

## An introduction to Electronic Shelf Edge labels

A significant amount of British customers make unplanned in-store purchases. Their decisions are commonly based on price. **76% of purchase decisions are now made at the shelf-edge, and 60% of Brand (switch) decisions are also made at this point.** Met with the fact that **58% of Shoppers state they are buying more on promotion since the start of 2012**, it is important for stores, to ensure that both pricing and promotional messaging is easy to see and compelling at all times, encouraging purchase and customer retention. 90% of retail still goes through the traditional store. For a convenience retailer, ESLs encourage customers to shop locally, after all, why shop elsewhere when the shelf-edge is maximised to offer the best deal around?

Until now, in-store merchandising has been limited in responsiveness to market changes, consumer behaviour and the ability to adapt. Electronic Shelf Labels (ESLs) overcome this, offering an adaptive strategy to your merchandising, within individual stores based on geography, demography and the competition surrounding.

Pricer SmartTAG ESLs, which are offered in the UK by the Herbert Group, facilitate customer engagement and retention by allowing time-of-day promotions, and the implementation of additional added-value point of purchase information, such as cost per unit, recipe ideas, QR codes, suggestions for accompanying products - wine to compliment a meal, or seasonal vegetables to accompany a meal perhaps. The potential for up-sell and cross-sell is vast, adding real business advantage, whilst offering the customer great offers, which encourages repeat business.

NFC enabled SmartTAG ESLs can facilitate additional benefit, by enabling customers to link to online information, such as product reviews, recipe pages, loyalty programmes and much more. This creates a highly engaging experience for the customer, and of course creates metrics and data for your marketing team's analysis.

### The Technology

Using technology similar to e-readers, The Pricer Smart TAG ESLs offered by the Herbert Group, dynamically display price and product information at the shelf edge. All labels work together on a single system, and sizes, shapes and screen styles(including HD models) can be mixed according to store and product requirements; there is also a special SmartCLIP and SmartFRAME available allowing the application and insertion of eye-catching promotional shelf talkers, wobblers and graphic frames to multiply and match your other store promotions, drawing the customer's eye to promotional deals.

Much more durable than paper, Pricer SmartTAG ESLs operate on long-life replaceable batteries, and can be updated over and over. On top of this, infrared wireless connectivity,

which is stable, secure and will not interfere with mobility devices, or other in-store electronics that you might operate or sell, is used to communicate to and between the ESL units. Bi-directional Infrared communications are made from the central/back-office, so the update is sent, and each individual ESL communicates back to inform the central system that the update has been received and applied, perfect for auditing and analysis.

The key component of the Pricer system is the Pricer web-based software which supports the way retailers implement and manage the ESL environment. This powerful and flexible software aids quick deployment, along with store-wide management. Price management, full visibility along with a host of tools, enable control and optimisation of the SmartTAG ESLs.

### **Benefits to the organisations**

SmartTAG ESLs offer significant benefits to the business, both in terms of product up-lift, merchandising capability, and store strategy. Some examples of the benefits that are being realised by those that have adopted Pricer ESL technology include:

#### **Labour Saving**

Significant labour saving can be achieved by not having to deploy staff to make shelf edge price and merchandise information updates. Instead, Staff can be better deployed to serve and engage with customers.

#### **Improved waste management**

Using adaptive pricing can result in a significant reduction in lost revenue due to product waste. This ensures that short shelf-life items, especially seasonal products such as soft fruit for example, are appropriately priced to sell during the shelf period. Improved waste management is good for store revenue and helps in meeting Green Credentials and landfill waste commitments.

#### **Cross-selling and up-selling**

SmartTAG ESLs help increase the size of the average consumer's basket, offering a considerable impact on volume. Merchandising strategy can be extended to multiple products, ideal for time-of-day promotions, meal-deals, seasonal deals and more.

#### **Improved operational process**

Automatic updates, instant store data retrieval and enhanced merchandising, all help to enhance operational performance, which of course leads to a better sales proposition to your customers.

## **Omni-Channel strategy**

When it comes to fulfilling and enhancing your omni-channel strategy, Pricer SmartTAG ESLs give retailers the possibility of updating and aligning pricing automatically and instantly, with prices that are shown on their online platforms. This gives businesses the opportunity of providing the same shopping experience to customers, whether they are buying online, in-store or whilst being mobile on their handheld devices. NFC enabled SmartTAG ESLs can also link customers to online information for price comparison checking.

## **In Summary**

Pricer SmartTAG Electronic Shelf Labels provide high-speed updates of pricing and promotional messaging, with best readability and contrast of all ESLs worldwide. Whatever the store type or size, an affordable and flexible solution is available for enhancing customer engagement, satisfaction, product up-lift and store margins.

## **About the author**

Mark Channen is head of Marketing at the Herbert Group, an established provider of class-leading solutions to major organisations in fast moving industries in the UK. Focused on business improvement, Herbert's technology driven solutions deliver increased productivity and provide clients with a competitive edge.