

5 Strategy Basics for Serious Consideration by Retailers

As a Supplier, getting your product onto retail shelves can feel like an insurmountable obstacle. You have a great product you're passionate about; you're probably wondering where to start...

- How can I get my product noticed?
- How can I develop relationships with retail buyers?
- How can I stand out when there's so much competition?
- Which retail outlets would be the best partners for my products consumer?

In order to develop successful relationships with a Retailer, you've got to get strategic. Here are **5 Strategy-Basics** to incorporate for serious consideration – and ultimately, your product into their customer's shopping basket.

1. Focus on Health and Wellness

Health and wellness offerings are hot and currently dominating Retailers strategies in a variety of categories. It is wise to position your product as the solution to health-related needs. In addition to natural remedies and homeopathic medicine, more and more employers are investing in preventative employee health programs. This means that large corporations, industry leaders, and yes – Retailers are on the hunt for products and services that will keep their employees healthy, happy and mitigate rising healthcare costs.

Keep in mind that even if your product doesn't appear health or wellness-related at first glance, the right merchandising and packaging may be able to position it within this sustainable trend.

2. Differentiate

Before you can get onto a retailer's shelves you need to know which products are on those shelves already. Identify your competition by looking at similar products in the stores of the specific retailer you're targeting. As an example, imagine that you have created a hair care product made with shea butter. A quick glance at Target's offerings reveals a dozen different hair products with shea butter, all with various claims such as all natural, organic, free trade, cruelty free etc.

How can you differentiate from everything else on the shelf?

Perhaps your products' ingredients are the only one that is both organic and fair-trade, or the only one whose proceeds benefit a social cause? The key is to pinpoint exactly what makes you different, highlight those differences in your marketing and packaging strategy, and convey why it's important to the consumer.

3. Homework First

When approaching big retailers like Walmart, CVS or Target, it is crucial to do your homework. Instead of just focusing on how great your product is, highlight what a Buyer needs to meet category objectives. How will it fill white space in the category to drive incremental sales?

- Research the Retailer's timing for category line reviews.
- Determine the merchandise category location in stores, the space dedicated to the products, existing fixture elements, types of accepted POP displays and signing vendor elements; these vary by Retailer.
- Develop merchandising options that will distinguish, but not clash with other offerings and displays within the category.
- Does the Retailer prefer to work with Brokers or Manufacturer Rep groups in the category?
- Highlight the financial benefits to the Retailer; they are accountable to their shareholders to deliver positive sales results. Just setting a product on a shelf will not drive required sales goals.
- Define your product in terms of price points – are you higher/premium, lower/basic, or the same as the competition? Do they even need another offering in that price point? Why are you better than what is already there?
- Develop visual elements in your presentations to highlight how you match up and exceed the competition; what do you have that they don't?
- Craft a short presentation that is highly focused on efficacy and differentiation of the offerings.

After you've done your homework, you should be able to develop a visually appealing and concise presentation that demonstrates to Buyers exactly how you fit into the strategy of their category, and exactly how you'll stand out from the products they're already selling. Keep it short and to the point!

4. Innovate, Create, Resonate

Nothing gets the attention of Buyers like innovation. This can be done by either enhancing or repurposing products that already exist in the market or by creating something completely new. Address issues consumers may need resolved.

However, creative and innovative ideas simply aren't enough to get your product onto a Retailer's shelf. You also have to show the Buyer options on how your product can be implemented; even down to geographically where sales may best resonate for the initial launch.

- Enhance innovation by creating different merchandising options for implementation within their stores.
- Focus on the product efficacy compared to competition; everyone has competition; never say you don't have competition.

- How will your product be beneficial? How will it financially deliver on sales the Buyer must deliver?
- Highlight the expected results of implementing your product into their stores. What does the future look like with you as a vendor partner once your product offerings are on the shelves?
- What does your product development and marketing plan do to drive traffic and frequency to their stores?

5. Goal is the Basket

The ultimate end-goal isn't just to get on a Retailer's shelves, but to get your product into the customer's basket and drive sustainable sales performance.

If your product languishes on the shelves for more than a few weeks after the set, the clock starts ticking. You may be on clearance in 6 months or less. Retailer's will be swift to pull products that are not turning as they expect. You don't want this to happen, as they will be hesitant to give you a second chance in the future. Make sure you are ready to run on all cylinders before trying to partner with the retail giants!

Savvy suppliers take marketing into their own hands to increase product awareness, generate buzz and increase chances of retail success.

- Utilize social media to build buzz for your product both online and off before you approach Retailers.
- Give away free product samples at events and ask for feedback.
- Demonstrate how your product can enhance and fit into the customer's lifestyle.
- Use marketing and brand journalism to tell the story of your product and develop a fan base; get others talking authentically about your great products.
- Use social media to drive traffic to retail stores and their websites.

It can be exciting and intimidating to approach big Retailer's with your products. But with the right strategic plan in place, you may achieve your dream of seeing your product on the shelves of a Target, Wal-Mart, CVS, and other great retail stores.

Just remember to...

1. Take advantage of the health/wellness trend if you can.
2. Differentiation is key.
3. Do your homework on the Retailer you're approaching! Know how your products will resonate with their customers. Not all demographics are the same.
4. Innovate new products, product line extensions and offerings in complementary categories to grow your brand, packaging and fixtures complete the brand statement in the stores adjacency positioning.

5. Develop, work and re-work marketing plans. It's not the Retailer's job to move your product off the shelves and into the basket, it's yours. Build buzz on social media and at live events; Retailer's will NOT do this for you!

Have you incorporated these strategies? Are you ready to get your product considered by major retail buyers? Would you like to gain insights into how various retailers source products from a 30-year retail veteran? To learn more contact Kathy Mazon from Direction Connections by emailing to kathy.mazon@directionconnections.com. I hope you found this information helpful!