


# *How to Improve the Execution of Your Next In-Store Initiative*

**DISPLAYMax**



**Six  
Strategies For  
100% Compliance**



## **How Do You DEFINE SUCCESSFUL EXECUTION?**

Take a look at the current execution rate of your latest in-store initiatives. Now ask yourself a simple question: What is your compliance rate?

Are 90% of your locations meeting your expectations? Does it hover around the 70 to 80% range? Hopefully, it isn't lower!

Many in-store marketing executives will tell you they typically expect a 80% to 90% compliance rate. In many cases that is very optimistic. Industry studies reveal that less than 50% of in-store programs are executed to established compliance directives.\*

Ultimately, how you define compliance success is essential to retail sales success. A simple definition is: the correct execution and placement of product and merchandising materials appearing in a store on a scheduled date according to an established execution plan.

## **What is Your Cost of Low Compliance?**

A high failure rate is like a virus that eats away at your projected initiative results. It attacks the one place that hurts most – your bottom line sales.

Consider this: if you are launching a new end cap display in a 1,200 store chain and the display wasn't properly installed in 600 of those stores, you are missing huge sales opportunities. If you were expecting \$5,000 lift in additional sales per store, your program are falling short by half!



# How Do You DEFINE SUCCESSFUL EXECUTION?

The same study concludes that 1-3% of annual sales are lost due to non-compliance of in-store merchandising efforts. For a company with a billion dollars in annual sales it means that \$10 million to \$30 million in sales are lost, that is a large amount of revenue that is slipping through the cracks.

The good news is that achieving a high compliance rate can be accomplished if you adopt a strategic approach to in-store execution. At DisplayMax, we attack each project with a proven process which results in the highest compliance rates in the industry. We call this our ***"Relentless Execution Process."***

We believe the only acceptable outcome of any in-store initiative installation or merchandising project is complete execution within all store locations. We are so confident being able to achieve this with our process that we guarantee 100% compliance on every project entrusted to us. Is it easy? No, but it can be achieved with the proper strategies and planning.

## **The Six Strategies For 100% Compliance**

Each strategy in the Relentless Execution Process accounts for the many of the critical factors and variables encountered while implementing a merchandising initiatives at the store level. It begins when the program leaves the design and development team's control and you need to trust your program to a third party vendor. Before hitting the stores you need to carefully examine each element of the process to reduce the potential issues and problems that lead to poor in-store execution.

# How Do You DEFINE SUCCESSFUL EXECUTION?

We have categorized them into six critical strategies:

1. Establish Your Execution Goals & Expectations
2. Identify Potential Choke Points
3. Match Rep Skill to Project Scope
4. Engage Store Management
5. Execute With a Quality Team
6. Report, Adjust and Improve

When you focus on creating a plan that addresses all of these areas you will see your compliance rise and a significant increase of your program's ROI. Let's look at each strategy to build a road map for relentless execution.



# 1 ESTABLISH YOUR GOALS AND EXPECTATIONS

Launching a nationwide retail in-store initiative is serious business and not for the faint of heart. You've invested a great deal of time and money developing and producing your program, now it's time to get the display and materials into the stores and set up properly. It seems simple enough: have a company manufacture the display, graphics and materials and ship them off for someone to set them up.

Oh, if it were only that easy.

The fact of the matter is, you may have created the greatest program in the history of retail marketing, but if it doesn't make it to the store it's worthless. To achieve 100% execution compliance, there are many factors and variables to examine before the first shipment is arranged.

First, start with establishing your execution goals and expectations. Without defining these two important targets, you will not have a solid foundation to build upon. As a execution partner, we want to understand exactly what you are trying to accomplish and what success looks like to you. It starts with a dialogue with you to determine the why, what, when, how, where and who of your program.

# 1 ESTABLISH YOUR GOALS AND EXPECTATIONS

We ask your team these critical questions:

- **Why did you develop this program and why are you executing it? (often it's not an obvious answer)**
- **What is the scope of work and the materials needed to accomplish it?**
- **When do you expect it to launch and when does it need to be completed?**
- **How many store locations do you have in need of execution?**
- **Where are these stores located and are they in clusters or spread out?**
- **Who will make the necessary decisions of your program at corporate and store level?**

With over 28-years of experience, our team has seen many retail programs fall short of expectations because these basic questions were not answered before the project launches. When you examine the nuts and bolts of execution in the store, a program can look very different from first concept to the project initiation.

Once these foundational questions are answered, we then help you brainstorm the detailed factors of the project and determine their function and to see if you've addressed the important issues each contain.

# 1 ESTABLISH YOUR GOALS AND EXPECTATIONS

Here is a check list we explore as we build an relentless execution plan together:

- Type of Materials, Display or Graphics
- Assembly or Installation Instructions
- Number of Stores to Be Executed
- The Execution Timeline Window
- Store Execution Routes
- Logistics: Delivery and Freight Schedule
- Possible Receiving and Storage Issues
- Store Management Communication Plan
- Execution Process Details
- Clean Up Procedures and Disposal Issues
- Reporting Needs and Procedures

How many of these areas have you overlooked in the past and paid for it with poor execution and substandard compliance?



## 2 IDENTIFY YOUR POTENTIAL CHOKE POINTS

Before you can proceed to launch, you must think about the potential problems you may encounter. These annoying roadblocks and costly delays are what we call project “Project Choke Points.”

A choke point is any situation or procedural breakdown that causes delays, errors or a stoppage in the execution of your in-store merchandising program. A simple, unexpected choke point can be the difference between success, mediocrity or failure.

Typically, these problems range from late shipments, damaged components, poor installation instructions, store management push back and many others. You probably compile your own list. All result in an unacceptable execution compliance rate and a stressed budget.

We’ve identified ten project choke point areas from our years of problem solving in the field. We help you carefully consider each choke point and reflect on those that have caused you difficulties in the past.



## **2** IDENTIFY YOUR POTENTIAL CHOKES POINTS

Here's a list of the hidden Choke Point areas that must be scrutinized:

- Scope of Work and Installation Instructions Issues
- Store Location Density and Execution Routes
- In-Store Management Problems
- Distribution & Logistics Obstacles
- Project Timing Factors
- Notification and Approval Breakdowns
- General Contractor Obstacles
- Project Design Issues
- Poor Store Survey Process
- Store Location Problems
- Field Rep Skill Gaps

These areas are often missed and usually leads to a compromise of execution performance that throws schedules, budgets and your sleeping patterns out of wack.

After addressing these potential issues, we move on to strategy three and carefully consider matching the skill of field reps to the scope of your project.

## **3** MATCH FIELD REP SKILL TO PROJECT SCOPE

An often overlooked, or totally ignored, issue blocking 100% merchandising execution is the ability of the in-store rep to perform the task assigned to them. Matching the skills they possess to the demands of the project scope is critical to success.

The skill set of a field rep ultimately determines the execution quality and speed of all in-store merchandising initiatives. In many instances, merchandising companies will assign their reps based on geographic location instead of their experience and skill set. We first look at the skills, experience and abilities of our reps to complete a project.

It's obvious that a rep who is only skilled at merchandising is not the right fit for a project that calls for the installation of expensive millwork. Having the right people to do the job should be dictated by the scope, not because they are a warm body or they live the store locations. Sometimes, skill sets don't overlap in a field rep and you must take care not assume they are good at everything.



## **3 MATCH FIELD REP SKILL TO PROJECT SCOPE**

The operations team must consider these specific factors to assess a field rep's qualifications before assigning them to a project:

- **Project Scope Skill Needs**
- **Assembly or Construction Requirements**
- **Techniques and Tools Required**
- **Physical Demands of Project**
- **Weight to Be Lifted**
- **Duration to Complete Project**
- **Maximum Height of Installation**
- **Rep's Experience and Past Performance**

Matching skill to project scope is essential to achieve 100% execution compliance with any project whether it be a new store set up, fixture installation or store reset. Along with the thorough review of your program and assigning only skill-matched field reps to the project, you can reach the 100% compliance rate in your stores.

Strategy number four in the Relentless Execution Process is to engage store management so they are an on-site execution partner who will help the process flow smoothly.

## **4** ENGAGE THE STORE MANAGEMENT TEAMS

A good metaphor for a retail store is that of a small, royal kingdom. In this magical land the store manager possesses the ultimate power within their realm and you must submit to their will. The execution of each of your in-store initiatives require their blessing for any chance of proper placement or installation within the walls of their dominion.

Store management has a choice: to be a positive advocate of change or a negative impediment to the in-store execution of your program.

To be sure, most store managers are very, cooperative and will help during execution as much as possible. However, some are overworked and dealing with many issues on their plate and don't relish the intrusion or additional work that comes with a new marketing program for their store.

The key is engaging them early in the process and prior to the installation of your displays, graphics or materials. It can be as simple as well planned precall before the execution date to make them aware of the project. This promotes good will and allows them to have some input into the execution of the program once it's in the field. They know the smallest details of their store and can provide insights and direction that will make 100% compliance attainable.

## **4** ENGAGE THE STORE MANAGEMENT TEAMS

It is not difficult to engage store management and turn them into advocates of your program. It only requires a little time to build rapport and trust that can make the execution process flow smoothly. It is essential that these communication techniques be integrated into the execution planning process.

At DisplayMax, we use the following techniques to engage store management:

- **Meet the Managers During a Store Site Survey**
- **Include Them On Conference Calls**
- **Allow Them to Share Their Ideas**
- **Communicate Via Phone and Email**
- **Perform a Pre-call prior to Arriving at Store**
- **Greet Them Before Executing Work**
- **Perform a Walk Through Once Completed**
- **Ask for Rep Evaluation**
- **Secure a Sign Off at End of Work Completion**

By investing some time and effort into communicating with the store management teams, your project can avoid issues of that can hinder it's success.

## **5 EXECUTE WITH A QUALITY TEAM**

In the retail services business, execution is all that really matters. If your gondola, display, graphics or merchandise are properly placed in your store as designed, it can't sell. And, when the company you hired doesn't perform, it costs you brand engagement, lost sales opportunities and money.

A competent and detail oriented project manager is essential for execution success. Most retail initiatives require store visits simultaneously in many stores across wide geographic area. Throw in unpredictable weather, shipping issues, field rep personal challenges and uncooperative store managers and you can understand the need for the right person. When problems arise, having someone with experience and knowledge is a must. Quick and decisive, but carefully considered, actions must be made to keep the project on schedule. Ultimately, the final stages of execution success are in their hands.

One of the best qualifications for a quality project manager is hands-on, in the store experience. Someone who began their career as an installer or merchandiser on a traveling team is ideal. They understand the details, demands and obstacles of getting the job done at the store level. With this well earned knowledge they have a vast reservoir of wisdom from which to draw. At DisplayMax, our project managers all meet these criteria. That is why we are able to achieve such a high rate of compliance for our customers.

The other side of this relentless execution coin is how well the field reps are trained. Too often, like we discussed before, a field rep doesn't possess the skill to complete the scope of work. When this occurs the quality of execution suffers. Inquiring about how a third party company trains their

## 5 EXECUTE WITH A QUALITY TEAM

employees is an important question to ask. Retail merchandising and installation requires some unique skill sets. Think about it, what educational institution has gondola assembly in their curriculum.

Having dedicated project leaders and well trained reps is a vital recipe for success and choosing the wrong execution partner can be very costly to your compliance rate. There are many who will provide a very low price and promise high compliance. However, the question to ask is if they have the personnel to perform when it counts.

Here are some key qualifications to look for in a third party installation or merchandising partner:

- See Themselves as a Valued Partner
- Provide the Best Service at a Competitive Price
- Has Project Mangers with Field Experience
- Trains their Field Reps Specific Execution Skills
- Use Only Experienced and Dedicated Reps
- Address Issues as Soon as They Arise
- Fix Their Mistakes Without Hesitation
- Strives for 100% Compliance at Every Location

The DisplayMax team prides ourselves on adhering to all of the execution principles and working with you to achieve your program goals and expectations. The final strategy in the Relentless Execution Process is critical to your compliance achievement - *Report, Adjust and Improve.*

## **6** REPORT, ADJUST AND IMPROVE

The sixth strategy in the relentless execution process concentrates on the improvement and on-going management of your program. At the core of this strategy is real time reporting. When each store is completed the field reps digitally enters specific data and images that your team needs to review and confirm the location is executed to project directives. This reporting tool is custom built to your needs to track the key data points including current conditions, completion photos, clean up confirmation, specific questions, time stamps and store management sign off.

Each completed location is an opportunity to learn and make adjustments for program improvements. At greatest improvements are made during the first stores. Unforeseen issues and choke points are uncovered and can be dealt with quickly. It could be a installation technique, a mistake in the planogram or not enough fasteners to hang a sign. Whatever the issue, large or small, identifying and solving them is paramount. Adjustments to the scope or materials ensure that execution flows more smoothly in the remainders of the locations.



## **6** REPORT, ADJUST AND IMPROVE

We strongly suggest performing the work in several test stores before the program is launch. This gives us and opportunity to find these issues and allows us to create training guides. The more direction the reps have the smoother the execution. Generally, these test store should be done a few weeks or a month before the program launch. This gives ample time for adjustments and improvements.

Here are key factors to consider:

- **Develop Customize Project Reporting**
- **Identify Key Data Points**
- **Schedule and Execute Test Stores**
- **Uncover Choke Points and Execution Issues**
- **Determine Execution Improvements**
- **Create Program Specific Training**

The difference between success and mediocrity is continuous program improvement. Often, these are small things that are easily overcome, other times they can be major design issues. Either way, they need to be rectified as soon as possible. Your compliance success rate and program profitability is dependent upon it.

\*Source: Retail Info Systems - "Optimizing In-Store Merchandising" 7/8/2013



## ABOUT DISPLAYMAX RETAIL SERVICES

The true culture of a company can clearly be witnessed by the dedication, accountability and results produced by its people. At DisplayMax, our team works hard to exhibit these qualities on every project we execute for our retail customers.

They are the cornerstone of what we call "The Dmax Factor."

At the core of the DMax Factor is the guiding principle that our customer's experience should be the best experience they will have with any vendor or supplier. This simply means that they are totally satisfied with the outcome of the projects we work on.

Since 1991, Charlie and Sue Domen, the founders of our company established this mentality with the belief that you perform until you meet the customer's expectations. Essentially, do the job we are hired to do until we fulfill the project scope of work and the customer is satisfied. This attitude is the foundation of our unique guarantee – 100% compliance on every project entrusted to us

To learn more about DisplayMax, visit [DisplayMaxInc.com](http://DisplayMaxInc.com) or call us at 517-545-5540.

