

# RETAIL PROGRAM EVOLUTION


the**carlson**group

## FORWARD

We've all seen it: a retail program that does very little other than delivering a new look. It's been sold as the latest and greatest, but the same problems exist as in the previous iteration. Merchandising is a nightmare, communication falls flat, and the face outs still sag. What went so terribly wrong?

"We don't like our existing table and four-way - we'd like new ones." These are the words that often kick off a project and send teams on a mission to bring back new fixtures. Here is where the approach needs to change. Too often the focus is on 'new', and that obscures the more important issues. What brands really need is a solution to their retail problems and a better way to tell a brand and product story. That may or may not be a table and four-way.

The Carlson Group's (TCG) approach to retail solutions is based on a process that delivers Total Program Value (TPV), which takes a comprehensive view of retail implementation. This snapshot is offered to provide a perspective on the attributes of TPV –retail strategy, design and implementation– that set a foundation for success in evolving a retail program.



**INTRO** Success starts with smart thinking and planning. But achieving this success doesn't require a groundbreaking or revolutionary approach. The steps below focus on getting back to the basics, ensuring stakeholder consensus in every phase, and keeping an eye on the objective - telling a story that engages consumers and increases sell through. These aren't a set of options. Consider each step necessary to evolve a retail program successfully.

*"Before we see how great you can design, just show me you can get the basics right"*

*- Tom Watson, Sr. In-Store Marketing Manager, Columbia Sportswear*

**DISCOVERY** Before you put pencil to paper, take steps to ensure that the team is aligned and headed in the right direction. Everyone needs to agree on what problems the program needs to solve and how success will be measured. Even the best designers in the world need a strategy and goals if they hope to find success. To put it simply, this is about building a strong, smart plan and sticking to it.

## THE AUDIT

- > Auditing the existing program is often an overlooked or rushed process where brands and vendors alike take shortcuts. Skipping this step can lead to a program that misses the mark. The audit is where assumptions are challenged and suspicions are confirmed. Looking for what works and what doesn't stops teams from repeating errors from previous programs and makes sure that the successful features aren't lost in the evolution.
- > Few people have more knowledge about existing programs than fixture managers, visual merchandisers, and retailers. They have lived with and used these fixtures from the beginning. They know why a face out was never used and why a nesting table worked perfectly for a specific retailer. Include them, and benefit from their extensive hands-on experience.



## RETAIL PROGRAM STRATEGY

- > What's already been done, and where are you going next? A strategy is built from answering these questions, and brands and retailers need to take this step before embarking on the next iteration of a retail program. Your strategy can include areas ranging from materials and finishes to sustainability goals, and from brand direction to product marketing, but a solid direction needs to focus on the essentials. We believe the most critical areas to address in program strategy are communication, visual merchandising, and retailers' needs.

**RETAIL PARTNERS:** Who is this program for? What may work perfectly for an 80k square foot big-box retailer probably won't work in a small specialty store. Every retailer is unique in their requirements and desires, and addressing their needs relies on experience and asking the right questions. What is right for a large store environment? What is right for specific zones? What kind of fixtures will work in this space? Establishing a sound approach is necessary to ensure that your program is well received by retailers. The last thing you want to hear from a retailer is, "Oh yeah, we have the fixture. It's in the back room because it wasn't quite right for us."

**COMMUNICATION:** The retail environment is where the communication strategy comes to life. If this thinking is neglected through the design phase, the result will be graphics and messaging that appear as an afterthought. The fixture and communication work together to tell a cohesive story and must be approached as a system.

**MERCHANDISING:** What is your product story and how are you going to tell it? While brands and retailers may have a product presentation strategy, they need fixture partners who have experience in visual merchandising. This expectation makes sense – to design a fixture whose job it is to present product in the best possible way requires a focus on merchandising. You can't design a successful fixture without a vision for how to best present the product.

## DEVELOPMENT

### STICK TO THE STRATEGY

- > Keeping a team (on both the brand and fixture partner sides) involved and aware is vital to ensuring that strategy is followed. Projects often begin with good intentions that are forgotten in subsequent phases.
  - Keep the decision makers, stakeholders, and sales team included at every step to ensure consensus is maintained. If challenges arise, stakeholders will be up to speed and able to make informed decisions to keep the project on track.
  - Have merchandising keep an eye on the design evolution so that the product story isn't lost.
  - Keep the graphics team involved so that brand communication is integrated effectively.
  - Ensure all parties are working within mutually agreed upon budget parameters.



## ENGINEERING AND PROTOTYPING

- > The devil is in the details. To improve the odds of catching potential problems engage your full range of experts from both the client and fabricator teams. While the fixture partner may be the expert in this phase, listening to the experience of brands and retailers is important as well. There is a wealth of knowledge among these groups that shouldn't be ignored.
- > Nothing can ruin a timeline or a budget faster than a problem that emerges after production. Preventing this relies on real world, in-store testing. Now is when you put your prototype through its paces. Review with installers to ensure setup is efficient and straightforward. Delaying these steps, or worse, skipping them altogether, means you risk wasting time and money.

## COMMUNICATION

- > Brands and retailers are looking for confidence and trust in a retail solutions partner, and the single greatest threat to this is a breakdown in communication. Nine times out of ten, radio silence occurs when there is a problem or an issue during development. While everyone knows there are challenges and roadblocks when developing a fixture program, the key is making sure everyone knows a solution is on the way. Keep the lines of communication open. The moment a client needs to call a fixture partner for an update or to question if a timeline is in jeopardy, trust and confidence are at stake. The solution is simple - Recap, update, inform, and recap again.

*"Communication is a simple thing – just recap, recap, recap."*  
 - **Tom Watson**, Sr. In-Store Marketing Manager, Columbia Sportswear



## EXECUTION

### MANAGEMENT AND FULFILLMENT

- > Success in management and fulfillment relies on setting team expectations and developing a plan. The Carlson Group calls this planning tool the Program Playbook. Prior to production, a guidebook is created to document details and ensure consensus between everyone invested. The playbook covers everything from rollout schedule to communication protocols. By formally setting expectations, program-derailing surprises can be avoided.
- > Getting past design and development doesn't mean the rest is clear sailing. Despite the best strategy, a solid design, and perfect communication, getting the fixtures set up in store will make or break a program. The importance of this step is often understated.
  - Shipping labels need to be simple and accessible.
  - Manuals should be clearly written and need to be the first thing you see when you open a box. Always include a contact for retailers who are experiencing problems with their fixtures.
  - Assembly needs to be foolproof to accommodate even the least experienced store staff.
  - Make sure packing is test shipped to ensure that your new investment arrives in great shape (and in one piece).

## EVALUATION

- > Too often, once the program is completed, everyone involved moves on to the next project. The hard work and painstaking problem solving is forgotten. This is a missed opportunity. Take advantage of the program's collective learnings, including reviewing original goals, discussing whether the challenges were solved, reviewing the internal processes, and measuring real-world success by conducting shopper observations in store. The brands and retailers with the best retail presence are the ones that pay the most attention after a program. They are the ones who can bring a program full circle and improve, year after year.

## CONCLUSION

As we stated, the process outlined here isn't groundbreaking. It's surprising, however, how frequently one or more of these basic steps is missed, risking delays, cost overruns or failure of the whole program. What appears to be the cost of entry, as many brands and retailers know, is a rare thing. Success isn't about just delivering something new. It is about delivering an improved retail experience while staying true to the strategy and the brand's retail program direction. We like to call this, 'the latest and greatest according to plan.'



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As a strategic partner, The Carlson Group incubates,  
builds and sustains smart custom programs that deliver  
value across consumer retail experiences.

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