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In the Store - Brand Marketing

SPAR Gets Force Wired for Speed

TARRYTOWN, NY - To any brand marketers who still regard third-party merchandising as merely a way to find lower-cost arms and legs for in-store tasks: The folks at SPAR Marketing Force advocate another, wired perspective.

VENDOR OUTLOOK

"No. 1 today is speed of information: What's going on in the store? Knowing that quickly," says Bill Bartels, Senior Vice President of Corporate at SPAR Group here, the merchandising and marketing research firm.

Its SPAR Marketing Force unit, one of the nation's largest merchandising services firms, has embraced information technology as a means of competing in an increasingly crowded field.

On a daily basis it uses interactive voice response, database technology, hand-held scanners and inbound and outbound teleservicing, cellular communications - and increasingly...the Internet to coordinate 3,000 merchandising specialists who may be deployed among 30,000 stores.

Bartels maintains today's fast-evolving retail merchandising services business is about more than cost-effective performance of in-store tasks. It is about efficiently planning those activities, tracking and ensuring their execution, evaluating their results qualitatively, measuring their financial outcomes and reporting it all to clients quickly enough to take advantage of in-market opportunities.

"There has been an evolution of needs in this business," he says. "Today there has to be a payout. More manufacturers and retailers are looking for ways to see the results of the investment they are making."

"In retail merchandising, the object is not the task in and of itself. The object is to increase business for the customer that you are serving. Even today, some companies are only task-oriented. But the task only gets you to the ends - which are sales, profits, and market share increases," he said.

The company's investments in communications technology have all been geared toward enabling SPAR Marketing Force to deliver quality merchandising execution and then to document its benefits to customers. But where the technology really shines is in meeting brand marketers' demands for speedy delivery of information.

Bartels offers an example: "New video releases seem to be among the most time-sensitive, since they want to meet street dates. They ask us to pull point-of-sale data that very day."

Like most major retail merchandising firms, SPAR uses interactive voice response to gather reports from its field people after every store visit.

"Some people can collect data and display it. We collect it, make calculations with it and give something back. We turn the data into information," says Patricia Franco, SPAR Group Vice President, who coordinates the company's technology efforts.

The way SPAR approaches the business, on-line communication technology has become an integral tool for deploying a far-flung workforce, gathering data from the field and rapidly distributing reports to client brand marketers, says Franco. Franco offers a vision of the in-store merchandising warrior of the (not-too-distant) future: He or she will be armed with a belt-mounted, wearable personal computer, cellular modem, hand-held scanner and a headset with earpiece, microphone, and heads-up display eye-piece.

So equipped, merchandisers can view instruction manuals or planograms on the display and communicate shelf status or other information to SPAR's headquarters computer. The technology, which was originally developed for military use, is now available off-the-shelf and the price is dropping fast.

"We are testing this now with a few of our people," she says, adding that SPAR's in-house name for the test is a tribute to the half-flesh, half-silicon characters from the "Star Trek: The Next Generation" TV series: "The Borg Project."