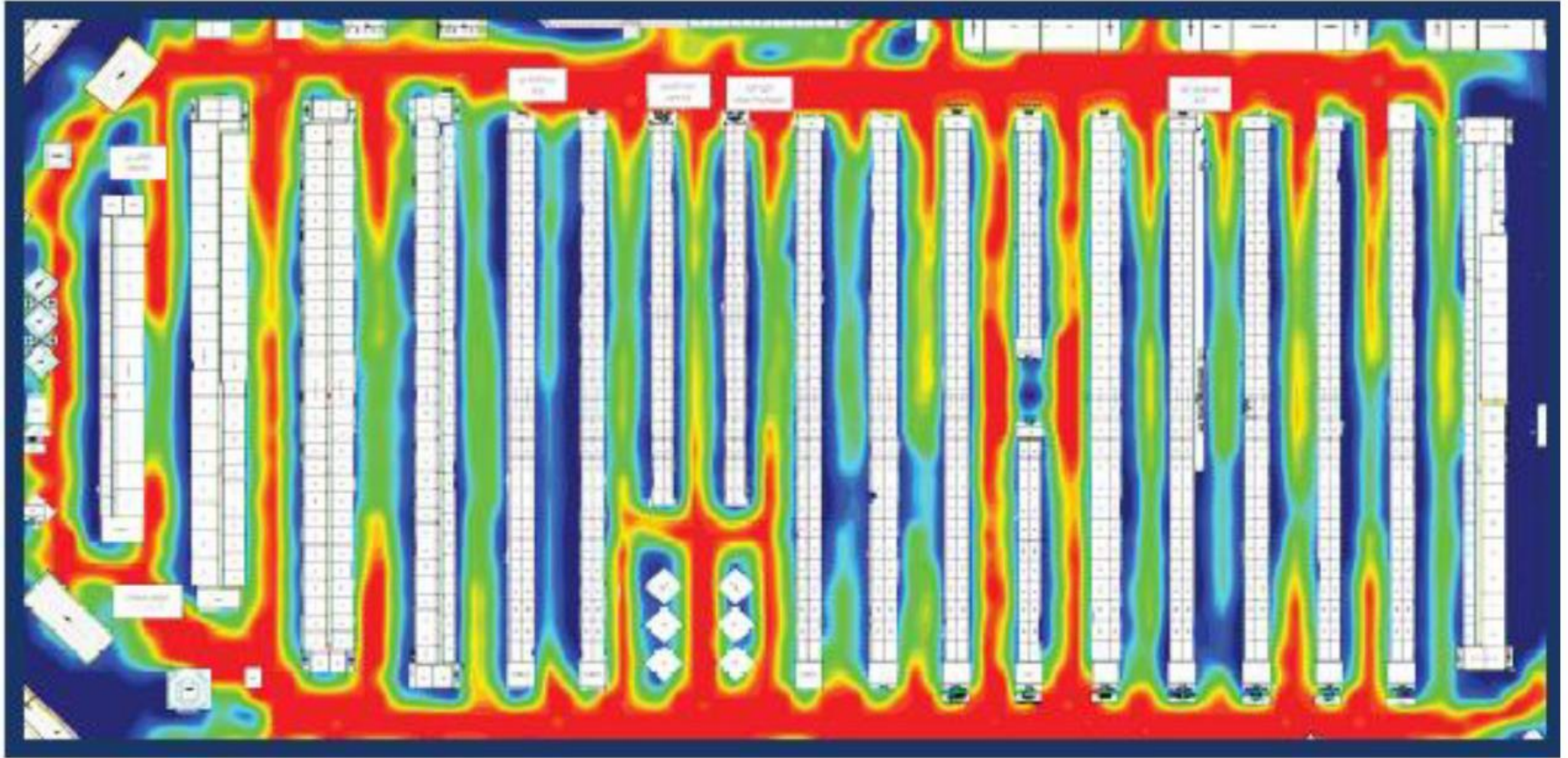




The Power of Lighting

Changing the way shoppers experience retail

A Shrinking Center Store Business – But Why?



Source: Video Mining, Willard Bishop

Ignoring the Issue Will Help It Go Away



Offering an Enhanced Center Store Experience is Paramount

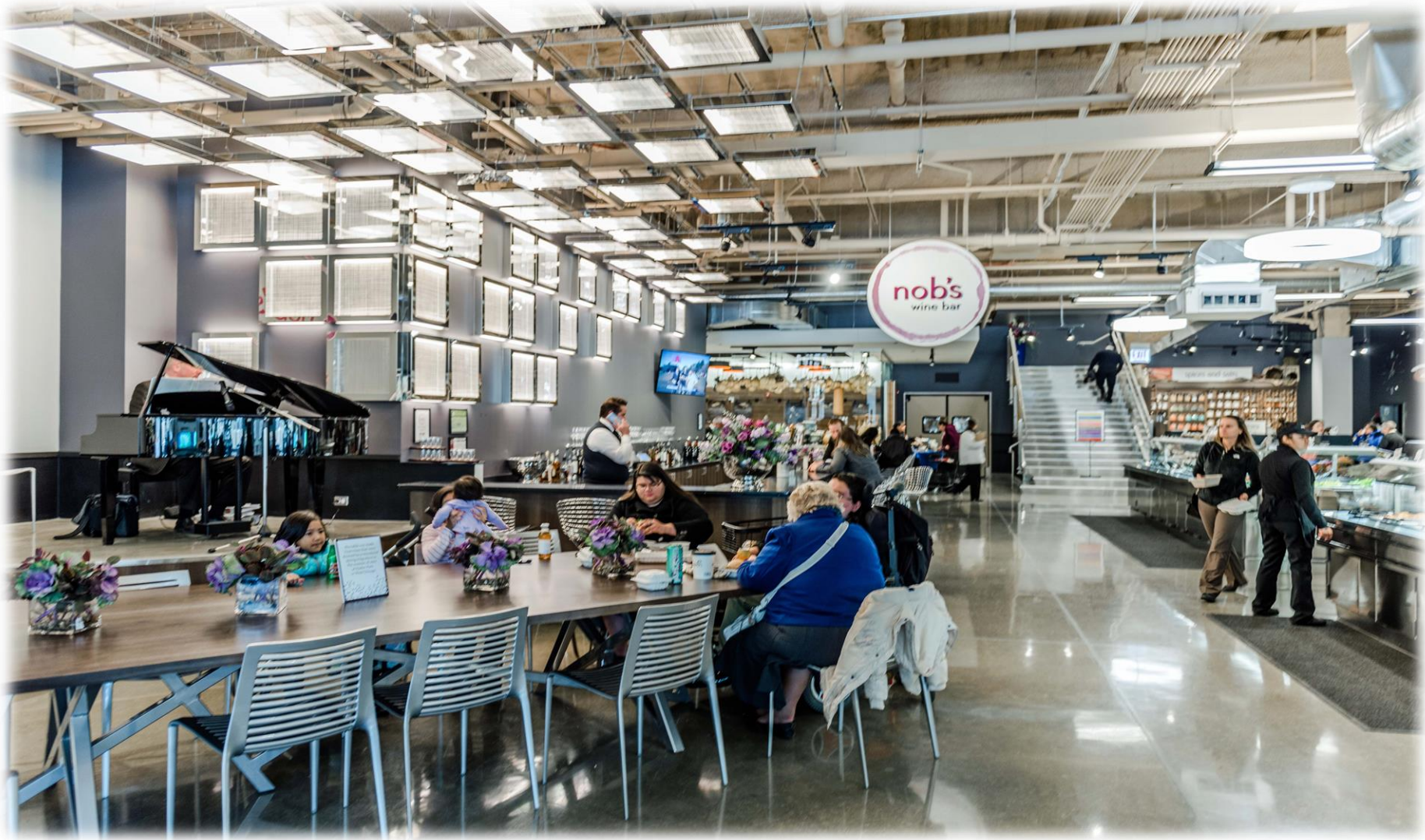


“Recognizing your consumers are on a journey is essential to winning in grocery retail...

The store itself must be a destination, and the experience of being in the store has to provide value in and of itself”

Sources: L.E.K. Consulting, *The Center Can Hold*, *Progressive Grocer* 2015

Reinventing the Experience Is Already Happening in the Perimeter



A Better Experience Requires A Better Visual Environment



Goal is to engage shoppers and make it easy to find items they need but discover new items they might like

Source: John Rand, Kantar, "The Center Can Hold" Progressive Grocer 2015

Temporary Solutions are No Longer Working



At best, temporarily increases sales if executed effectively... at worst adds reinforcement to “clutter” and “junk” sentiments of shoppers

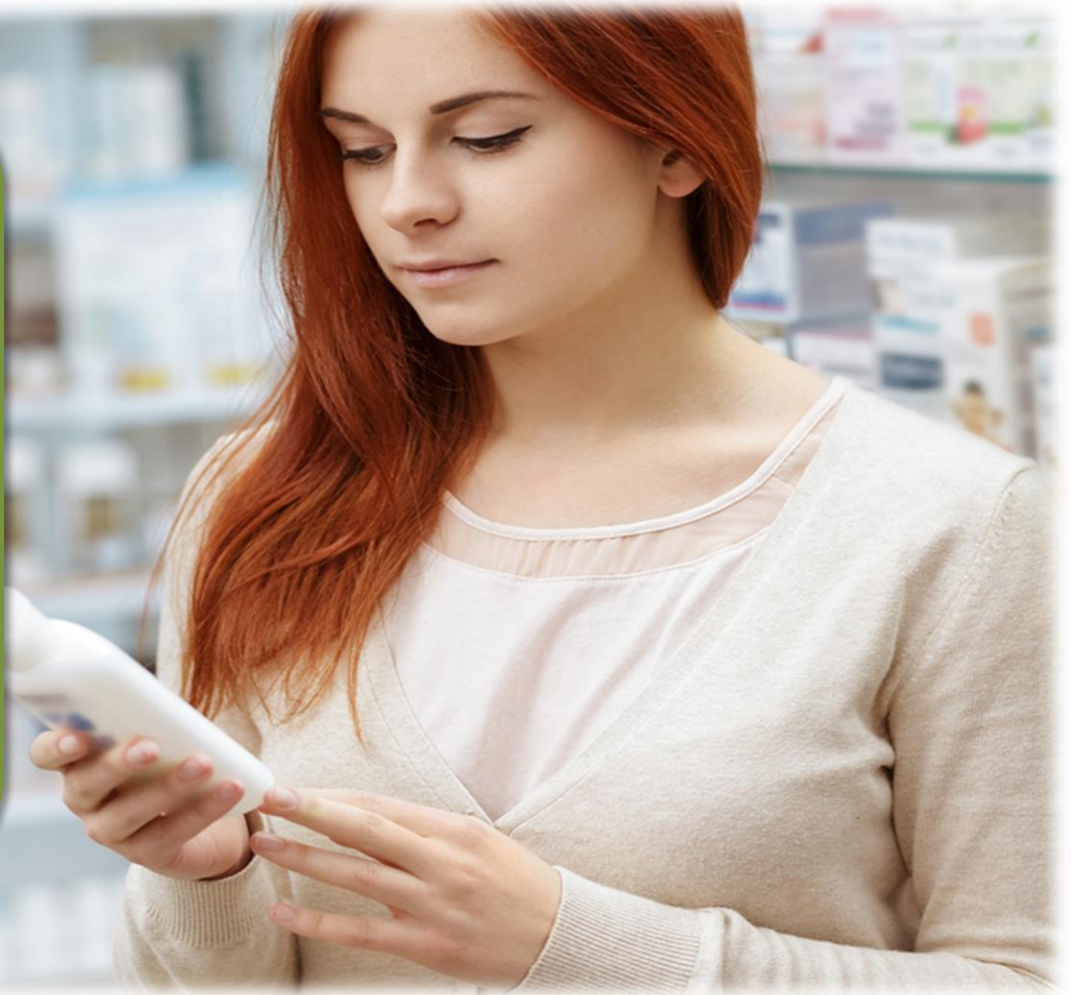
Enhancements in Center Store Should Mirror Perimeter Efforts



- Investment in more natural and organic items
- Improved assortment and quality of private brands
- Curated assortments to differentiate and improve value to shoppers
- A better shopping experience

Great In-Store Experiences are Crucial to Attract and Maintain Shoppers

- Personal Care / Beauty is often considered a “small indulgence”
- Education on product impact to health and wellness is important to shoppers
- Highlighting new items offers shoppers engagement with new flavors, colors, or features



Capture Attention and Encourage Shoppers to go Down the Aisles



Illuminate the Path to Purchase in Center Store



- Lighting has the power to invite and communicate
- Gracefully captures and directs attention and encourages shoppers to linger longer at product displays
- Moves them to buy more -- and more frequently.

*But the real beauty of the power of light is this:
it's simple.*

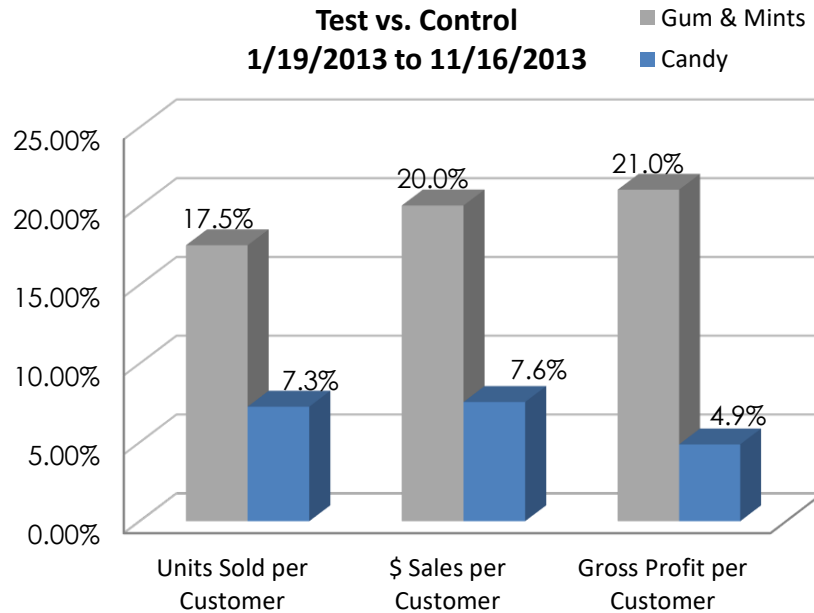
Shoppers Report Lighting Improves their Perception of the Store



- Merchandising more noticeable
- Store feels cleaner, brighter - product appears "fresher"
- Improves perception of value to shoppers

*Customer intercept feedback of consumers across stores and channels.

Lighting Has Proven To Increase Sales



- 8 Test / Control Stores
- Identical Conditions
- LED Only Variable

Impulse Marketing had access to weekly sales by item by store.

Variances by store were controlled using unique transaction and thus verify the accuracy of these results.

Accent Lighting Attracts Shoppers and Impacts Purchase Behavior



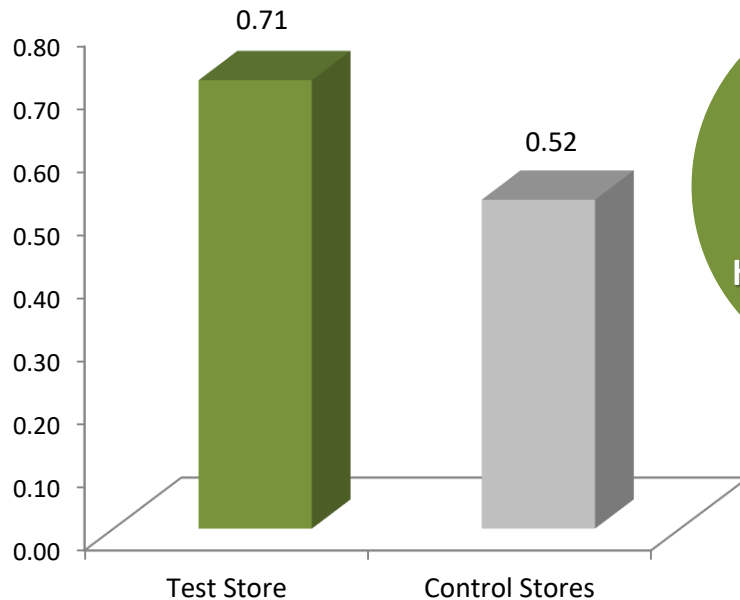
Hong Kong, China 2015

Accent Lighting Attracts Shoppers and Impacts Purchase Behavior



Lighted Sections Trade Up and Impact Purchase Behavior

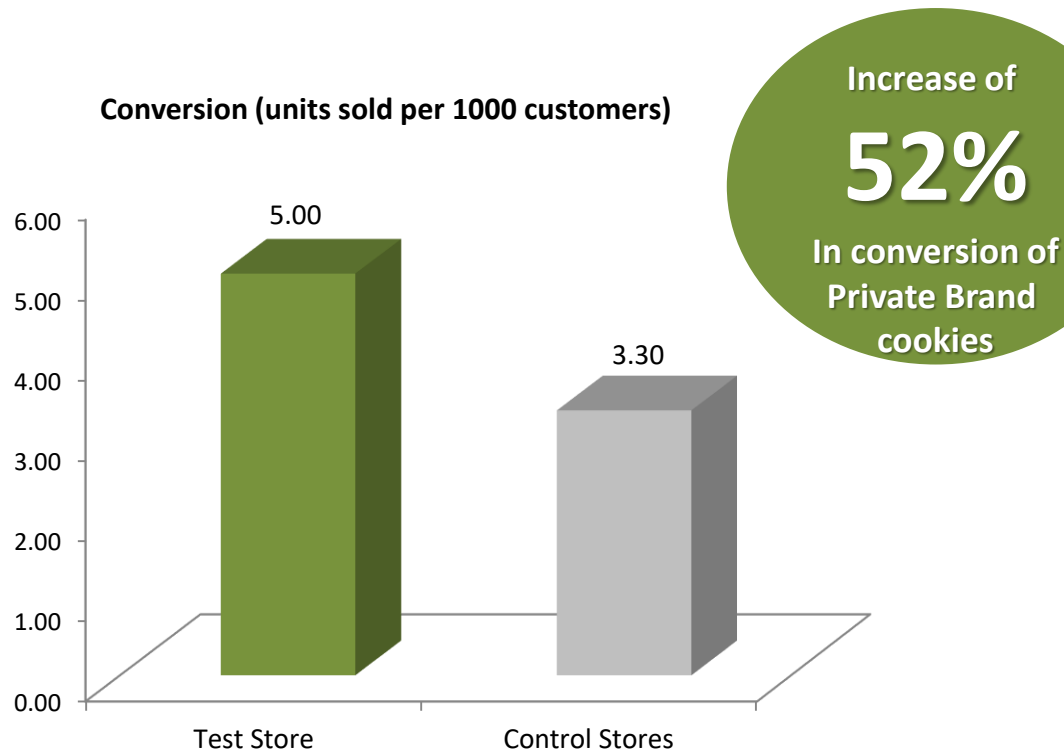
Conversion (units sold per 1000 customers)



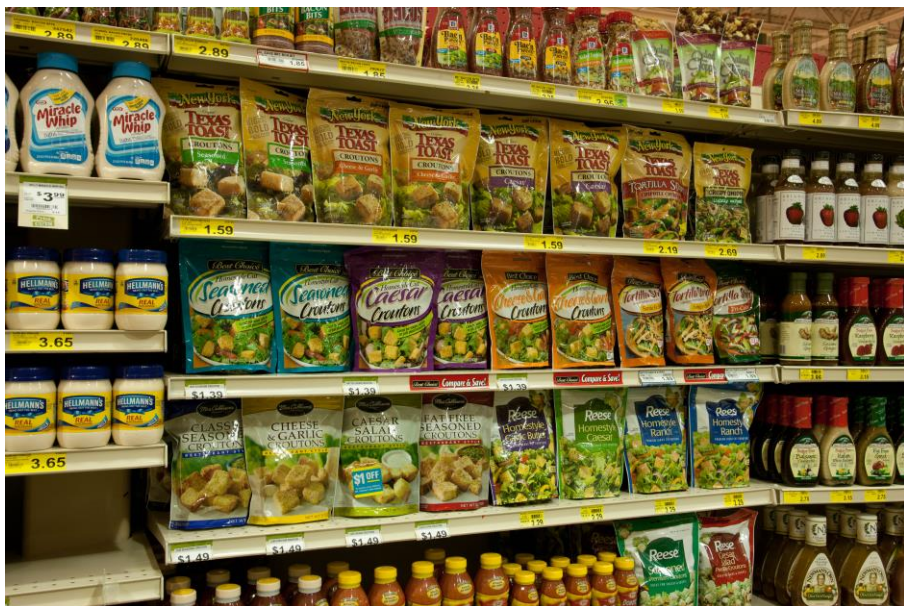
Increase of
36%
In conversion to
higher priced natural
and organic items



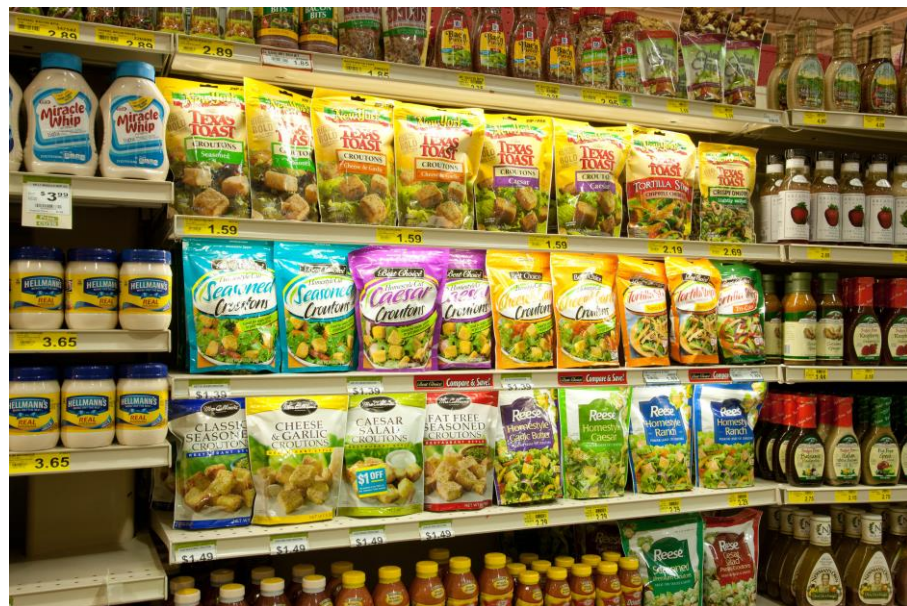
When Lighted Promoted Items Drove Higher Conversion



Use Lighting to Feature Brands and New Items in Aisle



BEFORE



AFTER

Using LED lighting at shelf to highlight what you want your shoppers to notice, engage, and buy in aisle in your stores

Power at the Shelf Opens UP a Host of New Opportunities



LED Signage Helps Navigate and Enhance the Experience



LED Signage Can Create “Boutique-Like” Shopping In-Aisle



Improves Navigation and Communication



Lighted End-Caps Engage and Delight the In Store Experience



Motion Sensors and Lighting Draws Shoppers Into the Aisle



Impulse Category Benefit with Significantly Higher Sales



Featured Lighting an Emerging Trend Across Retail Channels



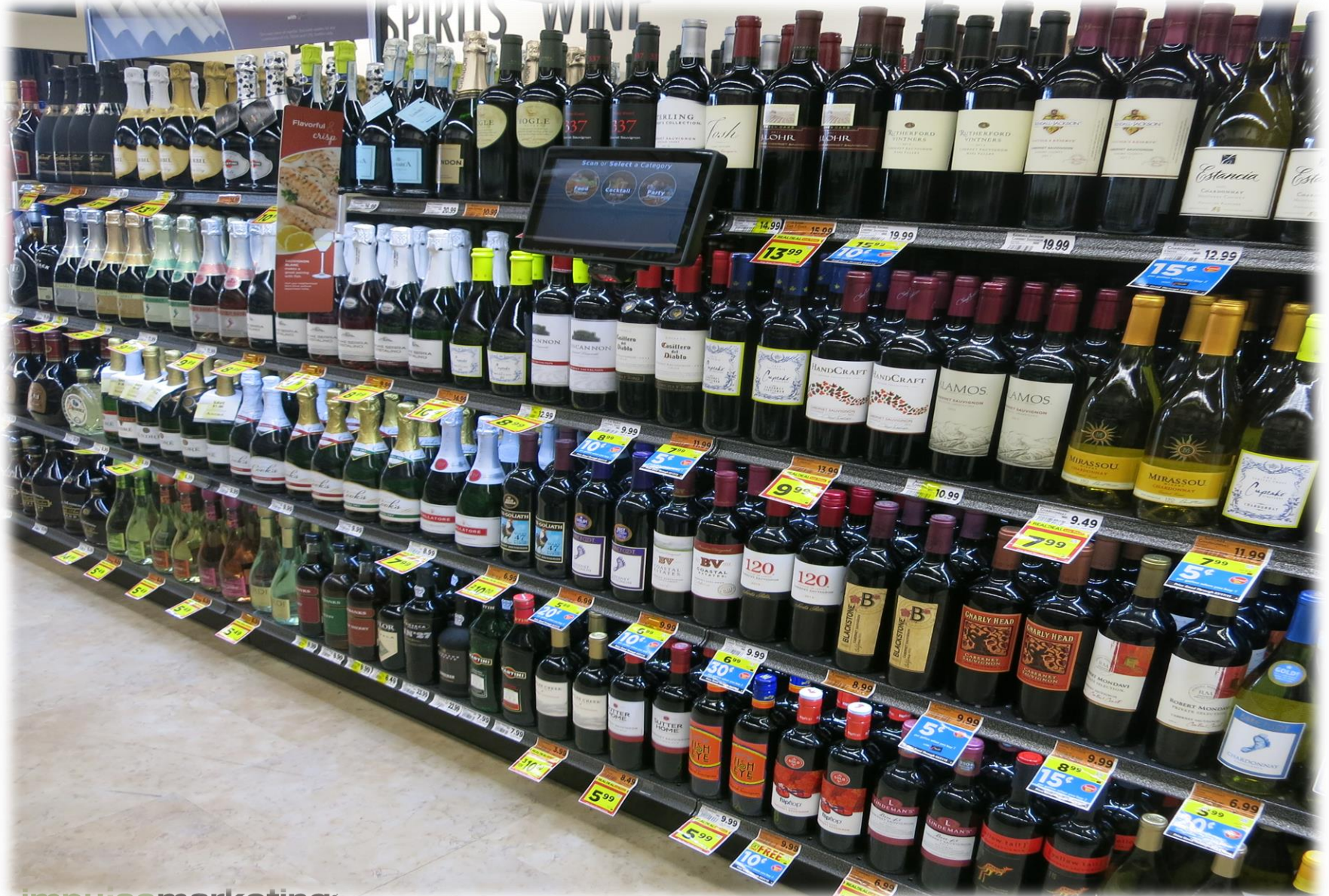
Featured Lighting an Emerging Trend Across Retail Channels



Featured Lighting an Emerging Trend Across Retail Channels



Featured Lighting an Emerging Trend Across Retail Channels



Bright Ideas for Improving the Shopping Experience

- Consider your stores – What makes you different? What do you want your shoppers to notice? What areas can be improved?
- Use lighting to feature departments and specific assortments that are critical to your business
- Select solutions that are flexible to meet the needs of future merchandising initiatives
- Invest in power infrastructure system as part of remodels and new stores



Thank you.

Cam Cloeter

908.310.8680

Cam.cloeter@impulsemarketingco.com
www.impulsemarketingco.com