# **Expanding Our Borders**

A new partnership with Smollan places Advantage on the international stage



#### welcome



Inside Advantage is a publication of Advantage Sales & Marketing, LLC

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### Delivering Solutions During Disruptive Times

Doug Stephens, the founder of Retail Prophet recently said, "We will see more disruption in the next ten years of retail than we did in the previous one thousand." Today we are helping our clients

prepare for this disruption by building and enhancing services that will deliver an edge in this competitive environment. For example, our recently announced Advantage Digital Technology division addresses the need for

integrated technology head on by bringing scalable platforms such as supply chain insights, digital promotions, and beacon technology to our enterprise.

This summer also marked a historical milestone for Advantage as we unveiled our global strategy to provide strategic retail and technology solutions to clients through a partnership with Smollan Group, the leading sales and marketing agency in developing and emerging markets. Together, ASM and Smollan now form the world's leading retail solutions company, providing holistic solutions in our global economy. You can read more about this partnership and our new joint venture in Europe on page 12.

We continue to evolve and enhance our core services to deliver results for clients in this rapidly changing environment. We are leveraging the mobile technology already at our merchandising and reset reps' fingertips to deliver deeper reporting and insights for merchandising and project work (page 10), examining the shopper's path to purchase through a unique lens to understand what drives them to purchase even before they even think about mak-

Advantage has been making strides to continue delivering the services you've come to expect while adjusting for the rapidly changing environment.

> ing a trip to the store (page 3), delivering a comprehensive approach to eCommerce by combining the power of ASM's eCommerce sales force and our AMP digital marketing resources (page 8), and tapping into Blue Ocean Innovative Solutions' extensive pharmacy experience at Walmart to provide a new edge for clients at this must-win retailer (page 9).

> As we reach across borders and push ourselves to question traditional paradigms, we continue to focus on executing with excellence at all times. Advantage's highest priorities will always be to provide you with the industry's best services and solutions to drive your business today, for the next 10 years of disruption, and for many more after that.

Winning Together, lanya Domier

#### insights



SMART™

### Path to Purchase Offering

Using the Full Picture of the Shopper's Journey to Unlock Opportunities

With declining sales and a stagnant consumer base, the instant potato category had hit a roadblock. Like many shelf stable categories faced with a shrinking center store environment, instant potatoes needed fresh insights to revitalize the category and connect with consumers in a more meaningful and effective way.

Enter the new Path to Purchase (P2P) tool from Advantage Sales and Marketing's SMART Market Research team. P2P goes beyond the traditional Consumer

Decision Tree to determine how and why consumers purchase by examining the shopper's journey from the moment they first think about a product to paying for it at checkout. This proprietary process gives manufacturers a deeper view of the purchase journey than what can be provided with syndicated data alone.

P2P conducts a custom-built online survey that includes specific questions about the manufacturer's category or brand. The survey provides valuable insights into

merchandising, packaging, and cross-promotional opportunities, as well as a visual map of the Path to Purchase and shopper segmentation analysis. By understanding the consumer's actions before they enter the store, manufacturers can identify specific marketing strategies that can get their product on consumers' shopping lists and into their baskets.

For the struggling instant potato category, the P2P insights revealed that continued on page 13



#### marketing

# The Evolution of the Activation Agency for Today's Omni-Channel Consumer

The CPG world has been a roller coaster over the last 15 years, and consumer behavior has changed dramatically, evolving the role of the marketing agency.

Historically, brands viewed marketing efforts to be either "above the line" (TV and print) or "below the line" (PR, promotion, shopper and consumer marketing, etc.). In today's omni-channel world, the Path to Purchase is no longer a straight progression but a complex web of touch-points that has blurred the previously distinct marketing segmentations. This new reality requires a reimagined approach to the marketing agency, which has led to the rise of IN Marketing's activation agency model.



#### The Old Days: 1950 - 1998

In the 1950s there were just a few agency players for brands to leverage: the ad agency, media buying, and PR, with the



ad agency running the show. Between 1950 and 1990, several types of agencies emerged like promotions, events, and online. By the mid-1990s, brands were bringing together Inter-Agency Teams (IAT) to develop 360 degree marketing plans for brands that spanned across these various media outlets. This created a new level of competition among agencies; while an agency might be assigned Agency of Record in a specialty like PR or media, there was always an agency in a different channel vying for the dollars by delivering new capabilities and ideas.

#### The Wild West: 1998 - 2010

The dot.com boom created new set of specialty agencies which furthered this fragmentation and com-



petition. In the mid-2000s a planning session might include six or more agencies - including digital, consumer promotions, shopper marketing, PR, social - all fighting for their piece of the pie. The lines between above the line and below the line competencies began to blur as agencies developed new capabilities to compete for more business. It was clear that the fragmentation across agencies with competing interests created inefficiencies and wasted time for brands. IN Marketing recognized this and began to evolve its Shopper Marketing practice to include digital, events, demos, and promotions. Many of these capabilities (both retailer-specific and general) overlap, so consolidating services allowed for IN's clients to streamline and save dollars.



#### The Rise of the Activation Agency: 2010 - Present Day

Since 2010, there has been a major shift in planning and priorities as brands have dialed back the number of agencies for both financial and clarity purposes. The roles of digital and mobile have also shifted, becoming integral to every aspect of a marketing strategy. Another major shift is with the consumer herself, who is able to quickly toggle between the mindset of consumer, shopper, and brand advocate in a matter of minutes with her smartphone.

So what does all of this mean for brands and their marketing strategies? TV, print, and PR are still for mass reach and a generally passive exchange with the consumer. All other touch-points drive the consumer to take an action. This new consumer Path to Purchase has led IN to develop an approach as an activation agency, becoming a hub for all below the line activities and ensuring that national CPG programs are effectively pulled through at the individual retailer level. By consolidating Consumer and Shopper planning, IN Marketing now drives the national idea (timing, strategy, and execution) while working side by side with the shopper teams to integrate elements of the national activation at each retailer. This creates a seamless program across all touch-points and ensures that a consumer's engagements across the Path to Purchase are consistent, meaningful, and measureable.

#### **IN Marketing's Activation Model** in Action

As an activation agency, IN leverages the look and feel of the branding from the ad agency while creating micro-engagements with the consumer on her phone, in the parking lot, in the aisle, at the shelf, and after she purchases. We strategically engage the consumer along her complex and winding Path to Purchase, from the FSI to the promotional call to action, retailer-digital engagement, message at shelf, and follow up an email.

IN has already successfully implemented this activation agency model at retailers around the nation for a number of clients, including Energizer Personal Care (EPC) and the Skintimate "Rock Your Legs - Ready, Shave, Shine" campaign which reinforced the purchase of shaving cream, razors, and lotion as part of a complete shaving regimen. IN's 360 degree activation approach included programming from digital to social media to packaging to retail activation, all driven by one agency. The national activation, launched in April 2015, was pulled through to major retailers and included a partnership and product placement in the 2015 summer movie Pitch Perfect 2. Because IN's activation model pulls national programs through to individual retailers and incorporates all elements of below the line marketing, the EPC program included all of the elements of "Rock Your Legs," the Pitch Perfect alignment, and additional in-store support at all retailers.

History has shown that the role of the agency evolves with the consumer, and IN Marketing will continue to deliver seamless solutions for brands to engage with consumers along the complex Path to Purchase, today and in the future.

















### ROCKYOURLEGS readyshaveshine

# **Expanding Our Borders**

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#### interview

#### Lori Stillman, SVP Business Intelligence

Lori Stillman, SVP Business Intelligence, joined ASM in September of 2014 after serving as SVP of IRI's Strategic Solutions Group. Lori also spent more than 16 years with Nielsen in a variety of leadership roles across retail marketing, client service, business development, and business process management. During her tenure with Nielsen, she helped build new channels of coverage, played key roles in the transformation of retail services and consumer panel coverage, and built new revenue streams fueled by information and insights. Recently, Inside Advantage sat down with Stillman to discuss her vision for ASM's Business Intelligence division and her thoughts on

You've spent the majority of your career bringing together information, technology, and insights to help manufacturers and retailers more effectively reach consumers. How will your experience shape the future of ASM's Business Intelligence division?

the ever-changing retail landscape.

The work of the Business Intelligence division is not too dissimilar from my past roles in that we must find new ways to help clients and customers drive increased value and efficiencies in their operations - with information at the center. Drawing upon my background as a supplier, I know the importance of high-quality insights and the need to continually measure the value we are creating in the work we do. Our clients and customers want ASM associates to help them quickly identify opportunities, assess performance, and provide efficient ways to execute against growth drivers. My commitment is to ensure that our team has the information, technology, and talent required to not just win in the BI space, but lead the industry in overall capabilities.

What does the future look like for ASM's Speed to Insight SOE and COE business tools? How do you envision our sales team and our clients will be able to leverage these tools moving forward?

The Speed to Insight™ suite of tools is a powerful weapon in our BI arsenal and is a big part of what excited me about joining ASM. SOE and COE are uniquely differentiated in the market-place; no other agency or information provider has been able to capture the way Business Managers and Category Managers need to quickly analyze information. Today, we are taking a hard look at both of these tools so we can

stay ahead of the needs of our users by streamlining the tool, adding functionality and driving deeper usage across the enterprise. Over the next year, we will be transforming the tools with mobile enablement, user personalization, enhanced data visualization and reporting capabilities, and more.

Let's talk about ASM's SMART agency and the new Path to Purchase offering from this group. How does this team and new service complement ASM's existing suite of BI solutions?

ASM's Strategic Marketing and Analytical Research Team (SMART) provides

As consumer communities grow more diverse in wealth, lifestyle, ethnicity, and value, tailoring programs will be critical. Retailers will win by combining sophisticated data analysis with innovative organizational structures.





custom market research and category management services for both CPG suppliers and retailers. The SMART agency leverages the \$10M investment ASM makes annually in information to provide strategic brand business planning, category analytics, consumer insights/primary research, merchandising/inventory modeling, and custom application development.

The SMART Path to Purchase (P2P) offering launched earlier this year enables us to identify the decision points that affect how and why consumers purchase a particular product or brand. Our solution includes custom survey capabilities that enable us to interact directly with consumers to understand the critical decisions and impressions

that influence purchase behavior. The visual mapping deliverable brings the journey the consumer takes to life, enabling markets to make better decisions about how they can turn consumers into shoppers. The P2P tool enables us to better guide price, promotion, and merchandising decisions as well as pinpoint critical opportunities for digital, social, and experiential programs.

## Let's switch gears and look at the bigger picture. What key trends do you think will impact our industry the most over the coming 5-10 years?

As I think about the many trends that clients and customers are trying to demystify, the ones which I believe resonate most include the trend toward localization, and the growing power of millennials and boomers and the need to manage their disparate demands.

### How do you think manufacturers and retailers should proactively address each of these trends to stay ahead of the curve?

Localization: As retailers continue to consolidate, the ability to deliver scale and efficiency will drive bottom line growth. To ensure top line growth objectives are also being achieved, the need to master localization will present new challenges to retailers who have all but perfected the art of standardization. As consumer communities grow more diverse in wealth, lifestyle, ethnicity, and value, tailoring programs will be critical. Retailers will win by combining sophisticated data analysis with innovative organizational structures; they will need to retain the efficiencies without losing the responsiveness of local authority. When well-executed, we will see localization strategies drive competitive advantage for customers and clients alike.

Boomers and Millennials: With increased financial resources and a high emphasis on youth and vitality, the Baby Boomer generation is a consumer segment our clients and customers must increasingly cater to. On the flip side, today's Millennials continue to expand their influence on retail. As the continued on page 9

# Full-Service eCommerce Sales and Digital Marketing Solution

The eCommerce environment is becoming an increasingly important channel for CPG manufacturers and retailers to focus on. Nearly 1% of all grocery is purchased online today and is expected to grow to 5% by 2018. In the UK, this number is already at 3% . The CPG industry is rapidly approaching a digital tipping point in the U.S. and companies need to plan for a shift in spending from 1% to 10% ecommerce vs. brick and mortar over the next five years.

It is clear that online will continue to grow but it is a complex space. The strategy and execution of tactics necessary to win in eCommerce has proven to be challenging to both deliver and measure. For manufacturers, gaining distribution is only half the battle. In the "endless aisle" of the online world, increased distribution does not equate to increased sales. Product positioning is determined by search algorithms driven by consumer interests rather than trade promotions or planogram and space management typical in brick and mortar stores. Therefore, it is



to not only build a solid sales approach but to also develop a comprehensive digital marketing plan, including search engine management and targeted marketing content, to ensure products are visible during the important discovery phase of a consumer's online and instore purchase journey.

To seamlessly bring online sales and marketing together for clients and customers, ASM has developed a unique, holistic approach to the eCommerce channel. We have taken the more traditional HQ sales, administrative, and customer service support and enhanced it with the added capabilities of our digital marketing team to provide a single-vendor sales and marketing solution that optimizes online sales. This complete solution provides all the strategies, tools, and expert

resources necessary to succeed in the online marketplace through a dedicated eCommerce team with retail sales and digital marketing expertise. ASM's full service solution provides headquarter support, customer service, digital marketing support, as well as measurement, analytics, and reporting. Today, ASM manages over \$20M in eComm sales within our portfolio of clients including Ocean Spray, Bumble Bee, GSK, Henkel, and most recently, Church and Dwight.

As online retailing becomes a larger part of the sales equation, ASM is proactively providing the services that will be essential to succeeding in this space, estimated to be a \$23B grocery products channel by 2017. With this combined sales and marketing approach, we look forward to bringing the latest innovative online business services to you and your teams.



#### acquisitions



INNOVATIVE SOLUTIONS

#### Delivering Results at Walmart

Over the past 12 months, ASM has made strategic acquisitions to provide clients with enhanced capabilities and broader relationships with Walmart. Most recently, ASM acquired Blue Ocean Innovative Solutions ("Blue Ocean"), a best-in-class manufacturer sales representative and retail/healthcare consultancy, to provide additional strategic services through ASM's Walmart team in Benton-ville. Blue Ocean joined the ASM family in January 2015 and is led by Bruce Painter, Bob Dufour, and Chuck Fehlig who have 75 years of combined retail experience at Walmart. All three

leaders are professionally trained pharmacists and former Walmart Vice Presidents.

Blue Ocean was formed in 2007 when Bruce Painter saw an opportunity to create a unique team with unparalleled insights at Walmart. "Blue Ocean was created as a result of seeing the need to increase supplier focus on Walmart shoppers and identify products and lines to drive sustainable customer demand at Walmart. We are focused on intentionally doing the right thing to ultimately have a positive impact on people lives," commented Painter. Painter, who was named "Sam M. Walton Entrepreneur of the Year," the

highest recognition at Walmart, believes Blue Ocean's experience at Walmart gives clients a unique advantage in positioning go-to-market strategies that will resonate with consumers. Blue Ocean sales managers have insights that allow them to "think like a Walmart buyer" and deliver an inside edge to winning with the retailer.

Blue Ocean specializes in many of the same service offerings found elsewhere at Advantage including product placement, promotion planning, pricing strategies, and in store execution, but in addition delivers specific focus, deep expertise, and a unique approach to Walmart, For example, Blue Ocean has assisted suppliers and Walmart with product and category innovations, as well as retail market knowledge and category analysis. Blue Ocean also specializes in a full array of consultative healthcare services that support pharmacy retailers, internet pharmacies, hospital pharmacies, and mail order pharmacies, by simplifying the complexity of state and federal healthcare regulations and laws.

Blue Ocean is based in Bentonville, AR. The team reports to Walt Gallagher, ASM's Executive Vice President for Walmart.



#### Lori Stillman Interview

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generation that has grown up in an age where everything was just a click away, Millennials have a high demand for immediacy of information and service. They will drive the need for increased inventory management and customer service in store, as well as challenge the entire path to purchase with how they collect, disseminate, and leverage knowledge. Meeting the needs of these two very diverse groups will be a requirement for success.

There is a lot of talk about the "shifting value equation" and how consumers today are changing their definition of value. What should modern marketers be mindful of as this evolution continues?

Historically, there were three key drivers of value in the minds of most consumers: price, convenience, and taste, with price taking an overwhelming share of the equation. As consumers become savvier about other issues – health & wellness, safety, sustainability, nutrition, etc. – they are redefining their criteria for

determining product value. As a result, marketers who provide more transparency around product origin, processing, ingredients, and packaging will benefit from increased consumer valuation. We are already seeing manufacturers embrace clean labeling initiatives, product traceability programs, sharing their environmental and sustainability scorecards and more. Programs like these, which cater to the growing demand by consumers for visibility and information, will continue to grow.



Retailers today are under enormous pressure. With continued competition from different channels and razor-thin operating margins, it is more critical than ever for retailers to deliver a differentiated in-store experience for their customers. This requires full visibility and understanding of the work being done by merchandising and reset vendors in their stores. To keep their finger on the pulse of this work, retailers need a broad and deep view of project details including execution schedules, attendance, work being executed, execution results, SKU level detail, photos, management summaries, and planogram compliance, all delivered in real time. And while most service providers offer varying levels of reporting, none of them

have completely satis-

fied the need for comprehensive visibility and

real-time reporting of merchan-dising work.

To deliver the critical insights needed to give retailers an edge in this competitive and sometimes chaotic environment, ASM has developed a streamlined merchandising reporting platform that captures merchandising data points from all service providers, whether a retailer deploys a single vendor or multi-vendor approach. A universal reporting portal is designed to match the retailer's system and creates an extension of their technology tools, allowing retailer analysts and stakeholders to easily navigate the system and provide a path for all vendor partners to report work.

When a merchandiser reaches the store, a mobile-enabled tool provides real-time check in when work is started, survey questions that are configurable to meet retailer requirements, photo capture capabilities, digital signature capture capabilities, before and after SKU scans for resets, out of stock reporting, photo planogram compliance, and much more. This information is accessible to the retail management team through an easily

navigated online portal. This advanced in-store technology also functions in environments without WIFI or mobile data networks by caching data on mobile devices and auto-uploading the data when network access is available. No huge stacks of paper surveys or additional documentation is necessary – everything can be completed within the store on the merchandiser's mobile device as each task is completed.

Additionally, if retailers provide POS data, ASM's reporting platform correlates the impact on sales data to the merchandising work performed. Analytics of this type can be used for future planning, sales uplift correlation, stock planning, and more.

By investing in advanced retail merchandising technology and comprehensive reporting systems, ASM can provide unmatched actionable insights and visibility for retailers. To learn more about this technology or to schedule a demo, please contact Ira Rosenkrantz at ira.rosenkrantz@asmnet.com.

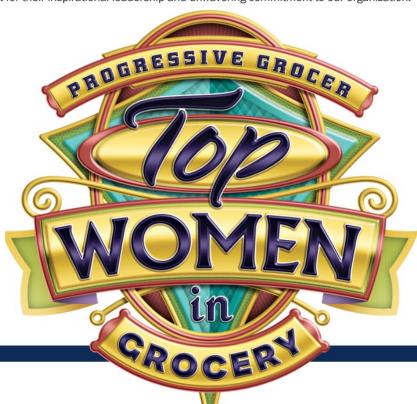
#### recognition

### 10 ASM Associates Named Progressive Grocer Top Women in Grocery 2015

10 ASM women were honored as Progressive Grocer's Top Women in Grocery for 2015. Progressive Grocer, a leading supermarket industry trade publication, produces this annual program which honors the best and brightest women across the CPG industry. These awards recognize the integral role women play across all areas of the dynamic retail food industry within the retailer and supplier communities. This year's list included 75 Senior Level Executives, 184 Rising Stars, and 41 Store Managers from a number of organizations.

"Progressive Grocer's award honors the best and brightest female leaders in the industry today and I am proud to see ASM represented in such great numbers," said Mike Salzberg, President and Chief Operating Officer. "These exceptional women play pivotal roles in both our organization and our industry and continue to drive results for clients and customers."

Jill Griffin, President IN Marketing also commented, "Congratulations to each of our winners on this impressive award! I want to extend my sincerest thank you to each recipient for their inspirational leadership and unwavering commitment to our organization."



The following ASM associates were recognized as Top Women in Grocery Senior Executives:



Tanya Domier
Chief Executive
Officer

**Lori Stillman** SVP Business Intelligence

Andrea Young
President
Experiential Marketing

Additionally, the following associates were recognized as Top Women in Grocery Rising Stars:



Katie McCants
Director of Operations
IN Marketing Services

Bonnie Reinke
Director of Sales
IN Marketing Services



Bethany Slentz
National Client Team



Sarah Bell
Senior Director
of Client Services

Kelsey Hampton Account Executive Advantage Beverage Solutions





# Stepping on to the International Stage

# Advantage Sales and Marketing and Smollan Partner to Deliver Global Services and Solutions

Today many CPG companies have a worldwide presence, requiring the services of a global solutions provider. To address this need, Advantage has formed a partnership with Smollan, an international retail solutions company that delivers growth for retailers and brand owners across five continents. Together, Advantage and Smollan have become the first and only global provider of innovative outsourced sales and marketing solutions for consumer goods companies and retailers. Advantage remains the exclusive provider for execu-

tion within North America and Smollan will be the exclusive provider within Africa, the Middle East, North, South and Southeast Asia, South America, and Australia. The two companies will offer a unified solution across Europe through a newly formed joint venture called Advantage Smollan.

The global market presents a complex challenge for manufacturers and retail-

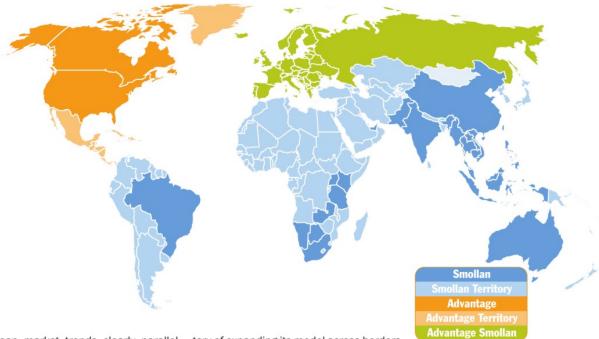


ers, as every market is rapidly evolving but at different paces. For example, markets like Pakistan and most parts of Africa are still orienting themselves to the basic needs of the market, while countries like Brazil and Russia are advancing with expanding channel formats to address niche and increasingly dense urban markets. This global fragmentation will require sales and marketing agencies to deploy a strategic blend of local insights backed by globally shared best practices, technology, and relationships. Advantage and Smollan are already sharing a number of best practices to enhance services across each market, including analytical and reporting platforms and seamless visibility through score-carding.

Advantage and Smollan are turning their immediate attention towards Europe, where they have created a newly formed joint venture called Advantage Smollan.



**Advantage** remains the exclusive provider for execution within North America and **Smollan** will be the exclusive provider within Africa, the Middle East, North, South and Southeast Asia, South America, and Australia. The two companies will offer a unified solution across Europe through a newly formed joint venture called **Advantage Smollan**.



European market trends clearly parallel past consolidations where manufacturers sought to align with fewer partners. Advantage and Smollan both have proven expertise with consolidation and expansion; Advantage has rolled up 18 regional retail sales agencies to establish a national footprint and over 15 regional food service agencies to form the largest national division of its kind, while Smollan has a his-

tory of expanding its model across borders into complex high growth markets. Together, both companies will use their proven expertise in geographical expansion as well as consolidating companies serving fragmented markets to develop unified holistic retail merchandising, technology, and reporting solutions that span Europe.

Advantage is constantly looking for ways to enhance its capabilities and

services to push our industry forward and drive more value for clients. The track record of success demonstrated by Advantage in North America and Smollan in emerging markets gives this new partnership strength across all disciplines to deliver best practices, capabilities, and technologies and achieve clients' worldwide objectives.



#### SMART™ Path to Purchase

#### continued from page 3

a majority of category buyers consider themselves proficient or expert cooks and that 60% of all instant potato buyers are influenced by recipes. These findings suggested that category sales could be built by targeting buyers through recipe ideas and media before they get to the store and using merchandising tactics to help guide them towards meal ideas in store.

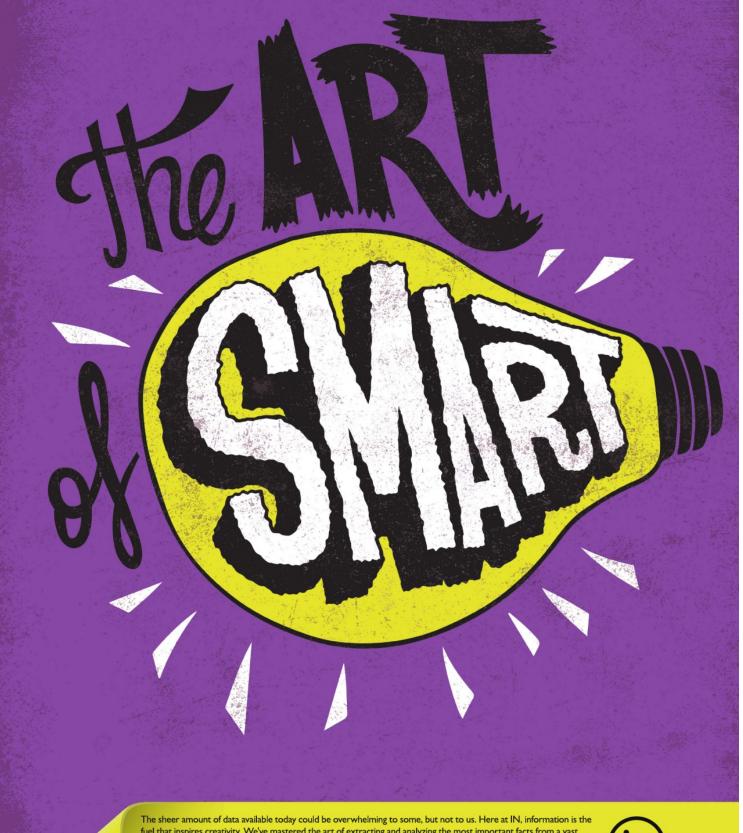
Idahoan, a category leader in instant potatoes, used the insights from the P2P

study to drive strategy and increase sales at Walmart. "As a center store category, we always viewed the perimeter as off limits. Due to this (P2P) finding, we were able to identify and sell in incremental displays at Walmart in their meat department," said Jason Enger, Directory of Category Management for Idahoan. "Since shifting our focus to other areas of the store, we have driven incremental sales for Idahoan and bigger baskets for Walmart."

Idahoan does much of their own market research, but the P2P analysis brought new insights to their view of the category.

"We previously had a very narrow view of who our competition was and where we could sell in incremental displays. We were benchmarking our success against how many shoppers we were able to convert away from rice," said Enger. "After viewing the P2P, we realized we needed to widen our scope of thinking."

If you'd like to learn more about Path to Purchase and SMART's other market research services, contact Nick Sabala at nick.sabala@thesmarteam.com.



The sheer amount of data available today could be overwhelming to some, but not to us. Here at IN, information is the fuel that inspires creativity. We've mastered the art of extracting and analyzing the most important facts from a vast canvas of information. Then using our proprietary insights approach, INfuse, we draw from a palette of cutting-edge research methods and tools, real-time analytics and intuitive thinking to craft insights that transform shoppers into buyers. **That's the Art of Smart**. Let IN share its artistry with you. Contact us at **inmarketingservices.com**.



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