



# Visualise, Emphasise, Merchandise!

They say beauty is in the eye of the beholder, but all supermarket owners know that that is not quite true. Beauty, more so, is what is portrayed to the beholder...

**T**hom Yorke chiming ‘Everything in its right place...’ is as valid in anti-commercial indie music as it is in supermarkets, something visual merchandisers will vouch for up and down the land. The delicate description of their role is that they help emphasise products for consumers to notice, however given the subtleties and accuracies employed by these experts, there almost appears something much more artistic to their endeavours.

The supermarket industry is growing more and more competitive; at every level of grocery stores, there are new competitors on the scene. The likes of Aldi, Lidl and Asda have grown to dominate the discount end of supermarkets, while we all know the size and might of Tesco, Mercadona and Carrefour. However the idea behind all these shops is the same; maximising our footfall leads to greater sales, and therefore greater profits.

So what techniques are used to best acquiesce a customer into spending their money in your store? Well ESM spoke with Karl McKeever, founder and brand director of leading retail consultancy Visual Thinking. “In terms of grocery stores, visual merchandising is more of a science,” explains McKeever. “Perhaps in other areas of retail, it is more about art to a certain degree, but with grocery stores it is more a science. Supermarkets have become far more sophisticated in the past ten years, in particular.”

No one likes to admit that advertising, branding and marketing affects their decisions. We like to think of ourselves as independent thinkers, who make our grocery choices because of our favoured taste, our childhood romanticism and our desire for fresh, affordable food. But, nothing could be further from the truth, it seems.

One of the key tricks of the trade is the use of eye-level shelves, “the old adage of ‘Eye level is Buy level’ is very true,” says McKeever. It seems the best way to sell your more profitable items is as simple as putting them on the shelves at eye-level; simple, curious, but true. “Space management is a key component to visual merchandising. Every single shelf has a product on it for a reason. It is more common to put the product you want to sell, the private label product often, into the middle shelf. That’s not to say that items on the top or bottom shelf won’t sell, but customers are attracted to the items

at eye level. It can also work if a particular leading product has defined packaging and is appealing; Coca Cola would be a good example of that. So you could have Coca Cola on the bottom shelf at the end of an aisle, to attract customers to that particular area, but more often than not it is all about eye-level.”

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horizontal in front of them, though, eyes focus on the centre. Walk into any perfume shop and you will see items displayed in a triangular fashion, almost always with the more valuable item displayed in the middle. “Triangular balance is very important,” explains McKeever. “As a principle it works on the fact that the eye will always be attracted to the centre. This is where you put your more expensive product, and most profitable. Take a TV screen; your eye is always focused on the middle.”

Walking through a store, with this type of knowledge, leads to spotting some obvious

flaws, so it is important that in order to improve your business you look at these areas of display and heed the advice. However, it is clear that many chains have already invested heavily for this purpose.

“Technology has played a huge part,” explains McKeever. “So if the initial outlay on the technology looks expensive, the rewards can often outweigh that. Look at the example of self-scanning tills, there are numerous savings to be had by these. Less wages, less holiday pay, sick days, overtime etc. Also, studies have shown that people really like to use these self-scanners, with smaller baskets of shopping, this is how the customer wants to shop.”

Indeed, if the cost of the technology is weighed against the improvement of the service, and an overall reduction in labour costs, the decision is a no-brainer. As in most retail environments, the primary cost for employers is on labour. “

“What is amazing about the use of technology is it can eliminate human beings being employed in large parts of the store, apart from the obvious need to stack shelves. For example, smart solutions are massive. Stores can do away with their price signage, which requires constant attention by staff as prices go up and down and specials come on offer. This requires staff to be employed to move these signs, replace them, change them etc. Instead, a WIFI system can be set up and prices can be adjusted all across the store from a certain location, all in the blink of an eye, which you can access on your smart phone.”

Lighting can be very important too. Supermarkets have sought to replicate other stores with their lighting. So if, for example Boots have their healthcare products on a particular platform, with certain lighting, the supermarkets will try to at least replicate some of that feel. The lighting for different hero departments is crucial: health, dairy and bakery departments. With these tricks of the trade, you would be forgiven to think that blindfolding yourself before entering a store would be your only defence, however other applications like that of feeding in the smell of fresh bread or playing particular music in the background can also come into play.

“Supermarkets will only invest where they feel they will get financial gain. Technology, for supermarkets, is used for them to maximise their profits. Often, general merchandise doesn’t embrace technology in the same way as supermarkets. If you look at



**Karl McKeever, an expert in visual merchandising, sees huge potential in smart technology.**

the rise in smart phones for example, that has completely revolutionised the way a supermarket thinks. In South Korea there is a new store that is 100 per cent compatible to technology. No cash points, nothing, all of it done through modern technology. It is only a trial for now, but I can see more of these types of stores opening in the future.”

The image of a supermarket without cash is quite distant, and one which McKeever feels is as far away from Britain, in particular, as possible. “The future of supermarkets in Britain and Ireland is that of competition. To look for innovation, you need to look away from Britain in particular. The problem is, if the formula is not right, then their needs to be big changes. Tesco realised this in the late 1980s, they needed revolution more than evolution.”

So if not the might of Tesco, where will the innovation in this area come from, or lead to?

“If you look at discount supermarkets like Aldi, Netto and Asda, for them to continue growth they are going to have to look at the way that they attract customers. The discount model is tried and tested at this point, and it works, but when the economy turns and people start to have more disposable income, they will start looking back to more expensive supermarkets. When people feel more affluent, they do shop around. The Aldi and Netto model is well established, but they must improve to expand. They need to change how they do it. Some are already doing it, I have seen in many of the new Aldi



Supermarkets will only invest where they feel they will get financial gain, and these changes affect each and every store differently. Every component of visual merchandising works in every type of store. The craft is to apply the techniques as best they suit their environment. For example, colour coordinating some things, or triangular balance with others. Discount stores like those listed will always be

to focus on, with regards visual merchandising? McKeever is quick to point out a few: “Stores have to have clear and accurate product segmentation. Within that, micro segmentation really plays its part. How a store decides to segment its products is entirely their own prerogative. It could be price, quality, nutrition, ingredients etc. Then layout is obviously important. It is key that adjacency is addressed. Often you see products adjacent to other products and it makes no sense. There has to be a reason why a product is there. Otherwise, the knock-on effect in terms of waste can be huge. For example, at the end of a refrigerator aisle, if you were to have garlic bread beside black forest gateaux cake, it would turn people off. There are too many things wrong with those products beside each other, it can turn the consumer off.”

However, where there are pitfalls, there are also opportunities. For example, “if done right, you could have rubber gloves beside the potatoes. Plenty of people don’t like handling dirty potatoes, so they may buy rubber gloves. There are opportunities to get the consumer to buy different things. Space is another big area. Supermarkets are the least easiest retail spaces to create an immersed atmosphere. There are too many products, areas, people bustling by, and prices; just too many distractions. This has to be managed well.” ■

One company seeking to help supermarkets in this area is FlexRoller. FlexRoller is an innovative shelf management system that delivers a wide range of tangible benefits to all retailers, products and consumers. It’s a shelf with rollers and flexible dividers which continuously front faces key categories while reducing re-stocking and reset time. Promoting products instore through ease of use is a key way of

upping sales, which FlexRoller was specifically designed for. Originally targeted at the beverage section of convenience

restocking shelves dramatically reduced and supply chain and logistics costs greater maintained. After a successful launch in

**FlexRoller**  
Designed to Deliver

stores, the innovative design has proven a hit in other areas including dairy and beauty sections. The benefits to retailers are obvious, with

Australia and North America, FlexRoller is now making waves in Europe. Find out more at [www.flexroller.com](http://www.flexroller.com)

stores that have opened, that they have more of a focus on their lighting. This used not to be important, but now I see specialist lighting installed in the fruit & veg area, or the bakery area. Flat fluorescent lights don’t add to a product’s value you see.”

looking at their competitors, just like any other supermarket at any other level, if they see a certain product not performing, or spot an opportunity with a product, they will look to focus on that and improve.

So what are the key areas for your store