

studies prove

branded displays boost sales

BY KATIE DESIR

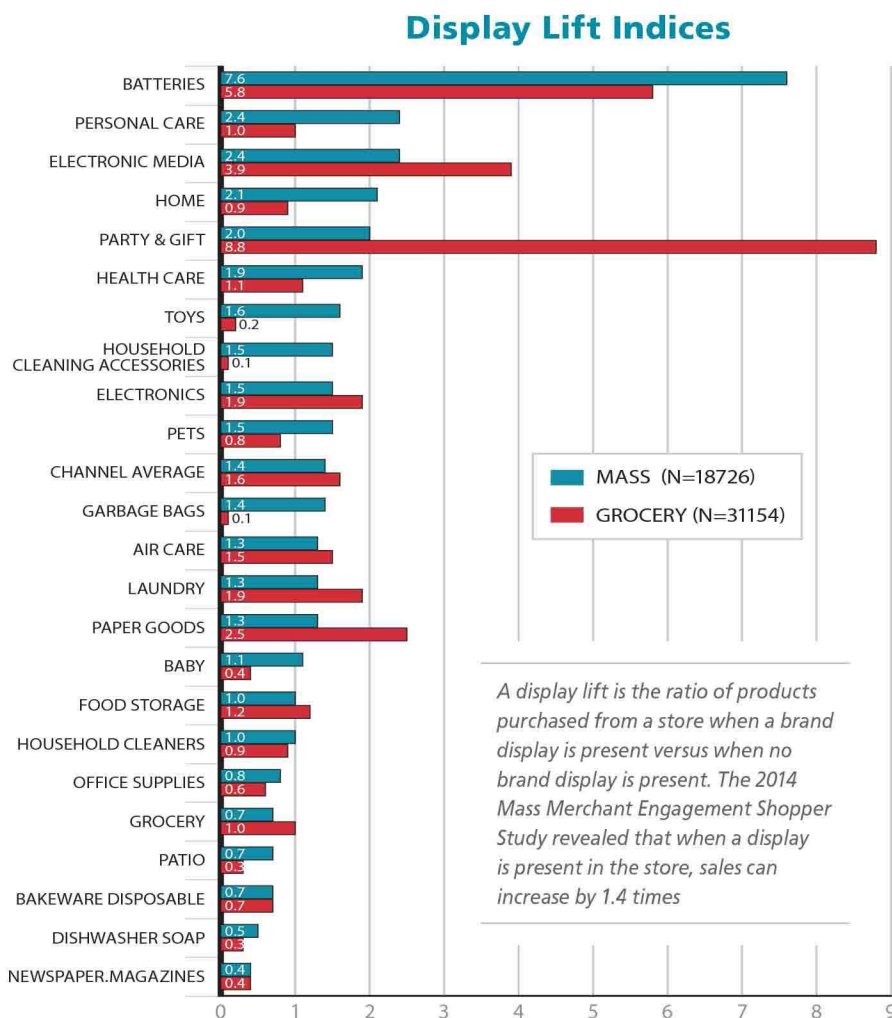
Snaphchat integrations, flashy bus stop designs, and witty ads may detract brands and retailers from investing in one of the original ways to advertise merchandise—P-O-P displays. In-store marketing and promotions lift product sales, possibly increasing a product's sales by 40% when a secondary display is present in-store.

The statistic is among the findings of a study conducted by POPAI, the international non-profit association for the in-store marketing industry. POPAI has been conducting shopper-marketing research for more than 65 years. Within the past three years, three groundbreaking POPAI studies have proven the positive effects of in-store displays: the 2014 Mass Merchant Shopper Engagement Study, the 2012 Shopper Engagement Study: The Grocery Channel, and the 2015 Compliance Initiative Study.

Hikes in both mass and grocery venues

The 2014 study demonstrated the effectiveness of displays in mass merchant stores, just as the 2012 study had for grocery stores. The 2014 study involved 2,991 mass merchant shoppers in four U.S. regions in three major retail chains. The results from the analysis of pre- and post-shop interviews along with purchase information from lists, coupons, receipts, and eye-tracking technology provided enough information to evaluate the overall effectiveness of a display present in the store, i.e., the display lift.

A display lift is the ratio of products purchased from a store when a display is present versus when no display is present. The 2014 study showed that the overall display lift index for the mass merchant channel is 1.4—in other words, when a display is present in the store, sales can increase by 1.4 times.



According to the 2014 study and the 2012 study, the top three categories with the highest display lifts are:

Mass Merchant Channel

- 1 Batteries 7.6
- 2 Personal Care 2.4
- 3 Electronic Media 2.4

Grocery Channel

- 1 Party & Gift 8.8
- 2 Batteries 5.8
- 3 Electronic Media 3.9

Those items are often positioned in multiple aisles on different types of dis-

plays. Shoppers will find batteries on end-caps toward the front of stores, in the toy aisles in dump bins, and in the electronics department on a floor stand. Personal care can be found in the organic department of grocery stores, in the beauty section, and in front of cashwraps. They're placed in branded displays to trigger an impulse buy or unplanned purchase.

Typically, non-essential products have the highest conversion rates when on display in mass retailers. The 2014 study results also suggest that if skin care, salty

snacks, and chocolate candy were constantly displayed in mass merchant stores, conversion rates would double.

In addition to product categories, other factors affect the overall display lift: the type of brand displayed, the kind of display, and the compliance of the display's setup.

National brands are more successful with displays than private-label brands are. Private labels on display in both channels caused shopper confusion and decreased actual sales. National brands are uniformly purchased more often off displays with only few exceptions, like in the healthcare category in the grocery channel, where private labels are purchased nearly four times more often.

The types of displays with the most sales are endcaps in both mass merchant and grocery channels. Then in mass merchant, in-line displays and floor stands are second and third in success. In grocery, floor stands and then in-line displays have the most success with purchases.

Sales boosts from compliant displays

This year, POPAI released the findings of its Compliance Initiative Study. This study reaffirmed the importance of displays and distinguished a sales life attributable to displays in different channels. The Compliance Initiative Study spanned four channels (food, drug, mass merchant, and dollar) and looked at different types of displays (floor stands, endcaps, pdqs, and shippers). A panel of qualified individuals looked at the state of displays and how they were executed in 5,643 store locations from Oct. 1, 2014, through Nov. 15, 2014. With the data, Quri and POPAI were able to see the sales impact compliant displays have in stores.

Investments in displays for the mass merchant channel proved to have the greatest impact on sales, averaging a 32% sales lift.

The dollar channel had 9%, drug channel 13%, and food channel had 19% sales lift attributable to displays. The overall highest impact from a display is from endcap displays (+77% incremental lift).

For more information about POPAI's research, email research@popai.com or call POPAI's Research Manager, Madeline Baumgartner at 312-863-2917.

More displays, more sales

The implications are clear for brand marketers: If you want the highest impact on sales, design compelling endcaps for national brands. But in general, fight for the use of secondary displays in stores. The overarching results of POPAI's Shopper Engagement Studies and Compliance Initiative Study show that sales increase when a product display is present in the store. The variation in results for different channels suggest further research for POPAI. 🌈



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