

# Chapters *To Go*



## How to Sell More Stuff!: Promotional Marketing that Really Works

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## Glossary

(Also see the glossaries in the chapters discussing point of sale (page 208) and tie-ins (co-op) (page 306)

### A-B

#### account-specific

A manufacturer's promotional or advertising program that's tied specifically to one retail account.

#### ACV

See [all commodity volume](#).

#### ADI

See [area of dominant influence](#).

#### Advertising Specialties Institute

See [ASI](#).

#### all commodity volume

A basis for measuring retailer distribution that factors in the relative importance of each retailer. Example: Brand X has distribution in only one store, but that store represents 25 percent of market sales; therefore, Brand X has 25 percent ACV. Brand Y has distribution in 100 stores, but they represent only 10 percent of market sales; therefore Brand Y's greater distribution represents only 10 percent ACV.

#### allowance Discount

or funding offered by manufacturer to distributor or retailer. May be an off-invoice rebate for order submission, or case allowance, such as five cases delivered for four ordered.

#### area of dominant influence

A geographic division of markets by a service named *Arbitron* that is based on the preponderance of television viewing by county.

#### ASI

Advertising Specialties Institute. An organization of merchandise manufacturers, vendors, and importers who sell imprintable merchandise to businesses, not consumers. Computerized system searches from among tens of thousands of items by theme word, color, price range, size, etc. Businesses must order ASI merchandise through authorized ASI resellers.

#### back haul allowance (BHA)

Money manufacturers pay retailers who will pick up shipments at manufacturer's own plant or distribution center.

#### BDF

See [business/brand development fund \(BDF\)](#).

#### best food day

An opportunistic day of the week for food marketers when the newspaper runs editorials on food topics and weekly grocery specials begin—usually Wednesday or Thursday, depending on the market.

#### BHA

See [back haul allowance \(BHA\)](#).

#### billback

Additional money paid by the manufacturer to the retailer for the retailer's display, ad, or price feature. The retailer

performs the services, then bills the manufacturer back (versus off-invoice).

## **BOGO**

Buy one-get one promotion. Typically, buy one, get one free, though it could be buy one, get one at half-price or other configurations.

## **bounce-back**

A coupon the shopper receives *after* the store visit (in the package, at checkout) that "bounces the consumer back" to the brand and store.

## **brand equity**

The level of awareness consumers have of a brand and the degree to which it is favorable. Schlitz beer once had tremendous equity, then fell to a more "commodity" perception.

## **branding**

The science and art of building a singular identity and image of a brand. What makes Coke, Coke and Pepsi, Pepsi and 7 Up, 7 Up when insiders refer to them as sugar water. Marlboro was originally a female brand until Leo Burnett himself rebranded it. Ice cream was a commodity until Häagen-Dazs; before Nike, they were tennis shoes.

## **brand switchers**

See [switchers](#).

## **breakage**

Points and dollars that go unredeemed; "leftover change." See "Premiums Programs," Chapter 10.

## **buckets**

A relationship marketing database term for groups (buckets) of consumer profiles. One bucket may be young, active, single male, sports enthusiasts; another may be mature, 40+-year-old, higher-income male parents, with travel replacing sports interest. Each requires a different communication strategy.

## **bundle**

Packaging two or more related products or services into one package. Example: a video player cleaner, CD player cleaner, and DVD player cleaner in one bundled pack; local, long-distance, and Internet services bundled in one price.

## **burst**

an obtrusive deal announcement on a package or sign ("Save \$00!"), often a star burst.

See also [snipe](#).

## **business/brand development fund (BDF)**

Money spent by manufacturers on a field or account level earmarked for problems and opportunities for the brand (versus geographically focused market development fund). Fund may be applied to new account development, introductory offers, performance incentives, etc.

## **buy-back allowance**

Manufacturer's discount to retailer/distributor based on amount remaining from previous deal purchase.

## **C**

## **C&P**

Convenience and petroleum store. see definition of each.

## **cannibalization**

Selling one brand extension at the expense of another. Example: "Dr Pepper Free tastes just as good as Dr Pepper" ad campaign, which may rob Peter to pay Paul.

### **cash value**

What a coupon is worth in cash, since some states allow coupons to be redeemed for cash; cash values are low—1/20¢ or 1/100¢.

See also [face value](#).

### **Catalina**

A service that, among other things, reads purchases at the cashier and then prints out corresponding coupons. Example: A cat food purchase generates a cat litter coupon or a competing cat food coupon.

### **category**

The grouping of several similar products and brands; the soft drink category, the automobile category. Categories can be broken down further, such as the automobile category's SUV category.

### **category development funds (CDFs)**

Money targeted to drive a specific category supporting all brands at once, and in the process increasing the sponsoring brand's sales. Cheese, milk, and other groups unite to promote their category.

### **category management**

A fact-based diagnostic store-stocking approach for manufacturers and retailers to get more unit sales based on historic movement per item, per shelf position, per store location. It attempts to manage product categories as business units and customizes them on a store-by-store basis to satisfy individual store shoppers' needs.

### **cherry pickers**

Shoppers who visit only for the promotional offers and, as a result, hurt bottom-line results.

### **chain**

A retail operator with 11 or more stores.

### **churn**

The defection of current users to a different brand. A term common in some industries (cellular service providers) but not others (packaged goods = switchers).

### **CMA**

See [cooperative merchandising agreement \(CMA\)](#).

### **comarketing**

A retailer and vendor combining their marketing objectives and resources to create a custom program that better accomplishes their mutual goals.

### **company owned**

See [franchise \(1\)](#).

### **consignment**

An agreement by a manufacturer and distributor or retailer that unsold goods can be returned to the manufacturer with no purchase obligation.

### **continuity**

Continued purchases. A program that promotes ongoing purchases of a product, such as collect and get.

See also [loyalty](#).

### **convenience store (C-store)**

Compact, easy-access store offering a limited line of popular items. Over half sell gasoline and some sort of fast food. Their roots are not founded on petroleum but rather on packaged goods retailing.

See also [petroleum store](#).

### **conversion cost**

Fees grocers charge when a manufacturer makes a packaging change on a product already in distribution; offsets costs incurred reprogramming and moving a package through the system.

### **cooperative merchandising agreement (CMA)**

Annual incentive contract to get a retailer to commit to ad display or price feature for a brand for a specified period.

### **corporate sales program (CSP)**

An umbrella promotion across a marketer's total brand portfolio. Corporation may unite several brands under one promotion with a picnic, Super Bowl, or other theme. Products often shipped direct from plant on ready-to-display pallets.

### **corrugated**

Commonly called cardboard, which is a broader term. A popular display construction material with two stiff cardboard laminates reinforced by a rippled inner layer; exceptionally strong, versatile, and lightweight.

### **cost of good**

What a product actually costs a manufacturer/reseller as opposed to the marked-up sell price. A restaurant giving a free soft drink may spend only a nickel to offer a 99¢ value.

### **cross-dock or pedal runs**

Cash incentives for placing full-pallet orders for four or five stores and distributed by a single truck; marketer saves distribution costs.

### **cross-ruff**

Coupon(s) delivered on one product package that is good for another product purchase. Example: Scotch tape coupon delivered inside a Post-it note package.

### **CSP**

See [corporate sales program \(CSP\)](#).

## **D-E**

### **dayparts**

Segmenting a retailer's business activities by the time of day. Restaurants try to boost slow midday dayparts; mall stores target seniors on morning walks, moms and preschoolers from 10:00 to 2:00 weekdays.

### **deal**

The deal cut between the salesperson and the retailer, distributor, or other buyer. The terms vary greatly as they "horsetrade" quantities, allowances, advertising, flyer features, display activity, and so on. "On deal" means an offer is available.

See also [terms](#).

### **demographics**

A way of analyzing a particular market by quantifying its average household income, age distribution, family makeup, ethnic makeup, and so on.

See also [psychographics](#).

See also [geodemographics](#).

See also [segment](#).

### **detail person**

Part-time person hired to hand out samples, coupons, literature, entries, and so on, or to assemble and place displays or perform other temporary field tasks.

#### **direct distribution**

See [store-door](#).

#### **disclaimer**

Small print specifying exceptions beyond your control or ground rules, such as, "Not responsible for lost, stolen, or misdirected mail."

#### **display**

Exact definition varies according to participant. The marketer's broader interpretation includes promotional signage highlighting prominently placed product. Field salespeople and retailers (particularly grocers) define *display* as the product stacking itself (versus on the shelf). "Display and feature" refers to a product stacking with a price feature sign. A salesperson might refer to a marketer's *display* as [signage](#)—the promotional signs that accompany the display (or product stacking).

#### **display allowance**

A manufacturer's price discount (or payment) to receive the retailer's support for displays.

#### **display-ready cases and pallets**

Marketers pay retailers for using these cost-efficient shipments ready for immediate display.

#### **diverting**

See [forward buying](#).

#### **donut**

A commercial (typically radio) that sandwiches one message between two others (the "Intro" and the "Outro"). It may be a national advertisement followed by a local dealer announcement in the middle, then closed with a continuation of the national advertisement. Example: National car ad—local auto dealer announcement—national car ad close. It could also be the opposite: Local dealer announcement—national advertisement—local dealer announcement.

See also [tag](#).

#### **door-to-door**

See [store-door](#).

#### **double coupon**

Some grocers in some markets routinely double the value of a manufacturer's coupon; if a manufacturer's coupon is 35¢, they'll discount the purchase 70¢, picking up the other 35¢ cost. They typically limit the manufacturer's coupon value to 55¢ (\$1.10 total shopper discount). So if your coupon is 65¢ and your competitor's is only 45¢, the competitor beats your offer on double coupon days (65¢ versus 90¢).

#### **drive periods**

Scheduled timing for a promotional drive. A packaged food marketer may have five promotional drive periods—the three summer holidays, Christmas, and Thanksgiving. A snow blower marketer may have three drive periods—preseason (World Series timing), peak (holiday gift timing), and postseason (March Madness).

#### **drop**

When a promotional element, such as a coupon or magazine insert, hits the newsstand.

#### **drop ship allowance (DSA)**

Money to retailers who bypass a grocer's distribution center for preplanned orders or customized pallets.

#### **EDLP**

Everyday low price. A price positioning retailers take (especially some mass merchandisers and grocers) as opposed to short-term sales features/events (high-low); Wal-Mart is a classic EDLP retailer.

See also [temporary price reduction \(TPR\)](#).

### **efficient consumer response (ECR)**

A retail industry concept for more efficient distribution and shelf management systems. Theoretically, it predicts and responds to product movement in-store with more efficient shelf allocation, restocking, departmental categorizing, and distribution through the manufacturing-warehousing-store delivery process. Ideally, it's a distribution system that responds more efficiently to consumer behavior.

### **end user**

The person who ultimately uses the product or service and often not the same person who purchases it. The purchasing agent may buy the computer software, but the end user (the Web master, for example) may influence that decision as the end user. The software salesperson should consider both targets.

### **exposures**

The number of times in a specified period that consumers are exposed to an advertisement, point-of-sale display, or other communication piece.

## **F-H**

### **face value**

How much the coupon discount is on the specified product; a "Save 50¢" coupon has a 50¢ face value.

See also [cash value](#).

### **facings**

The number of packages of an item on the front line of the store shelf. This does not include the number of packages stacked behind that front line.

See also [SKU](#).

### **feature**

A retail price reduction "featured" at point of sale and/or in store's flyer.

### **field**

The business world outside headquarters' four walls—the outside arms and legs that may refer to the outside salesforce that has to oversee sales and stock product, and implement headquarter programs; distributors doing the same, or retailer's regional representatives.

### **field marketing**

Marketing plans and operations specifically intended for the field. Examples: in-store sampling program; regional event sponsorships; local cause tie-in; local radio promotions.

### **flexible coupon**

Agreement by the advertiser that allows the FSI service to place the coupon at the top or bottom, left or right of the page to avoid damage if the opposite side's coupon is clipped. A "guaranteed position" costs more.

### **flyer**

The weekly (or less frequent) publication featuring price reductions and other special offers; prevalent as Sunday newspaper inserts.

### **forward buying**

Practice by some regional distributors buying manufacturers' products offered on a deal for that region, then diverting (or reselling) some of those products to nondeal markets. Also termed [diverting](#).

### **franchise (1)**

A retail operation in which the store operator buys into a franchise brand name (as opposed to company-owned operations). Some franchise operators are very independent, like Dairy Queen, where the corporation has limited control over operator practices. McDonald's franchise agreements give corporate greater control than others. Hardware franchisees (Ace, True Value, etc.) typically are highly independent. Company-owned retailers like Target or Sears have complete control. Most companies have a combination of company-owned and franchise stores. Franchisees also often operate as groups for clout—the Chicagoland Ford Dealers, the Florida McDonald's franchisees.

## **franchise (2)**

A company's existing group of consumers—actual purchasers of its products.

## **Fred Meyer Corollary**

A court decision that requires manufacturers and wholesalers to offer the same co-op plan to all advertisers within a market area. It also requires that they notify all their known outlets that the plan is available. They must also provide supporting documentation for reasonable opportunity to use those co-op funds.

See also Robinson-Patman Act.

## **freestanding insert**

See [FSI](#).

## **frequency**

How often an advertisement will reach a person or household.

See also [reach](#).

## **FSI**

Freestanding insert. The promotional section most commonly distributed freestanding in Sunday newspapers filled with manufacturers' coupons and other promotional offers. The significance of freestanding is the flexibility for regional versions, positioning in the insert, and custom printing unavailable in the run-of-press (ROP) newspaper format (like improved color, scratch-off games, custom-seeded numbers, etc.)

## **FTC**

Federal Trade Commission. Establishes laws for marketing and sales practices.

## **geodemographics**

Quantifying a market by a combination of demographics (and sometimes psychographics) within geographic clusters, such as regions, zip codes, and neighborhoods.

## **grocery store**

Any retail store selling a line of dry groceries, canned goods, or non-food items plus some perishable items.

See also [convenience store \(C-store\)](#).

See also [supermarket](#).

## **header**

Prominent point-of-sale card (typically corrugated) that sits on top of a display stacking, floor stand, gondola end-aisle, or the like.

See also [point of sale](#).

## **high-low (versus EDLP)**

High-low pricing. A price positioning retailers take (especially mass merchandising and grocery trades) featuring short-term sales on numerous select items. Although most products remain at higher prices, weekly advertisements lure shoppers with a host of special low prices on select items. The practice sacrifices margins on featured items, while enjoying high margins on other impulse sales during the shopping trip. Alternative to EDLP, everyday low pricing positioning.



### **home meal replacement (HMR)**

Food/packaged food category term for food-service outlets offering traditional "home-prepared meals," taking share from traditional grocery shopping.

## **I-M**

### **impressions**

The number of times advertising and/or promotional signage exposes a brand to a consumer; 100 impressions mean it was exposed to consumers 100 times but doesn't necessarily mean 100 *different* people were exposed to it.

### **impulse items**

Products that have high appeal for immediate, unplanned purchases. Strategically placed by retailers at high-traffic areas.

### **impulse purchase**

Making an unplanned purchase. Two-thirds of grocery store purchases are impulse.

### **impulse sales**

Plus sales for retailers because they're unplanned extras by shoppers, for example, beyond the sale items in the retailer's flyer.

### **in-ads**

Ads within retailer ads. For example, a vendor, like Hills Brothers, buys an in-ad in Kroger's newspaper ad. The in-ad is usually a price feature designed by the retailer for consistency.

### **independent**

A retail operator with up to ten stores.

### **insert**

An advertising or promotional page or folder inserted into a publication, such as a newspaper. Research reveals inserts gain greater readership and response as they stand out from the clutter.

See also [FSI](#).

### **in-store media**

Music, radio, and TV media "piped in" by the store and available for advertising.

## **IRC**

Instant redeemable coupon placed on the package that can be redeemed immediately at checkout.

### **licensed property**

Copyright-protected, registered, or trademark-protected property that marketers may tie in with to add sizzle, sales, and event opportunities to their product. (Examples: Super Bowl, Disney, movies/videos, TV programs, NASCAR, Miss America, etc.) Marketers must negotiate rights to work with a licensed property, which also spells out the usage limitations.

### **limited assortment store**

A store with fewer than 1,500 items, primarily dry grocery with few, if any, perishables. Small gross margin and workforce and virtually no service.

### **line extension**

Offshoots of the flagship brand, such as the diet extension, caffeine-free extension, cherry-flavored extension, and the like.

### **load**

A marketing strategy to "load the consumer's pantry." By getting the consumer to stock up, the competition is

locked out by the lack of demand. It also seizes timely high-demand opportunities (like season changes or holidays) to generate multiple sales.

### **loader**

Merchandise item that's used in one of two ways: (1) a promotional gift to a retailer (or business-to-business target) for participation in a program—a manufacturer's beach-themed promotion might include an inflatable beach ball for the retailer—and (2) a part of the display that helps command attention and becomes a retailer gift after the promotion (the above beach ball is "lugged on" the display, which the retailer may keep after the promotion).

### **loss leader**

An item a retailer sells at or below cost to drive store traffic in hopes of selling additional profitable items during the visit.

### **loyalty**

Customer loyalty to a product or service. Continuity may promote a few ongoing purchases (McDonald's Monopoly), but loyalty programs strive for a long-term, even permanent, customer retention (American Airlines Aadvantage Miles; credit card rewards).

### **lug-on**

A merchandise item or dimensional display element that's attached to the point-of-sale signage. An actual inflatable beach ball might be lugged onto a corrugated display depicting a beach scene. Or a cardboard representation of the beach ball may be lugged on as a dimensional element.

See also [loader](#).

### **mandatories**

Small print items legally required in the communication, such as copyrights, corporate identification, or disclaimers.

### **margin**

The dollar or percentage amount a product is sold for compared with what it costs. Also "[markup](#)," "mark," or "[MU](#)." (The *true* cost of a product is complex—materials, manufacturing, system tracking, sales process, packaging, distribution, returns, etc.)

### **market development funds (MDFs)**

Money spent by the brand, usually via the retailer, to expand brand sales in given markets; used to increase share in markets where category growth is high and a brand's share is low.

See also [BDF](#).

### **markup**

The dollar or percentage amount added to a product's cost to establish the sell price. Also "[margin](#)," "mark," or MU.

### **mass merchandisers/merchants**

Large retail store carrying numerous mass-appeal product categories with a discount image (real or perceived); fewer frills *than* a department store and more frills *than* a warehouse store.

### **media**

The vehicle that delivers the advertising and communication—print (magazines and newspapers), broadcast (radio and TV), outdoor (bill-boards), Internet, direct mail, and so on.

### **merchandise**

A display that showcases a product, often demonstrating its benefits.

### **merchandising (1)**

Retail store designing and decorating; a retailer will merchandise a store for seasonal events like the Easter sale and the holidays.

## **merchandising (2)**

Retail store fixturing and product display. Stores may supply their own fixtures to stock and display merchandise; or manufacturers may hire merchandising agencies to design permanent or semipermanent fixtures. Merchandising is more permanent than point of sale, made with styrene plastic, wire racks, wood, vacuform, and the like. Examples: cigarette stocking fixtures; Timex watch plastic rotating showcases; mirrored cosmetic displays.

## **merchandising (3)**

Radio merchandising means bartering a media buy for items the station can provide, such as CDs or concert ticket prizes.

See also [trade-out](#).

## **modeling**

In database programs, building a predictive model of common customer behavior patterns to help predict future behavior. Also see "Profiling and Modeling" in Chapter 6.

## **MU**

Markup.

## **O-P**

## **off-invoice allowance**

A discount for retailers when the order is placed; deducted from the bill.

## **overlay**

A tactic (often optional) "laid over" the foundation tactic. A coupon may have a sweepstakes entry overlay; a point-of-sale signage display may have a self-liquidating offer overlay.

## **packaged goods**

Broad-based term for everyday usage prepackaged products. Generally refers to grocery, convenience, and mass merchandiser products—packaged foods, soaps, health and beauty, some automotive (like motor oil), some hardware (like cleaning aids), and so on.

## **pack-out**

The quantity and configuration of products in a shipping carton.

## **pedal runs**

See [cross-dock](#) or [pedal runs](#).

## **petroleum store**

Compact, drive-to store founded on the gas station class and evolved to include the convenience store format with packaged goods. Petroleum stores still have the vestiges of gas stations and are not as focused on retail/packaged goods/food and snacks as are their convenience store counterparts. They are often perceived to have higher-quality gasoline than do convenience stores, whereas they lack the retail sophistication of convenience stores.

## **plan-o-gram**

A schematic design for a store's merchandising plan or a product line section. A major retailer will design a plan-o-gram for a seasonal theme, then for individual product sections like electronics, then CD players within the electronics section. Packaged goods marketers offer plan-o-grams to stores with ideal shelf locations for their product's various sizes, extensions, and suggested quantities. Plan-o-grams vary regionally. For example, some regions prefer 12-ounce cans, whereas others prefer one-liter plastic bottles, so the same brand's plan-o-gram changes by territory.

## **point-money**

A consumer or sales incentive currency.

**point of sale**

The location where the shoppers shop, products are displayed, and sales are consummated. While sales can be by phone, Internet, mail, etc., point of sale refers to a physical location with products and shoppers present.

**POP**

Point of purchase.

**POS**

Point of sale.

**postoff**

A price reduction in store—dollars "off," "posted" at retail. A manufacturer attempts to get a retailer to run a postoff, passing the trade discount on to consumers.

**producing plant allowance (PPA)**

An incentive to retailers to buy full or half-truckloads direct from the factory. Saves manufacturer's distribution costs.

**profiling**

In database programs, assembling lifestyle and behavior patterns of individual customers to build a profile of that customer and create a closer "relationship" with targeted messages and offers. Also see "Profiling and Modeling" in Chapter 6.

**profit calculator**

A sheet the salesperson uses to close the sale with a retailer. It lists the various products and has blanks for filling in the cost, discount, sell price, quantity, turn, and, finally, the profit. See "Selling in a Discount to the Retailer" in Chapter 5.

**program learning**

Tactic(s) that informs participant of product attributes, promotional activities, training tips, and so forth. A drawing entry may ask for the product's slogan, or a staff incentive may have answer-and-win product questions.

**proof of purchase**

The proof required in some promotional offers that the consumer purchased the required product, such as a receipt, UPC symbol, package logo, and the like.

**property**

See [licensed property](#).

**psychographics**

Quantifying a particular market by its psychological patterns, such as activities, lifestyles, and opinions.

See also [demographics](#).

See also [geodemographics](#).

See also [segment](#).

**push-pull**

A marketer's coordinated program to push the product into retail while pulling consumers into the stores for the product. For example, it may be a united sales incentive, trade deal, and consumer promotion with advertising support.

**R-S****reach**

The number of people or households an advertisement will reach.

See also [frequency](#).

### **reconciliation**

The final accounting of a program that reconciles all costs and payments among partners.

### **redemption**

A consumer (or other incentive target) cashing in on a promotional offer, such as a coupon purchase, a reward-for-performance claim, or a refund claim. Redemptions are also quantified figures used to project and evaluate results, such as the percentage of certificates redeemed from the total of certificates distributed.

### **retrofitting**

Adding or replacing an element to an existing display fixture. Many permanent display fixtures are designed to accommodate new replacement signage for promotional offers or display upgrades.

### **Robinson-Patman**

Act An antitrust act that requires proportionately equal co-op and promotional offerings to retailers by manufacturers. A manufacturer may offer greater program values to proportionately larger-sized retailers. It may offer different programs to the same size retailers as long as they have similar values. It may also offer singular programs for testing purposes.

See also [Fred Meyer Corollary](#).

### **ROP**

Run of press. Refers to newspaper printing process in which all pages are printed in one run of the press, with virtually no customized printing capabilities such as finer-line screens, better color, scratch-off games, or match and win symbols.

### **route person**

The sales and/or stocking person who makes the routine route to the individual stores in the area.

### **rub-off card**

See [scratch card](#).

### **run of press**

See [ROP](#).

### **scan-downs**

Price discounts programmed into grocer's computer and registered when a product is scanned at checkout. (Retailers may legitimately add up to 25 percent to the scanned amount when they bill manufacturers, mostly to cover rainchecks and sale days not covered in the data period.)

### **scratch card**

Also rub-off card. A sweepstakes card with an announcement concealed beneath an ink layer the participant must scratch off to reveal.

### **secondary display**

A second (or third, etc.) display in a separate location in the store. The primary display might be a mass cola stacking at the store entry with a Super Bowl theme. The secondary display may be the same cola next to the pizza case for a Super Bowl tie-in offer.

### **segment**

A portion of the overall market that a marketer might target, such as single male, African American, 18 to 35 years old; or female homemaker, C-D county, 25 to 35 with children. (

See also [demographics](#).

See also [psychographics](#).

See also [geodemographics](#).

### **self-liquidator**

(SLO—self-liquidating offer) A consumer offer by a brand that liquidates its own cost. Example: "Buy five packages of Acme Candy, send in your proofs, and receive this Candy Decanter for just \$5.99." The \$5.99 covers the offer's cost.

### **self-shipper**

A shipping container that houses both the display and the product. The display often includes the floor stand, the bin that stocks the product, and the header card sign. Also called a prepack.

### **sell-in**

The plan, materials, and process of selling a product or program to a business audience—the retail buyer, the distributor, the store manager, and so on. A sell-in plan could be multitiered—first to the distributor management, then the distributor sales reps, and then the retailer. It may range from a simple sell-in brochure showing the product's popularity and profitability to a sales incentive program.

### **set-sell**

Countertop version of self-shipper.

### **share**

The percentage of total retail purchases expressed in dollars or units for a specific brand within its product category. If one quarter of all widgets sold are Acme Widgets, Acme has a 25 percent share of market. Share may also be used to express the percentage of other factors, such as regional market, "voice" (advertising exposure), or total dollars (because 25 percent of unit sales doesn't mean 25 percent of dollar sales).

### **shelf-keeping unit**

See [SKU](#).

### **shelf life**

The length of time a product will remain on a shelf. A package's promotional announcement should not be on the shelf longer than the promotion itself.

### **shrinkage**

The amount of merchandise received but not sold, typically because of pilferage (either by shoppers or employees).

### **signage**

See display.

### **SKU**

Shelf/stock-keeping unit. Pronounced skew, this is a territorial term for the number of product units on a retailer's shelf. The goal is more SKUs that will be at the expense of the competitor's SKUs on the finite space. SKUs are designated for each variety of the product, from extensions to package sizes.

See also [facings](#).

### **slippage**

Typically a percentage figure that expresses the difference between consumers who purchase a product with the *intention* to respond to its offer and those who *actually act* on the offer; common in refund programs where many consumers never get around to the paperwork.

### **SLO**

See [self-liquidator](#).

### **slotting allowances**

Money paid to the retailer simply to get a slot on the shelf for a new product. Because most new product launches fail, grocers don't want to pay the penalty. Adding a new product requires system modifications plus removing the previous product, which may have been profitable. Slotting fees can be staggering.

### **snipe**

See [burst](#).

### **spiffs**

Money to motivate salespeople to focus efforts on sales of the manufacturer's product versus competitors' products. A consumer electronics manufacturer may offer a \$5 to \$20 spiff for every sale by a retail floor salesperson.

### **spoilage**

The percentage of lost, damaged, and defective goods that should be factored into a premium order quantity.

### **stacker card**

A card designed to prominently showcase a stacking of product. It may be mounted on top of a floor pole or a gondola fixture or posted on a product-stacking case. (See "[Point of Sale](#)," Chapter 7.)

### **store-door**

Refers to the ability some manufacturers enjoy of having their own salespeople or route people deliver the product and any display materials directly to each retail location. Most rely on less reliable third parties, like distributors. Also door-to-door and direct delivery.

### **street money**

Cash spent in the field at street level to get more features, display, sales, and so on. It's used at the field salesperson's discretion—sales spiffs, gift for the customer, crew event tickets, contributions to retail community causes, and so on.

### **suffix code**

An additional code in the ordering and distribution system to assure special promotional product is only distributed to eligible regions and countries.

### **supercenters**

Large food/drug combination and mass merchandisers under a single roof offering a wide variety of food as well as nonfood merchandise. Average more than 150,000 square feet and typically devote as much as 40 percent of space to grocery items.

### **supermarket**

Any full-line, self-service grocery store with annual sales of \$2 million or more.

### **superstore**

A supermarket with at least 30,000 square feet doing \$12 million or more of business annually and offering an expanded selection of non-food items; offers specialty departments and extensive services.

### **switchers**

"Unfaithful" consumers who switch brands based on best price, easiest access, or other benefits.

### **SWOT**

Popular analysis and planning acronym: strengths, weaknesses, opportunities, and threats. (Don't let the clever convenience limit the scope of your thinking.)

### **T-R**

## **tag**

Also dealer tag. Five- to ten-second spots at the end of a broadcast commercial for the tie-in retailer or vendor to add its promotional message.

See also [donut](#).

## **temporary price reduction (TPR)**

Short-term retail discounts offered in exchange for manufacturers' trade funds. Allows significant consumer discount on select, popular items to entice traffic. (

See also [EDLP](#).

## **terms**

All those fundamental and fine points in a sales agreement made in each party's interest—pricing, duration of pricing, payment method, return policy, and so forth. (

See also [deal](#).

## **30:30 radio**

Radio ad by manufacturer that allows an additional 30 seconds for the retailer's ad. No charge to retailer for media as an encouragement to participate in the program as well as guide consumers to point of sale.

## **T-W**

## **touchpoints**

Areas where a marketer can reach and "touch" a particular consumer—favorite TV programs, ballparks, beauty parlor, and the like.

## **trade**

Term used by specific industries for their specific distributors, dealers, publications, and so on.

## **trade area**

One or more counties, usually within a central metropolitan market, in which residents transact most of their retail purchases.

## **trade-out**

Swapping something you've got and your partner needs for something your partner has and you need. You can trade out your home electronics products for their appearance as prizes in your partner's sweepstakes advertising.

## **traffic**

Shoppers visiting a store or chain, expressed in numbers and often broken down by calendar period, days, and dayparts.

## **translight**

Back-illuminated, plastic sign most often seen as fast-food menu boards.

## **turn**

The average number of unit sales for a product in a specified time period.

## **turnkey**

Simple. Easy for the participant to participate and the sponsor to execute.

## **UPC**

Universal Product Code. The bar code on packaging that identifies the product as well as retail price and other information. Scanned at the cash register in retail and used for product tracking in warehousing and distribution applications.



**UTC**

Under the cap. A term for sweepstakes in which prizes are revealed under the product's lid—soft drinks, yogurt, canned goods.

**vendor**

The company supplying the next sales link's product. A grocery store's food manufacturers, an auto lube chain's motor oil supplier, a bar's spirits suppliers.

**viral marketing**

Refers to utilizing the Internet's ability to spread e-mail (from friend to friend and associate to associate)—to replicate and spread your message across the Web.

**warehouse store**

Store with more than 1,500 items, primarily dry grocery with some perishables. Small gross margin and workforce; no frills with pricing focus; limited service.

**wholesale club**

A business and consumer membership retailer/wholesaler hybrid with a varied selection and limited variety of products. No-frills warehouse setting. These 90,000-plus square-foot stores have 60 to 70 percent general merchandise and health and beauty care products as well as a grocery line dedicated to large sizes, limited brand selection, and bulk sales.