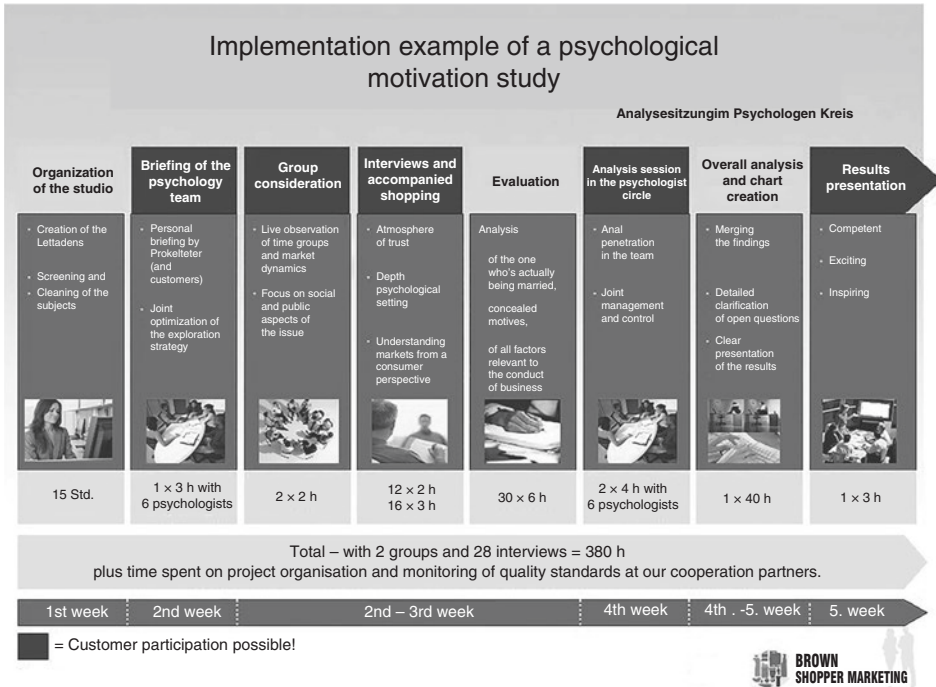


Fig. 16.7 Example of how to conduct a psychological motivation study. (After Rheingold 2011–2015)

a clear picture of the motivational situation. This is where the quality and usability of the study is decided.

First of all, it is important to determine the motivational situation in the country itself. What are the “no gos” and what is hip? What is hip and what is out (cf. Figs. 16.8 and 16.9)?

After that, it is important to find out what my brand core and that of my competitors is (cf. Figs. 16.10 and 16.11).

If I know how I and my competitors are viewed, I can position myself in the motivational space and identify one or more possible alternatives.

Where could it go? It is recommended to develop and test two alternative strategic directions. Are they feasible, can we do it and what is the acceptance among shoppers (cf. Figs. 16.12 and 16.13)?

16.4.3 What Do I Want to Be?

The positioning of the own brand results from the previous step (cf. Fig. 16.14).

For perhaps easier understanding, I continue with simple pictures (cf. Fig. 16.15).



Fig. 16.8 Results of a motivational study: Four purchase motivators

Am I Winnetou or Old Shatterhand. Or do I want to be in the future? Does the new positioning fulfil all six parameters mentioned in the positioning circle and, if not, which of the six parameters could not be fulfilled?

16.4.4 What Do I Have to Fulfil in Order to Experience the USP and Be a Brand: To Be Loved?

If I want to make the positioning tangible, I have to present myself in this way at all levels (cf. Fig. 16.16).

That is,

- That my price architecture and brand self-architecture must be adapted to this. This may mean that I have to develop a value own brand. More ECO ...?!
- That my layout puts the core elements of the positioning in the foreground.
- That my location also signals the positioning from the outside and fits the positioning.
- That the product range must make the positioning tangible. If I say that I am the typical retailer of the country, I must also have the typical products of the country in my assortment.



Fig. 16.9 Results of a motivation study: Derived USPs

USP Competitor AA	
Positioning USP	AA is the "exciting" price action platform for brands to grab a bargain.
Emotional unity	<u>The "exciting" bargain hunting:</u> "Smart shopping for me means always being on the hunt for bargains Since I'm happy when I can grab good brands or something special for a small price."
Rational Shopper Insight	<u>The cheap brand bargains:</u> "Shopping at AA for me means getting lots of name brand products and other stuff at low prices. I don't want to pay for the expensive ambience of the supermarket!"
Emotional benefit	"Exciting" shopping: browsing. Hunting instinct, "self-appreciating" bargain pride.
Rational use	More for Less: Lots of (brand) quality and good non-food bargains for little money (special price buys)
Reason why	High competence for promotional assortments and prices for brands Self-rewarding non-food promotions ("little luxury"). No such expensive ambience as at the supermarket.
Operational levers for the reason why	Relatively simple, businesslike atmosphere (compared to a supermarket). Promotional prices of branded products and non-food drive perception significantly more than own brands. High reliability in marketing
Psychological strengths	AA allows consumers to feel superior to themselves => "AA offers constant bargain-hunting success in brands and non-food for the clever"
Psychological weaknesses	=> AA has less own brand expertise, is primarily manufacturer brand marketer. => For some shoppers, AA is too stressful and can also overwhelm its customers. You have to be very well organized and strong.

Fig. 16.10 Results of a motivation study: USP Competitor AA

USP BB	
Positioning USP	BB is <u>the only value for money guarantor</u> for fast, safe shopping of food and non-food items.
Emotional unity	<u>The straightforward tempo shopping...</u> I concentrate on the essentials: I want to buy something good quickly - I don't need any frills around it and I still have the good feeling of not being exposed to any unnecessary temptations in everyday life.'
Rational Shopper Insight	"I trust BB: They don't have everything. But they always manage to offer good quality at the lowest price."
Emotional benefit	The good feeling of being able to handle everyday tasks safely and quickly (confidence!).
Rational use	The fast and trouble-free coverage of requirements for basic supply purchases & always keeping an overview & liberation from the agony of choice.
Reason why	Reduction to the essentials: Good assortment selection The best price-performance ratio Enhancement of the actually meager assortment through food-themed promotions and varied non-food (functional problem-solving articles).
Operational levers for the reason why	Fast, efficient stocking up: clear assortment with own brands. Freshness experience at O&G. Reliable permanent low prices Purist, reduced store design. Always the same store design and assortment (reliability).
Psychological strengths	BB is de brand High trust and familiarity. => One can access "blindly" and thus also very quickly (complexity reduction).
Psychological weaknesses	Reduction of .sensuality' Special foods and brands you buy elsewhere No diverse brand quality and emotionality ("abandonment"). => Comparatively rather "experience-poor" with dependence on complementary shopping places.

Fig. 16.11 Results of a motivation study: USP Competitor BB

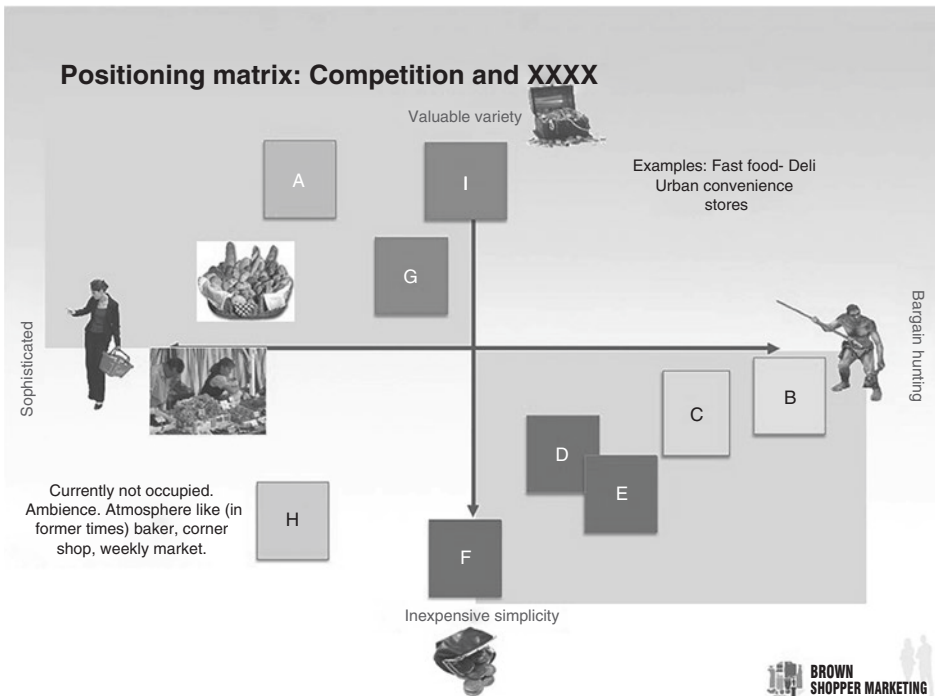


Fig. 16.12 Positioning matrix: Own brand in relation to the competition

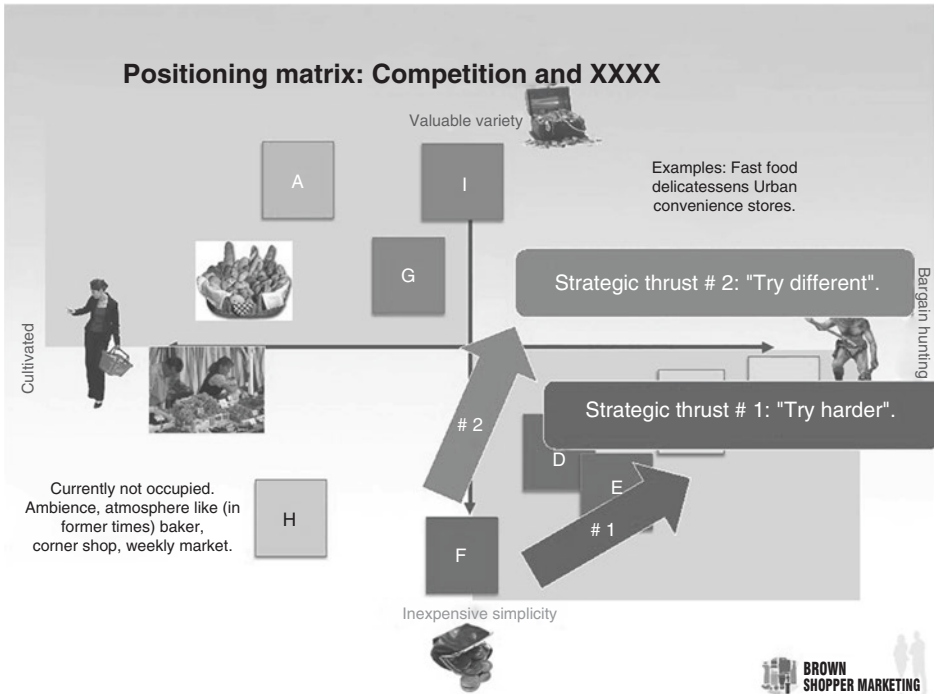


Fig. 16.13 Positioning matrix: Strategic thrusts

USP Competitor AA	
Positioning USP	AA is the "exciting" price action platform for brands to grab a bargain.
Emotional unity	The "exciting" bargain hunting: "Smart shopping for me means always being on the hunt for bargains. There I am happy when I can grab good brands or something special for a small price."
Rational Shop per Insight	The cheap brand bargains: "Shopping at AA for me means getting lots of branded products and other stuff at low prices. I don't want to pay for the expensive ambience of the supermarket!"
Emotional benefit	"Exciting" shopping: rummaging, hunting instinct, "self enhancing" bargain pride.
Rational use	More for Less: Lots of (brand) quality and good non-food bargains for little money (special price buys)
Reason why	High competence for action assortments and prices with brands self-rewarding non-food actions ("small luxury"). No such expensive ambience as at the supermarket.
Operational levers for the reason why	Relatively simple, business like atmosphere (compared to supermarkets). Promotional prices of branded products and non-food drive Lidl perception significantly more than own brands. High reliability in marketing.
Psychological strengths	AA allows consumers to feel superior to themselves: => "AA" offers constant bargain hunting success in brands and non-food for the clever "
Psychological weaknesses	⇨ AA has less own-brand expertise, is primarily a manufacturer-brand marketer ⇨ For some shoppers, AA is too stressful and can also overwhelm its customers. You have to be very well organized and strong.

Fig. 16.14 What do I want to be?

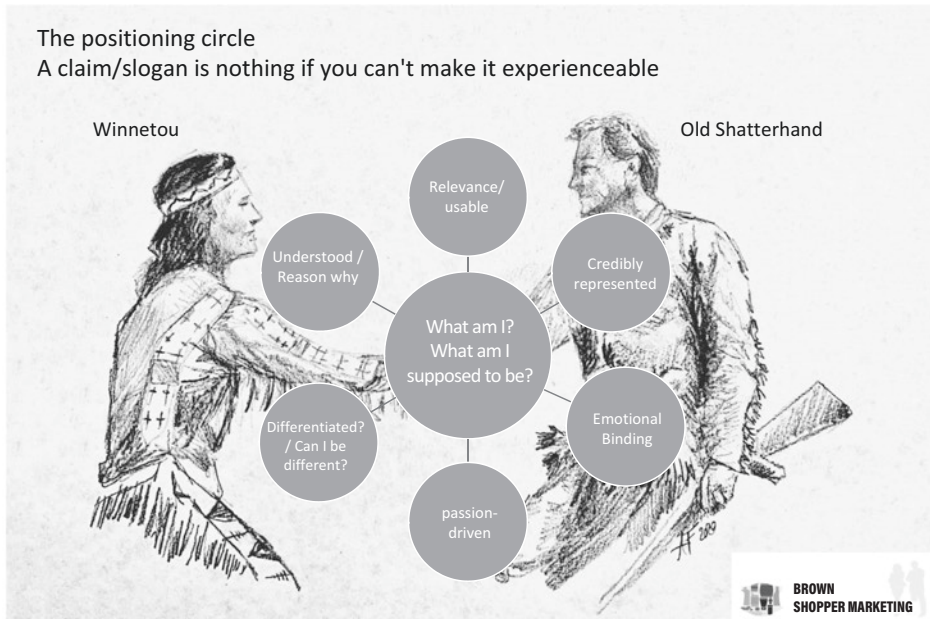


Fig. 16.15 The positioning circle

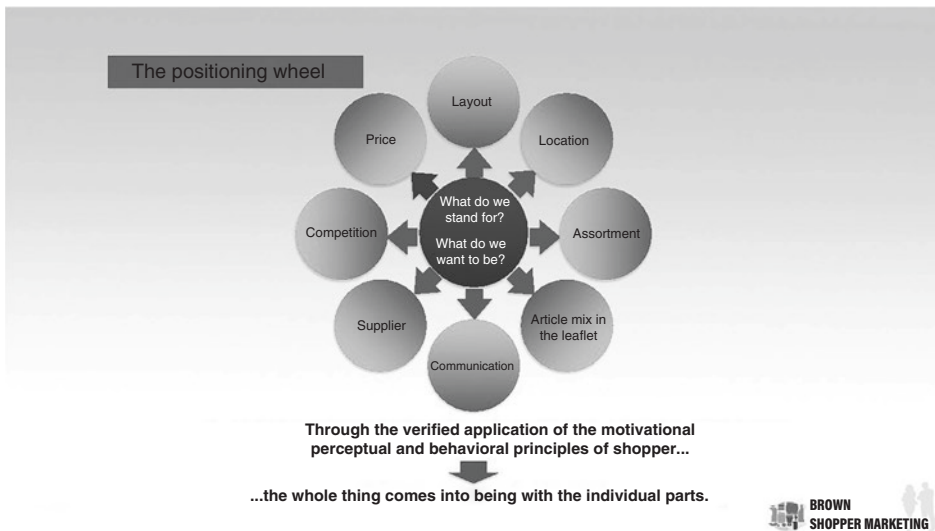


Fig. 16.16 The positioning wheel

- That my handbill actions must be pushing the positioning like a turbocharger.
- That my communication has to present the positioning in clear and understandable pictures and sounds, has to show the benefits.
- That suppliers must comply with the positioning with their products and packaging.
- That I have to clearly point out the difference to the competition.

Can I do that? If yes, then “go!” Otherwise, I promise something I can’t deliver. And that falls on my feet.

There was once a very expensive advertising campaign of a German retailer who presented his shopping place in the most emotional pictures. When you visited it, you found yourself in another world. The result was predictable: Millions thrown out the window.

16.5 Putting Horsepower on the Road: Operational Implementation

Once we have developed the story and checked whether it can be experienced (Can we do it? And does it fulfil the six USP criteria?), the operational implementation work begins. How must “Winnetou” or “Old Shatterhand” be dressed and behave in order to be recognized and experienced as such?

The Operating Performance Drivers of the Brand

This refers to all the measurable levers that have a direct impact on the retailer’s sales results.

- Assortment,
- Handout,
- Visibility,
- Price.

16.6 The TP Touch Point Concept

Where many people are, I can sell more. Where many people see, I can position my message better and make it visible. Categories and products that many people buy are my communication vehicles with which I can make my emotional positioning and value proposition tangible (cf. Figs. 16.17 and 16.18).

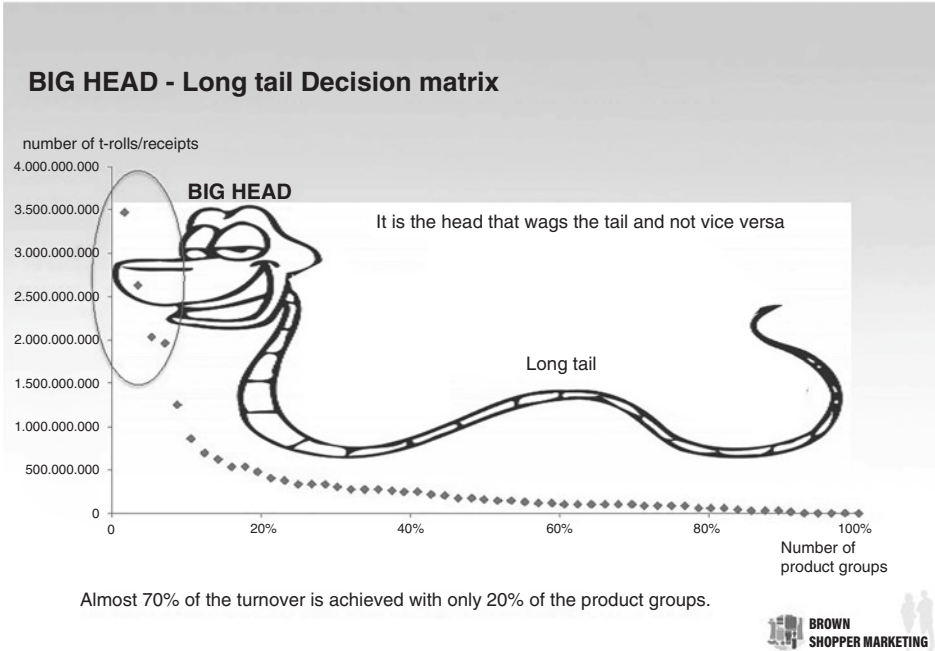


Fig. 16.17 BIG HEAD – Long tail decision matrix. (Adapted from Sorensen 2008)

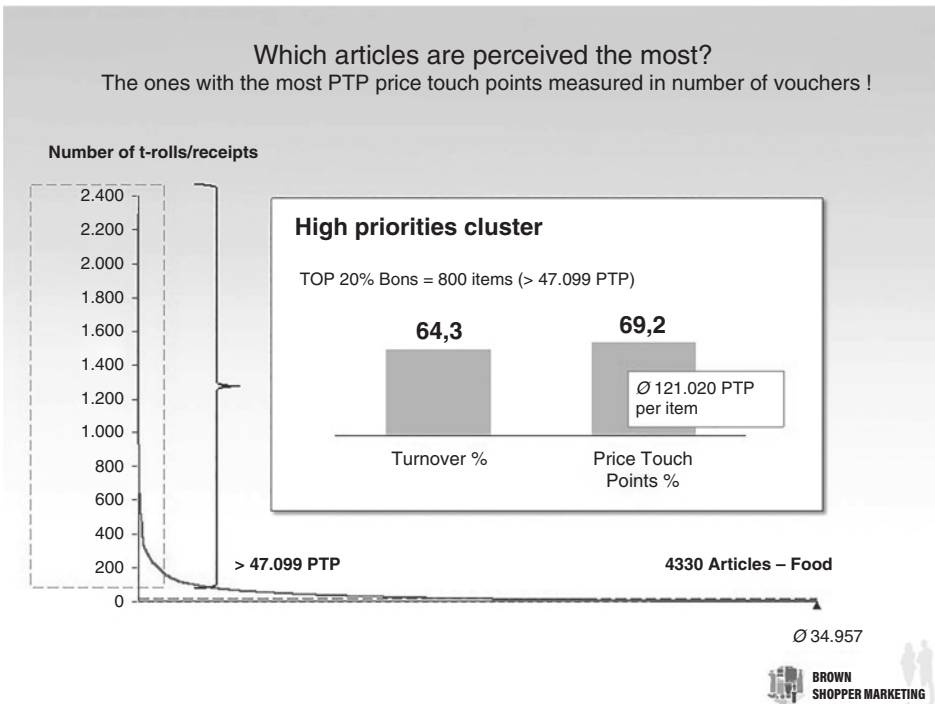


Fig. 16.18 Which articles are perceived most strongly?

16.6.1 Assortment Management

The Positioning Category

For consistent implementation of a positioning, I also need to clearly highlight my most important categories in terms of “over all positioning.” They must and can be the turbo of my uniqueness. Here one should clearly proceed according to the principle that the head can wag the tail, but not vice versa. Where I have the most contact with my shopper, my message and images must be clear and unambiguous.

Question would thus be: Which of the shopper traffic categories can best make the Winnetou recognizable and experienceable?

Article Mix

This does not just mean simply doing an ABC analysis. What are the cornerstones of my positioning and which of the strongest articles from this environment can pay off on my USP (cf. Fig. 16.19)?

Category Marketing Roles

There is a clear distinction here from the positioning category. This is about how much visibility and pricing aggressiveness I put into this category. Based on my target



Fig. 16.19 The popularity stars of shoppers in the retail sector

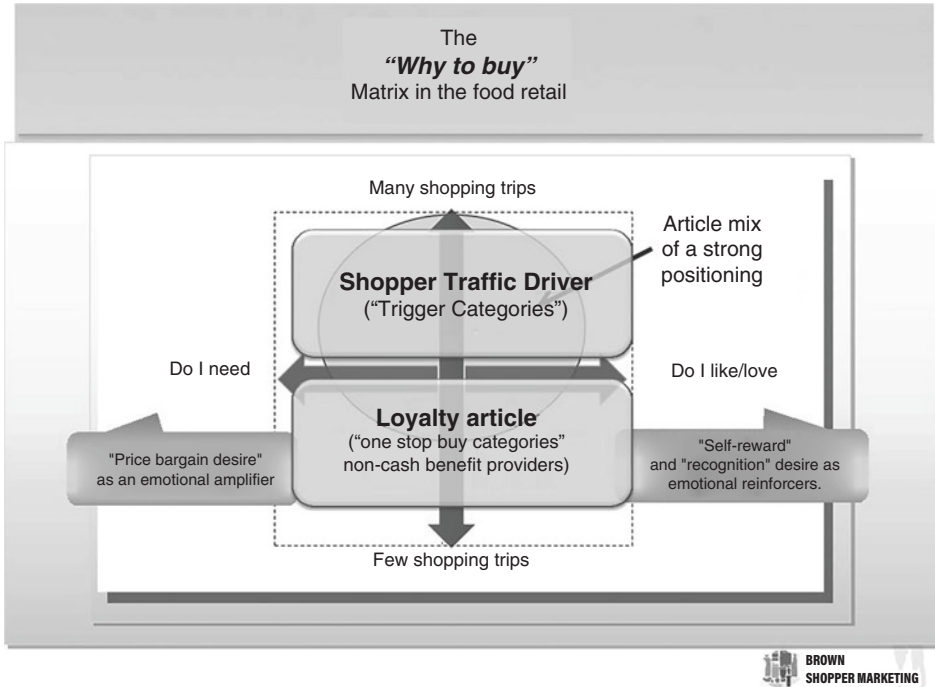


Fig. 16.20 The “Why to buy” matrix in food retailing

parameters of sales, revenue, CAGR and customer contacts, I weight the existing space shares to see what changes I need to make in the space allocation and associated visibility of the category to achieve my operational goals.

My orientation anchor is always the “Why to Buy” matrix and the desired positioning (see Fig. 16.20). What is the right assortment mix from the areas “do I need” and “do I love/like” to make my positioning as “Winnetou” tangible? What do I need to pay special attention to and how can I measure that? Of course, in the popularity of the articles – and this is expressed in the number of receipts and receipt penetration.

In monitoring the assortment perception of my products and categories that are considered to be significantly positioning, I measure the experienced reaction to my assortment measures (cf. Fig. 16.21).

Price Management

Here, too, we use the touch point concept. The articles that are bought most often have the most PTP = Price Touch Points with the customer and must therefore be used specifically and carefully for our positioning (see Fig. 16.22).

How many of my top 20% items are comparable to my competition and how? Where do I have to and/or should I react and how? In the PTP (Price/Touch Point System) matrix, obvious recommendations for action are presented (cf. Fig. 16.23).

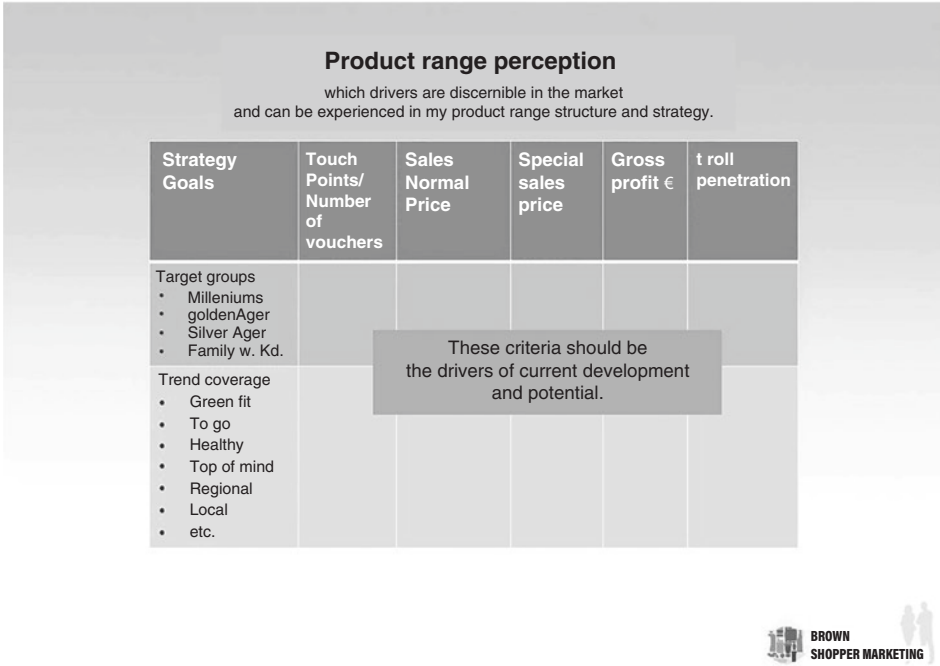


Fig. 16.21 Perception of assortment

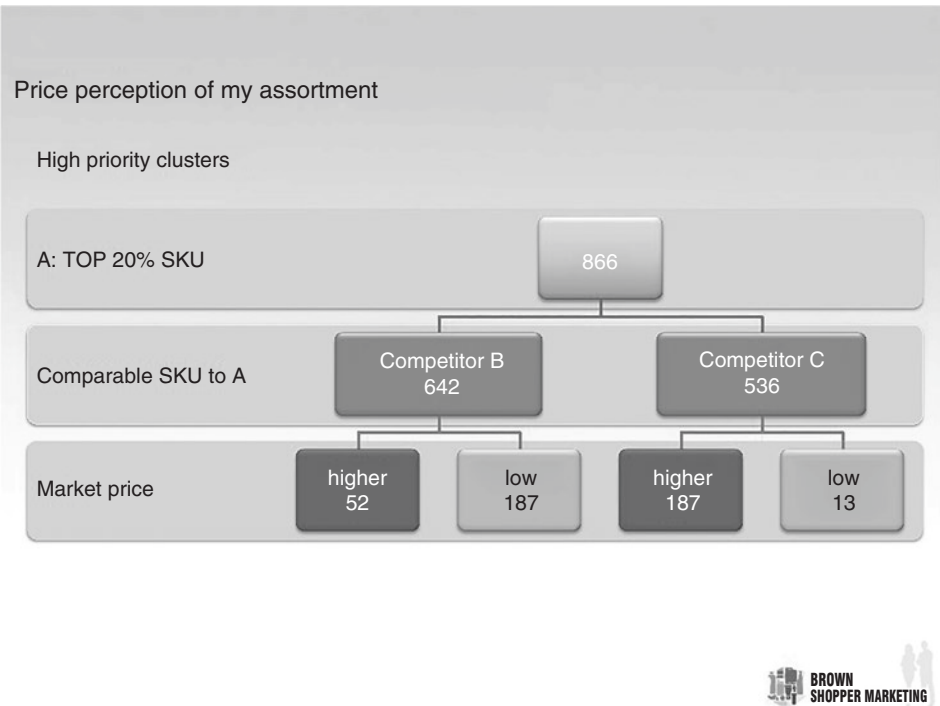


Fig. 16.22 Price perception of the product range

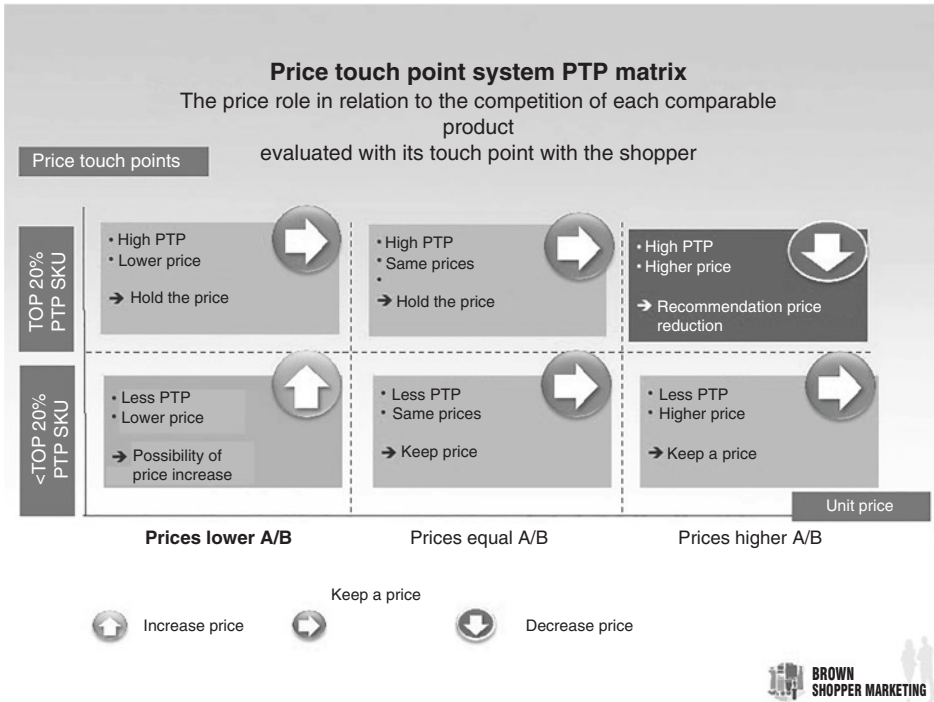


Fig. 16.23 PTP matrix

The result must make it possible to experience my positioning role in a direct comparison of the price image. Furthermore, it is important to bring the building blocks of the price image in line with the positioning (cf. Figs. 16.24 and 16.25).

16.6.2 Handout Management

The touch point concept comes into play here as well. If I, as an advertiser, want to reach a lot of people, I look for a communication station that has a lot of viewers or listeners. For example, I choose the TV station with the highest audience rating at prime time and not at 3 a.m.:

- What advertising pressure do I want to achieve per week in relation to my competition?
- What advertising pressure on the positioning categories?
- Which category mix?
- Which target group approach?
- What ROI do I want to achieve?

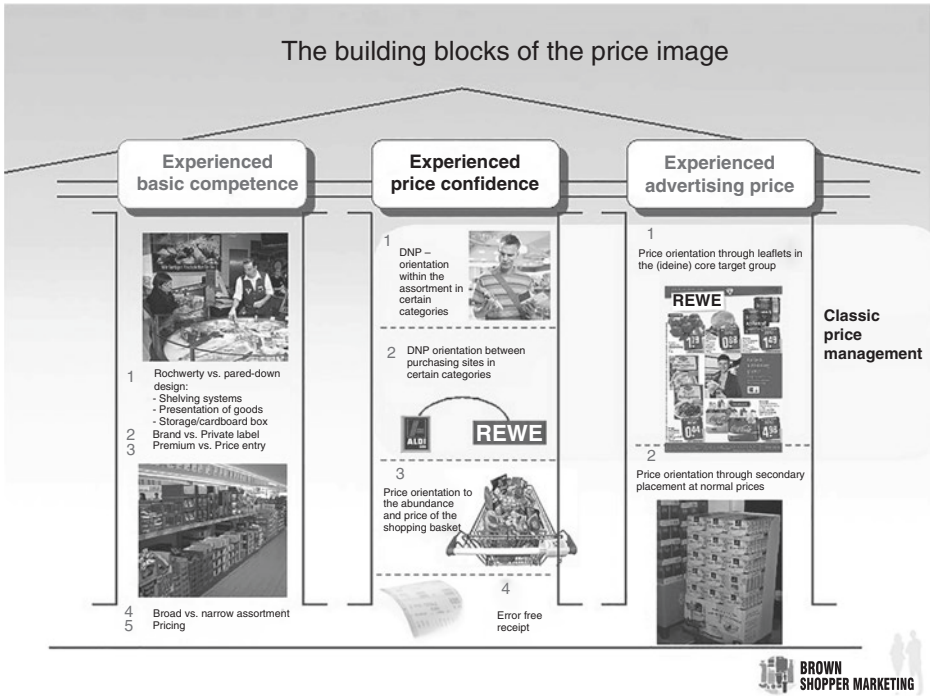


Fig. 16.24 Building blocks of the price image

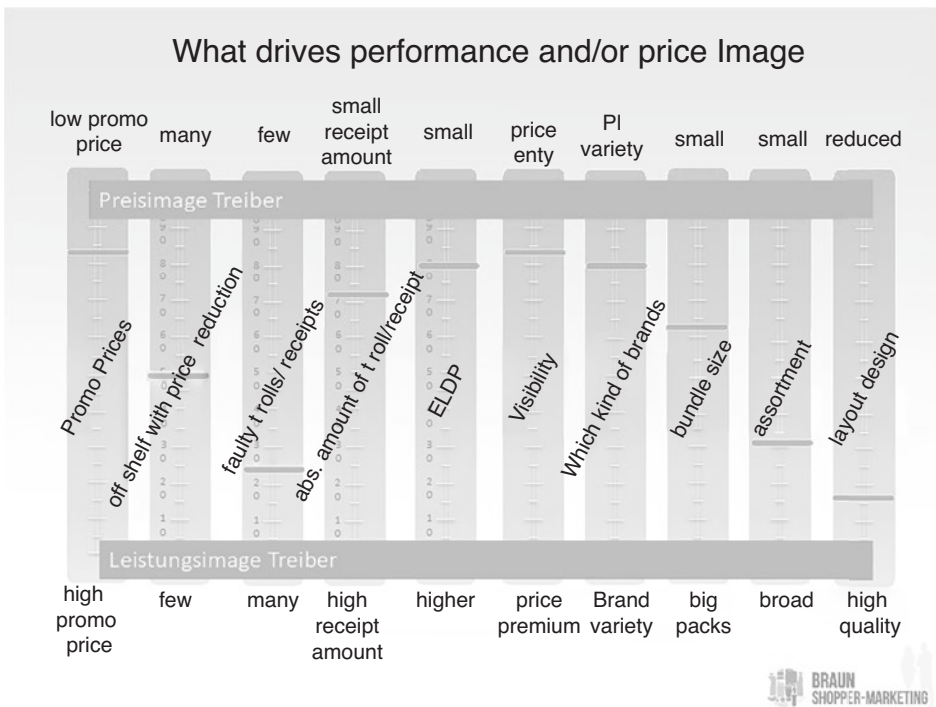


Fig. 16.25 Price image drivers

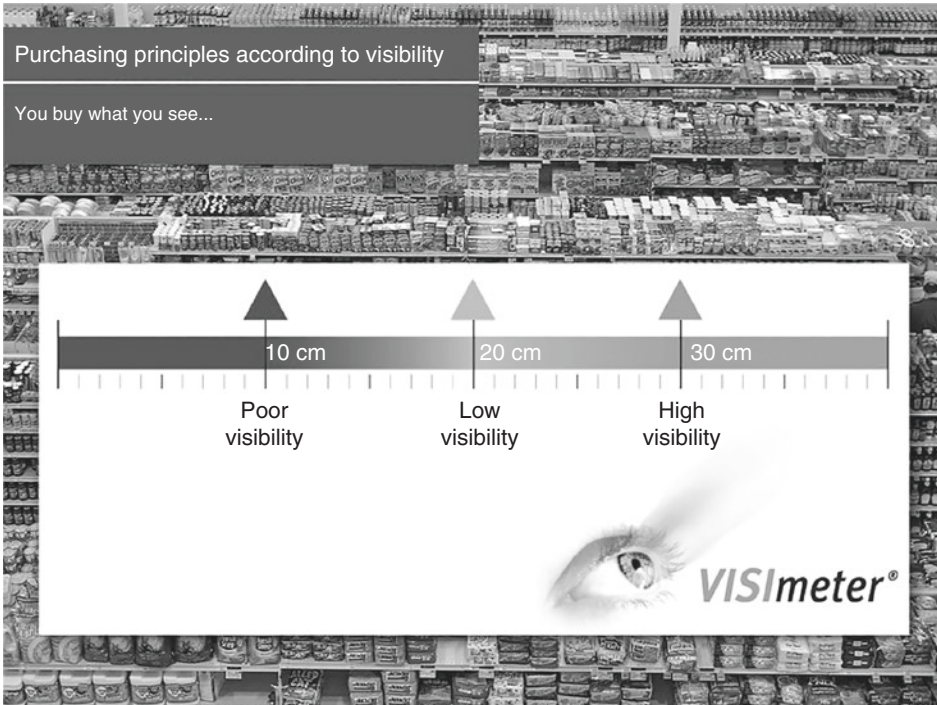


Fig. 16.26 Purchasing principles by visibility

I measure all of this with the realized receipts in the categories and on the individual products.

16.6.3 Visibility Management

Purchasing principles by visibility (cf. Fig. 16.26):

- The shelf horizontal/vertical: Are clear category blocks recognizable?
- The customer run – the circulation of the market: Are all areas of the market reached by the customer run?
- The VIFA factor of the store: The VIFA factor tells what percentage of the shoppers of a store can see the categories when visiting the store through the customer run. The higher the viewing rate, the higher the sales.
- The location of the categories in the customer run: Are the touch point categories placed on the “main street”?
- The look and feel of the store: Is the style of the store “Winnetou”-worthy?
- The Colour Code: Are the chosen colours “Winnetou”-fair?

How can my employees experience my positioning through their behavior and appearance.

- Courtesy
- Consulting
- etc.

16.7 Summary: What Is Shopper Marketing?

The task of shopper marketing is to determine and define a positioning from the motivational framework conditions and to make it tangible to the customer with all senses (cf. Fig. 16.27).

What is presented here is shopper marketing as the consistent further development of category management, which is rather applicable only as the management of a category, which does not really include the shopper/buyer as the decider. From the positioning as the decider to the design of the positioning and its marketing, it is described how I can design to the brand. Because the experienceable brand creates uniqueness and eludes price comparison, but not price elasticity.



Fig. 16.27 Shopper marketing

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Hermann Willi Braun is 35 years of experienced success in sales and marketing, nationally and internationally, in trade and industry. The traveller in terms of customer understanding, who has been searching for and analysing all the trends of this world on site every year since the 90s. Often also in joint store checks with owners of retail businesses. “The Godfather of Shopper Marketing,” who has significantly influenced the joint work in retail and industry by looking at things from the shopper’s perspective.

He is the networked thinker who developed the “Total Store Approach” to be experienced holistically. Who always explored the “why” to develop measurable and repeatable processes that had to work if you wanted to be credible at top-to-top level.