



## Four Critical Seconds to Clinching the Sale

*Written by Dan Michels*



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The in-store experience is growing in importance when it comes to influencing sales. While buying decisions have always been predominantly influenced by what the customer sees in the store, new data based on research by global advertising giant Saatchi & Saatchi indicates an astounding 85 percent of purchase decisions are now reached in stores.

**And 80 percent of those purchase decisions are made in just *four critical seconds*.**

*"A store's design, ambience, product packaging and display are each making lightening-quick impressions, which are playing an ever bigger part in what's bought. The store environment ranks high as a place to reach consumers because you're influencing behavior where people really can do something about it."*

*Andy Murray, CEO of Saatchi & Saatchi X*

### **Changing Focus**

Procter & Gamble Co. considers the first three to seven seconds in which the customer notices an item on a store shelf as "the first moment of truth," and as an important marketing opportunity. The corporation has even created a position titled Director of First Moment of Truth (FMOT), a position tasked with powering up the shift, as advertising morphs into in-store marketing.

According to an article in The Wall Street Journal, P&G's focus is changing: it has cut commitments to advertise on cable channels by 25 percent and broadcast TV by 5 percent, while increasing overall ad spending. The same article states that expenditures for in-store advertising have increased from around \$15 billion in 2001 to close to \$25 billion today, including POP displays and audio and video formats.

### **The Visual Merchandising Advantage**

Customers today are often time-pressed, mission-specific shoppers. Capturing that first four seconds of a consumer's time is not as easy as it sounds. In-store TV networks, such as the one operated by Wal-Mart, are gaining steam as they provide a new, accessible mass audience. Wal-Mart has had success selling advertising spots on its in-house TV network to manufacturers.

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Visual merchandisers have known for years that presentations in the store work like a charm to promote sales. Well-executed displays have no substitute when it comes to commanding the customer's attention in the store, especially in regard to more sophisticated merchandise that generates multiple sales and requires more complex buying decisions. They also know that part of the function of visual merchandising is to slow the customer down in their transit through the store – often even stopping them in their tracks – so the desired message can be effectively communicated.

### **Technology As In-Store Advertising**

We may soon see technology taking the place of some in-store visual presentations. Electronic in-store advertising, usually referred to as "digital signing," works well for utilitarian, problem-solving items; impulse or novelty items; and educational or information-based merchandise. It also works most advantageously when positioned at cash wraps, fixture endcaps and other places where customers are forced to stop and/or choose to linger a few minutes – where they become a captive audience.

But there's an inherent disconnect between a moving target in a store environment and a stationary plasma screen. After all, a store environment isn't a living room or a movie theater. That's why Saatchi & Saatchi's Murray says, "A lot of technology is wallpaper – ignored by the customer. Most technology in-store is a distraction from the activity of shopping." As he sees it, technology is a weak communications channel unless the customer is in control.

*Dan Michels is a Sr. Account Representative at RPM. As a longtime and trusted member of the RPM team, Dan manages projects for well-known brands such as EyeMasters and Ashley Furniture.*

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- Decreasing your total cost of ownership of POP displays, retail signage, and other marketing channels. (Are you defining TCO accurately? What impact might it have on your business if you are not?)
- Increasing effectiveness and the return on your investment in marketing and retail signage. (Are you determining ROI correctly for your needs? Is there a better way to accomplish the same result?)

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