

## How To Put Premium Brands Back Into The AISLE

*Retailers and brands have to take it on the chin when premium and sensitive consumer goods are dumped behind the tobacco kiosk due to the real risk of shrinkage. But now there is a way to get the products back in front of shoppers.*

**Johannesburg 27 May 2018** One of the most bizarre placements found in retail stores, at least for customers, is the positioning of baby formula, shaving blades, face and neck creams, condoms, medication and battery brands at the cigarette kiosk. Apart from the re-queuing inconvenience, a shopper could be looking for a personal product such as condoms or a particular medication that they don't want to discuss with staff. Whatever the reason, shoppers can't exercise their desire to buy and might go elsewhere or even change brands.

Removing goods from shelves and placing them elsewhere also has other negative effects, explains Quattro Management Systems' Sales Manager Ben Jansen van Rensburg:

"The physical action of removing items from the aisle means that the general range gets depleted. The category in the aisle may consist of a hundred products, forming a distinct range that attracts shoppers. But the moment that you start decreasing the range, sales decline and brand values get depleted"

There are other drawbacks to isolating stock. It diminishes the ability for brands and retailers to hold promotions and brand ambassadors cannot offer a full shopping experience. In an attempt to prevent theft, stock is most often moved behind the cigarette counter. So, it's a practical response to a begrudging reality - and grudge choices are never ideal for a business.

### SA's retail technology breakthrough

But a new solution has emerged in the South African market to address all the above and many other problems around premium products. Using their years of experience in retail technology and service kiosks, the minds behind Quattro Management Systems have developed NEO, a new kind of shopping experience. NEO is an interactive aisle display that restores premium categories to the aisle. But unlike self-service kiosks, NEO is not a standalone vending machine. It integrates the chain's planogram aisle display with the store's point of sale system.

If a customer wants to buy a certain item, such as a premium face cream, they can find the product on NEO's in-aisle display, generate a token, pay for the product at any checkout and collect on the way out of the store. Instead of the customer hovering around the cigarette counter waiting for service, they can find what they want during their regular shopping journey. Since NEO is found in the aisle, the product is where the shopper expects it to be.

According to the Harvard Business Review, self-service kiosks create big jumps in the sale of premium brands, in part because customers aren't as intimidated or concerned that staff will judge them. NEO creates an unencumbered shopping experience. Brands can advertise and promote their products, and retailers can keep valuable stock safe. NEO also predicts when stock will run out and creates many levels of analytics that can be used for planning. It's a solution honed specifically with retail in mind, at the hands of people highly experienced in the sector.

Jansen van Rensburg explains: "We wanted to get every department in a retail chain on-

board and get buy-in from the different role players. This solution affects purchasing, loss prevention, marketing, category management, even e-commerce. Because of the unique nature of the retail industry, we understood there are many different departments that are part of this journey and need to be on-board.”

### **Triple digit growth**

NEO is already working its magic: at a Mamelodi brand franchise store outside Pretoria, where the isolation of premium brands among batteries, creams, sexual wellbeing products, shaving blades, pharmaceuticals and more had created massive sales and brand equity loss, NEO made the difference. The introduction of these kiosks returned double- and triple-digit levels of growth among brands. And across more than 2500 surveyed shoppers, 92% indicated that the system is easy to use.

Brands no longer have to hide from pilfering fingers. NEO brings the shopping experience back into the aisle and adds so much more into the mix. This is just the beginning of a retail revolution.