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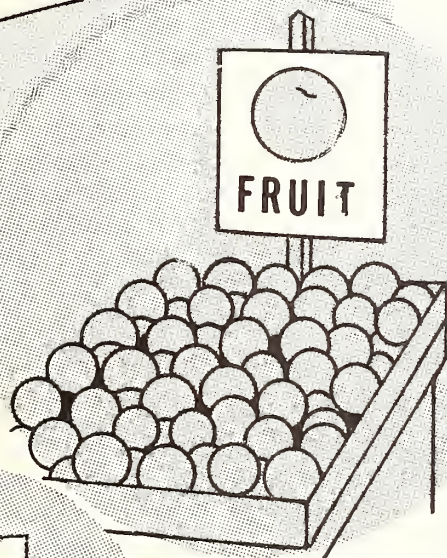
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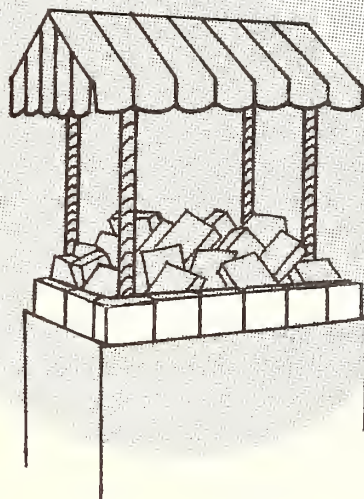
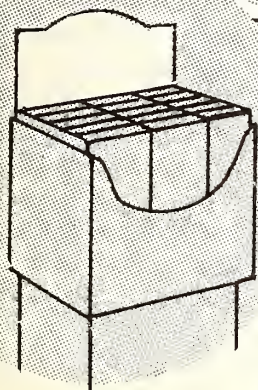


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POINT-OF-PURCHASE ADVERTISING AND FACTORS INFLUENCING USE IN SUPERMARKETS



PREFACE

This report analyzes the use of point-of-purchase materials in retail food stores. It combines results from observations of promotional materials actually in use with factors influencing their acceptance by store managers, headquarters officials, and food wholesalers. It is intended as a guide for food processors, distributors, and agricultural commodity groups to assist them in providing more effective promotional material to maintain and expand markets. The study is part of a program of marketing research carried out by the Economic Research Service to evaluate and improve merchandising and promotional practices for farm products.

Part of the study was carried out in cooperation with Family Circle Magazine. George Sacks, Vice President and Research Director, and J.B. Scarborough, Marketing Director, Family Circle Magazine, made substantial contributions to the planning and direction of the interview phase. The research was conducted under the general supervision of William S. Hoofnagle.

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SUMMARY

The use of point-of-purchase advertising material in supermarkets varies by geographic region and type of store management, but primarily by store size. Larger stores use more material because they have more display space and are likely to offer more items and a greater variety of items.

Most point-of-purchase pieces used by supermarkets promote food products, but about 14 percent are for nonfood items. Window display and general promotional pieces combined constitute about a sixth of the materials in use.

Between a fourth and a half of all point-of-purchase material used is part of a larger merchandising effort such as a storewide promotion. The classification of promotional pieces into categories is complicated by unique features built into them by many suppliers. Nevertheless, the price card is most commonly used, followed by posters, pennants, streamers, and banners.

The 3.6 million pieces of point-of-purchase promotional material in use, an average of 127 pieces per supermarket, demonstrate their value to the Nation's 28,000 retail food stores having annual sales of \$300,000 or more.

Findings in this report relating to use of point-of-purchase advertising material were obtained through observations in over 1,800 food stores located in more than 200 cities throughout the United States. A second phase of the study was concerned with factors and conditions influencing the use of point-of-purchase materials. Over 400 supermarket managers, headquarters officials, and wholesalers located in 10 major metropolitan areas in the country were interviewed. Only stores with an annual sales volume of over \$300,000 were included in the study.

Major findings from the study include the following: The retailer or retail organization provides more than half of the promotional pieces used in the store; processors close to two-fifths; and agricultural commodity promotional groups supply a tenth. When price cards are excluded, processors become the most important source except in the produce department, where this distinction falls to the agricultural commodity promotion group.

There is little relation between a department's share of total store sales volume and its proportion of promotional material used. The type of promotional material used, however, is influenced by the products sold and the characteristics of the display fixtures in the department.

Practically all supermarket operators use point-of-purchase promotional material. The most important attributes for their acceptance are: (1) They are supported by local or national advertising; (2) they are attractive and add to store appearance; and (3) they are suitable for promoting high profit items.

Posters, pennants, streamers, and banners are considered to be the most effective types of material; color is deemed essential to effectiveness; and themes showing seasonal, or timely use of food, are considered to have the greatest impact.

Almost all respondents agree that certain product categories are "least suited" or "best suited" for promotion, but do not agree on specific products meriting either classification. Moreover, retailers indicate that their prime consideration in evaluating point-of-purchase material is whether it will influence sales. Size and type of piece are the most important requirements that point-of-purchase suppliers must meet, in addition to a frequently imposed restriction by corporate chains that prior approval be given by headquarters.

While many retailers use point-of-purchase materials for nonadvertised products, tie-in with other advertising is often a prerequisite for accepting and using point-of-purchase materials.

There is no agreement about how far in advance the material should reach the store, but most material is put up by store personnel, even though most store managers prefer that the processors' representatives put up the material. A larger amount of point-of-purchase advertising material would apparently be put up by processors' representatives except for the fact that, in many cases, company or union rules prohibit this.

Trade officials indicate that considerable material not requested is received, but that material requested is more apt to be used. Nonuse is attributed in large part to not enough space or too much material available, but a sixth of the managers indicate that they do not receive adequate amounts of material.

Trade officials, while not indicating complete satisfaction with the material available to them, have no suggestions for any major or dramatic changes.

Agricultural commodity groups are not thought of as major suppliers of point-of-purchase advertising materials, but a majority of those interviewed regularly receive promotional kits from these groups.

POINT-OF-PURCHASE ADVERTISING AND FACTORS
INFLUENCING USE IN SUPERMARKETS

By
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and
Martin Leiman, Marketing Specialist

INTRODUCTION

Major changes in food processing and shopping habits and consumption practices of the American consumer have accompanied the development of self-service and emergence of the supermarket as the major means of retailing food.

Today's typical supermarket offers consumers 6,000 or more items to choose from when they travel through the store. While a large number of items are nonfood, customers may select from a variety and array of food items unrivaled in the world.

Development and introduction of new products, or changes or modifications in existing products, have become the way of life in food retailing. While these product innovations are desirable and vital, they present a continuing problem to the retailer in allocating a limited amount of selling space to an almost limitless number of products competing for it.

Another problem basic to effective selling by the supermarket is bringing the consumer and the product together. As self-service becomes dominant and personal selling is increasingly eliminated in food retailing, the sale of a product becomes increasingly dependent upon its ability to attract the customer's attention. Because of these changes, various means of providing better customer-product exposure are being examined and used. 1/

In the last decade, manufacturers, processors, and distributors 2/ of food products have placed increased emphasis on various forms of promotion as a means of compensating for the absence of salesmen and of influencing consumers to buy their products. Through advertising in various media, an attempt is made to presell or create demand. However, the realistic food

1/ A more detailed discussion of the problem is provided by Van Dress, Michael G. Shopping Behavior of Customers in Modified and Conventional Layouts of Retail Food Stores, Marketing and Transportation Situation, Economic Research Service, U.S. Dept. Agr., May 1964, p. 21.

2/ The terms manufacturers, processors, and distributors are used interchangeably throughout this report. Although firms in these categories perform different functions, they do have one thing in common -- the control of a branded food or nonfood product.

advertiser, while expecting his advertising to be effective and to create a favorable image, does not anticipate that the majority of consumers will immediately rush to the supermarket to purchase the product advertised. He does hope to create a latent demand that will be triggered when the housewife makes her next shopping trip.

While there is a vast and increasing amount of advertising devoted to foods as well as to nonfood products, advertisers have come to realize stimuli are also needed within the food supermarket to complement and round out the advertising effort.

Consequently, the food processor through packaging, variety, and other means has attempted to build into his products stimuli that will attract and sell the shopper. The retailer--through special displays, store arrangement, and layout, and the use of display fixtures--attempts to present these products in the most favorable light. However, great emphasis has been placed on extending advertising to the store through the use of promotional material at the point of purchase.

Point-of-purchase advertising materials 3/ are those displayed in the store where a product is offered for the purpose of stimulating purchasing action on the part of shoppers present in the store. 4/ These materials take many forms, but in all instances are considered a means of bringing the product to the attention of shoppers and selling them as they move through the store.

Today, most food processors create point-of-purchase advertising material to support their products at retail and a large number of agricultural promotional groups make commodity- or product-oriented materials available to food retailers. Retailers provide a large quantity of their own materials.

Suppliers of point-of-purchase advertising materials, particularly agricultural-commodity-oriented ones, have expressed concern at the effectiveness of their promotional activity in this area. They are concerned with the possible waste, as they have no measure of the actual use being made of materials provided to retailers. They are also concerned because they do not have realistic indicators of the materials retailers consider most effective and will most likely use. Information is needed that will enable suppliers of point-of-purchase material to create promotional pieces that will best meet the needs of the food retailer. This information should include type of material desired, quantity, time and place needed, and other conditions that will insure the most effective effort in the area of promotion.

3/ The definition of point-of-purchase advertising materials used in the study is more limited than that generally used by manufacturers of these materials. The Point-Of-Purchase Advertising Institute defines p-o-p as "Those devices and structures located in, on, or at the retail outlet which identify, advertise, or merchandise the store for the products sold therein and thus aid the retailer through stimulating the customer to self-direction, self-selection, or self-service."

4/ Types of point-of-purchase advertising materials are listed and defined in detail in the appendix, pp 25-26.

Purpose of Study

The purpose of this study was to observe and describe point-of-purchase material in use by food supermarkets and, through interviews with retail and wholesale officials, to determine the most important factors and conditions influencing use of these materials.

The first phase of the study included observation and classification of point-of-purchase material displayed in a representative sample of 1,815 retail food stores throughout the United States. Only food stores with an annual sales volume in excess of \$300,000, of which there are an estimated 28,000, were included. Stores meeting this sales volume are hereafter referred to as supermarkets for purposes of this discussion.

Observations were conducted during June 1961, with data processing being completed in early 1962. Promotional pieces were counted individually. However, if a promotional piece was part of a special display or a storewide promotion, this was noted.

The second phase of the study was conducted under cooperative agreement with Family Circle Magazine, which financed the necessary fieldwork, classification, and tabulation of the data. This phase included interviews with a sample of store managers, headquarters officials, and wholesalers in the following metropolitan areas:

Providence, R.I.
Buffalo, N.Y.
Atlanta, Ga.
New Orleans, La.
Dallas, Tex.
Cincinnati, Ohio
Minneapolis-St. Paul, Minn.
Denver, Colo.
Portland, Oreg.
Los Angeles, Calif.

Interviews were completed with 237 supermarket managers, 85 headquarters officials, and 87 wholesalers. As in the observation phase, only stores with sales over \$300,000 annually were studied. Included were managers of corporate chain stores, independents, and stores belonging to a voluntary, chain, cooperative, or affiliated-type group.

For discussion purposes, corporate chains are referred to as chains; affiliated independents as cooperatives and voluntaries; and nonaffiliated independents as independents.

Definition of Point-of-Purchase Advertising Materials

To audit and classify the point-of-purchase materials displayed in retail food supermarkets, they are defined as materials designed for temporary use in the store to call attention, to advertise, or otherwise promote the sales of products or services sold by the store. They include materials promoting individual brands, product groups, commodities, or all store products through promotion of the store itself. Some of these materials are relatively simple, showing only the brand name or the product name and an illustration of the product or its package. Designers of these pieces assume, in most instances, that the shopper is familiar with the item's major characteristics and uses.

Other pieces range from simple to extremely elaborate. The material usually attempts to portray or illustrate realistically some of the promoted product's characteristics and values that may be most appealing to consumers. In addition to providing a complete selling message to the shopper, many pieces are designed to complement advertising or promotion that shoppers have been exposed to outside the store.

Not all signs or posters used in a food supermarket are classed as point-of-purchase materials. For example, in our study signs solely designed to provide direction or information were not considered promotional pieces.

A price card which said "Sirloin Steak, 89¢ a pound," was not counted as a point-of-purchase piece. However, if a price card said "Special Today, Delicious Sirloin Steak, 89¢ a pound," it was counted as a point-of-purchase piece.

The basic criterion here is that there must be some promotional message for a price card to be considered as a promotional piece. For purposes of this study another qualification for a point-of-purchase piece was that it was temporary in nature. While this is not easily defined, a permanent sign saying, "Finest Meats in Town" was not counted. Neither were murals, directories, or signs that were a permanent part of the store's layout or decor. 5/

USE OF POINT-OF-PURCHASE DISPLAYS

The approximately 28,000 U.S. retail food stores having annual sales in excess of \$300,000 each, use 3.6 million pieces of instore promotional material, or an average of 127 pieces per store.

The use of point-of-purchase material varies directly with store size. Small stores, those with less than 5,000 square feet of selling space, average only 88 pieces, compared with 167 pieces used by stores with 10,000 or more square feet.

5/ Material of this nature, while not included in this study, would be considered point-of-purchase advertising based on the definition in footnote 3, page 2.

Marked variation in use of instore promotional material is found among the geographic regions of the country, ranging from a low of 97 pieces per store in the Northeast to a high of 169 pieces in the West. Stores in the North Central region and the South use 132 and 120 pieces per store, respectively. Level of usage also varies by type of store management, with corporate chains the heaviest and independents the lightest users. On the average, corporate chain stores use 143 pieces; voluntaries and cooperatives, 122; and independents, 92. In both instances, variation in usage appears to be more a reflection of store size than location or type of management.

Three-fourths of the instore promotional material used by supermarkets is specifically directed toward food items. This proportion of material is fairly constant among stores in respect to both location and store sizes (table 1; all tables are in the appendix).

Almost 14 percent of the pieces promote nonfoods, but there is considerable variation among stores. For example, large stores devote a larger percentage of their material to nonfoods than small stores. This undoubtedly reflects the fact that the number of nonfood items stocked and the space devoted to them tends to vary with store size. On the other hand, small stores utilize a larger proportion of their material for general store promotion than large stores.

The most frequently used instore promotional pieces are price cards; posters, pennants, streamers, and banners; shelf talkers; and clusters and replicas. Combined, these make up almost 88 percent of all material used. By individual types, price cards are by far the most dominant piece, accounting for almost 40 percent of all those used in a store. This is true, although only price cards that carry a promotional message in addition to normal product identification and price are considered instore promotional material (table 2).

Seasonal Influence

Findings as to use of point-of-purchase materials are based on store observations conducted in June. Although this precludes any measure of seasonal variation in volume of material used, retail trade officials and point-of-purchase material suppliers generally agree that seasonal influence does not materially affect the total volume of material used. However, it is recognized that for highly seasonal produce items, instore promotion will vary directly with their availability. Additionally, instore promotion is likely to be heavier around Thanksgiving, Christmas, and other national and religious holidays and seasonal events such as summer cookouts, back to school activities, etc., than at other times.

Characteristics of Point-of-Purchase Materials Displayed

A look at all point-of-purchase materials in actual use in supermarkets shows a composite or typical piece as 3 square feet or less in size and made of paper. It is nonpictorial, colored, straight cut, in good condition, and has printed information. The typical piece provides price information, is displayed less than 10 feet from the product promoted, and is most often attached

to the display fixture or the product promoted, or is part of a special display.

Since price cards account for about 40 percent of all point-of-purchase material used, the characteristics of this piece are so dominant they partially camouflage those of other important and regularly used point-of-purchase pieces, a majority of which are provided by sources other than store management.

To provide outside suppliers with more realistic information on the use of their materials, the characteristics of these pieces are examined separately. When price cards are excluded from consideration, almost three-fourths of the pieces do not contain price information; and in contrast to price cards, a majority of which are hand lettered, a strong majority are pictorial. Over 80 percent have printed information.

In addition, slightly more than half of these materials are not attached directly to the display fixture, the product, or a product display. About 20 percent are displayed from overhead wire. When price cards are excluded, more of the pieces are in color and larger. More die-cut or irregularly shaped pieces are used, and the pieces are often displayed farther away from the product promoted. Regardless of type of material, very few pieces use artificial light (table 3).

Over 80 percent of all pieces displayed in the store promote only one item. Price cards, shelf talkers, and shelf or bin strips in practically all instances feature a single item. Between a fifth and a third of all other types of point-of-purchase advertising feature more than one product.

Sources of Material

Promotional pieces used in supermarkets come from three major sources--store management, suppliers of branded products, and commodity promotional groups (table 4). Despite the widespread distribution of these materials by manufacturers of branded products and by commodity promotional groups, the store itself provides more than half of the pieces used. The next ranking source of material is the manufacturer or supplier of items being promoted at the point of purchase. This source provides just under two-fifths of all material used. While commodity groups provide only about one-tenth of the material used throughout the supermarket, the importance of this source is much greater for certain product groups and store departments. In the study, sources of point-of-purchase materials were ranked solely on the basis of number of pieces displayed.

There is considerable variation among stores in the volume of point-of-purchase material that is provided by store management. Large stores furnish a much greater proportion of the pieces used than small stores. There is also rather sharp variation among geographic regions in the proportion of material furnished by the various sources. However, irrespective of size of store or location, the store itself remains the major supplier of point-of-purchase material. Chain food stores place heavy dependence on their own instore promotional materials. Affiliated and voluntary chains and independents,

although providing a considerable volume of their own point-of-purchase pieces, rely more on outside sources, particularly brand product manufacturers.

Looking at individual promotional pieces, we find that the store itself or its management is a dominant supplier of point-of-purchase principally because of its emphasis on price cards. Our observations indicate that close to 90 percent of the price cards are provided by the store. Manufacturers of brand products provide the majority of all pieces of all other types except for price cards, and clusters and replicas. Commodity groups favor clusters and replicas, and rank slightly ahead of manufacturers as a supplier of these pieces. Thus, in general, brand product manufacturers and commodity groups are the major sources of the more sophisticated types of material, presumably the most costly to produce.

Distribution of Material in the Store

Store Window

Slightly over 7 percent of all point-of-purchase material used in a supermarket is displayed in the store window. Use is highest in the Northeast, where over a tenth of the material is found in the store window, and lowest in the West where only 5 percent of the pieces are displayed in this manner. Independent store operators appear to place slightly more emphasis on use of window displays than either corporate chains or voluntaries and cooperatives. There is some evidence that use of window materials is highest in smaller stores. Other factors that may influence use of window material such as store design (amount of window area) and customary merchandising practices, were not ascertained in the study.

A majority of the pieces used in the store window feature food products, with meats and grocery items receiving primary emphasis. General store promotions are also reflected by a substantial number of window pieces.

Posters, pennants, streamers, and banners account for close to three-fourths of the material displayed in the window. Almost 60 percent of the window pieces are classified as large, being more than 3 square feet in size. Close to 70 percent of the pieces are provided by store management and show the price of the product being promoted.

General Store Promotion

Including material displayed in the store window, over a tenth of that used in the store emphasizes general store promotion. That is, it points up special or storewide sales, such as back to school, or emphasizes services and features of the store. Promotional pieces included in this category do not feature specific products. Use of general store promotional material is highest in the Northeast and lowest in the West. Corporate chains also emphasize general store promotions more than other types of management. Most of the general store promotion materials include posters, pennants, streamers,

and banners, which are displayed on overhead wire or by other means. Store management is the source of about half of the pieces, but food processors and trading stamp companies are substantial suppliers of these pieces.

Types of Promotion

The study brought out these facts on promotion: About a fourth of all materials promoting specific products are part of, or tied in with a storewide promotion. Storewide promotions generally can be identified by the use throughout the store of materials of similar design, color, layout, and theme. For example, stores having "manager's sales" use this theme in all promotional pieces, but pieces used in the various store departments carry different messages peculiar to the specific product or products featured. Thus, the theme and format are uniform, but the specific product promoted is varied from department to department.

Tie-ins of specific product promotion with a storewide effort are slightly higher in the West than in other regions, with incidence of use being highest in large stores and corporate chains. Mobiles and danglers and animated displays are more likely to be used in storewide promotions than materials such as price cards, shelf or bin strips, and shelf talkers.

Slightly over a fifth of all pieces featuring a specific product or products are used with a special display of the products featured. Use of point-of-purchase material as a part of this frequently used merchandising technique are more frequently practiced in the West and least used in the South. Little difference in use is found among large, medium, and small stores. Point-of-purchase pieces normally displayed overhead in the store are more likely to be used with special displays of products than material attached to store fixtures.

With a fourth of point-of-purchase material used in storewide promotions and a fifth as a part of special displays, it is evident that food retailers often view point-of-purchase material as a part of, rather than independent of, their total merchandising strategy. Our observations showed that, although the same point-of-purchase material may have been used simultaneously as part of a storewide as well as a special display, a minimum of a fourth and possibly up to almost a half of the promotional material observed was used as a part of a larger or combined merchandising effort rather than as individual pieces.

Food and Nonfood

Close to three-fourths of all advertising materials found in store promote food products. Nonfoods are featured in about 14 percent of all pieces displayed in the store, but more than two-thirds of the nonfood pieces are for conventional nonfood grocery department items. Point-of-purchase advertising materials for nonfoods displayed in a separate nonfood department account for only about 4 percent of all store pieces.

The study indicated that use of instore promotional material in nonfood store departments is slightly heavier in the West and by independent store operators. A wide variety of material is used by stores having separate non-food departments. About half of the pieces are price cards; but posters, pennants, streamers, banners, and shelf talkers are used extensively.

Products Promoted

There is little correlation between the allocation and placement of point-of-purchase advertising for items and the sales volumes of the store department in which they are carried. For example in the stores observed, only 12 percent of the total pieces are for meat department items, although this department often accounts for one-fourth of total store sales. On the other hand, heavier use of instore promotional material is shown for produce department items than is warranted by their contribution to total store sales. This department, which normally accounts for 10 percent or less of total sales, is promoted by over 16 percent of all the stores' advertising material. The grocery department, which is normally the major contributor to store sales, is also the major user of promotional pieces. However, grocery department items including food and nonfood items, which typically make up more than half of store sales, are featured in only 31 percent of the store's point-of-purchase pieces.

In promoting grocery items, price cards, shelf talkers, and shelf or bin strips account for almost three-fourths of the pieces used. No single grocery item is singled out for support by point-of-purchase materials. But canned fruits, vegetables, and juices combined, account for almost a third of the pieces promoting grocery items. The price card is the most frequently used piece for these canned items. For other grocery items, the shelf talker has a much higher incidence of use. Store management is the major supplier of price cards used for grocery items, but food processors are the major supplier of all other types of materials (table 5). Most of the pieces supporting grocery items are attached to the display fixture, a product display, or the product itself; and 85 percent of the pieces support only one item.

Produce ranks second among store departments as a user of point-of-purchase material. More price cards are used than other types of material, but extensive use is made of clusters and replicas and posters, pennants, streamers, and banners. Store management supplies close to half the pieces used for produce, but agricultural commodity groups supply almost a third of the pieces.

Commodity groups are the heaviest suppliers of clusters and replicas and posters, pennants, streamers, and banners. Most of the materials used for produce items are pictorial and price is not shown.

Around two-thirds of the produce promotional materials feature fruit, with citrus receiving major support. Among the stores observed during the study, apples received relatively limited support, but principally because of very light supplies during June, when observations were made. Clusters and replicas are the most commonly used type of material for all instore promotion of fruit.

Vegetables, including white potatoes, are featured in about a fourth of the pieces. Less than a tenth of the pieces support items other than fruits and vegetables in the produce department.

More than two-thirds of the materials supporting vegetables are price cards, and store management supplies close to 80 percent of all materials promoting vegetables (table 6).

Although the meat department normally ranks second in sales volume among store departments, the study indicated that it is third in the use of point-of-purchase material. In the stores observed, posters, pennants, streamers, and banners constitute about two-fifths of all pieces in use, with price cards accounting for about a third. More of the pieces were attached to the wall in the meat department than in any other department. One-third of the material promoted fresh beef; one-fourth, pork and ham; slightly over a tenth, poultry; and about 5 percent, lamb. All other meat department items were featured in about a fourth of the pieces. For beef, pork, and lamb, the pieces most frequently displayed were posters, pennants, streamers, and banners. Price cards were the dominant means of featuring poultry. Store management was the principal source of the materials used for these commodities. However, for lamb, one-fifth of the materials were supplied by commodity promotion groups (table 7).

Slightly over a tenth of all store materials support dairy products. This closely approximates this department's normal contribution to total store sales. Posters, pennants, streamers, and banners are the most frequently displayed type of material. Price cards and shelf talkers also find extensive use. The principal source of dairy department material is the food processor. Almost a fifth of the pieces feature milk. Less than a tenth of the material promotes eggs, with price cards the dominant piece (table 8).

Frozen foods are featured in about 9 percent of the total point-of-purchase materials used in the store (table 9). While price cards are in greater use than other types of material in frozen foods, shelf talkers and shelf or bin strips as well as posters, pennants, streamers, and banners find extensive use. Food processors are the principal sources of point-of-purchase materials, except for price cards which are predominantly supplied by store management.

Frozen juices receive more support than other items; but frozen fruits, vegetables, and juices combined account for less than half of the point-of-purchase advertising materials used in the department. Specialty items, which in many instances include higher margin items, are well supported by materials provided by the processor as well as store management. Practically all materials used in the frozen food department are attached to the display cabinet or the product itself.

FACTORS RELATING TO USE OF INSTORE PROMOTIONAL MATERIAL

Almost all food supermarket operators use instore promotional materials. Interviews of 237 supermarket managers or operators in 10 large metropolitan areas in the United States revealed only seven who never used instore promotional materials. About 85 percent of the store managers reported use ranging from moderate to heavy. Slightly heavier use was reported by corporate chain outlets than by affiliated and voluntary group members or independents. Headquarters officials of both corporate chains and voluntary or affiliated groups agreed with store managers as to the extent of use of point-of-purchase advertising, but tended to view its use in stores as heavier than reported by the store operator or manager.

More than half of the officials interviewed at both retail and wholesale levels considered posters, pennants, streamers, and banners as the most effective types of materials. Shelf talkers and animated-type materials were also rated highly by a sizable proportion of retail trade officials. However, many respondents failed to name a specific material as most effective, but rather indicated characteristics such as themes and sizes that must be met for the material to be most effective (table 10).

Despite the dominant position of price cards, shown by observations of materials actually being used, relatively few respondents considered them very effective for instore promotion. This apparent paradox is probably not indicative of the utility of price cards to retailers, but more likely is an indication that price information and product identification are considered the primary function of price cards--with promotion having a supplementary, but secondary, role.

There was close-to-unanimous agreement among retail trade officials that color is essential to the creation of effective point-of-purchase advertising. Red was the color most frequently nominated for effectiveness; but blue, green, and black were frequently mentioned. However, the most frequent response to the question of most effective color was the specification of "bright, striking, and vivid" colors. Many combinations of colors were thought to be effective, but no specific combination stood out.

Themes relating to seasonal or timely use of foods were mentioned most often as having greatest impact on consumers. Emphasis on price appeal was also considered by respondents as a theme that could be used to greater advantage in point-of-purchase advertising. Instore material for special sales and new products was also considered to have strong impact on consumers (table 11).

A majority of respondents at both retail and wholesale preferred point-of-purchase materials that feature more than one product. There was considerable variation in opinion as to the number of products that could be effectively promoted in a single promotional piece--ranging from "more than one to eight or more products." On the other hand, a sizable segment--from about a third of

all headquarters officials to 50 percent of the voluntary and cooperative group store managers--preferred that point-of-purchase materials promote only one product.

Nearly 50 percent of all store managers indicated they rarely or never used point-of-purchase materials for nonadvertised products. This qualification was more of an acceptance factor with independent store operators than corporate or voluntary and cooperative chain managers. Only 7 percent of the store managers and 14 percent of all headquarters officials indicated that advertising of a product was not critical to their acceptance of point-of-purchase materials for that product.

There was general agreement among both store managers and headquarters officials that certain products are "best suited" for point-of-purchase promotion. However, there was less agreement on specific products meeting this qualification. Produce was nominated most often as a product best suited for promotion, but by only a fifth of the store managers and a third of headquarters officials. Meat and fish items were rated about equal to produce as to suitability for promotion. Not only was a wide range of products thought to be best suited for promotion, but each respondent generally named more than one product or product group.

Some items found in all of the store departments were nominated as "least suited" for promotion, but no single product or product group was so labeled by a significant proportion of respondents. Over a fourth of retail store managers failed to nominate products as either best or least suited for point-of-purchase promotion.

There was considerable variation in the number of visits received per year by retail officials from representatives offering point-of-purchase materials. Twenty-eight percent of all store managers, 38 percent of headquarters officials, and 23 percent of wholesalers responding reported 52 or more visits per year by representatives offering point-of-purchase materials. At the other extreme, only 1 to 5 visits per year were reported by 20 percent of the store managers, 12 percent of headquarters officials, and 21 percent of wholesalers. Corporate chains, both at the store and headquarters levels, received more attention from suppliers of point-of-purchase materials than either voluntaries, cooperatives, or independent stores.

A large proportion of store managers felt that the number of times point-of-purchase representatives called was about right. This was generally true, regardless of the number of visits reported. However, 22 percent of the store managers who were called on 24 or more times a year by point-of-purchase representatives considered this too often. On the other hand, about an equal proportion of store managers felt that 1 to 23 visits was not often enough. Headquarters officials generally reflected the same views as store managers.

Many suggestions were offered as to what point-of-purchase advertising suppliers should stress in seeking acceptance and use of their materials (table 12). Information as to how the material can influence sales volumes was mentioned most frequently. Many replies to this question emphasized

desirable characteristics of point-of-purchase advertising rather than information point-of-purchase representatives should convey to prospective users of their materials.

Most store managers (65 percent), headquarters officials (77 percent), and wholesalers (73 percent) have specific requirements that must be met before instore promotional material will be accepted and used. The most frequently imposed restriction on use of point-of-purchase advertising by corporate chains is that it must be approved by headquarters before the store manager can use it (table 13). The most critical requirement imposed by independents was that the promotional piece be of a size to fit the store space made available for this purpose. However, requirements as to size and type of piece appear to be the most important considerations for point-of-purchase suppliers, regardless of marketing level or type of store management.

Considerable variation was indicated as to the length of time in advance of use that approval of material must be obtained. About half of the store managers felt their approval of point-of-purchase materials should be from 4 days to 2 weeks in advance of its use. As might be expected, headquarters officials and wholesalers indicated a longer time span was needed between approval and actual use of point-of-purchase materials. A major proportion of respondents at these levels indicated that point-of-purchase materials should be approved around 4 weeks to more than 6 months in advance of use.

In most instances, actual delivery of the material to the store should be made 1 to 7 days in advance of use. Delivery of materials to headquarters or the wholesale level should generally be 1 to 3 weeks in advance of its anticipated use date.

The question of who usually delivers point-of-purchase advertising materials to the store received a different response, depending on type of store management. For example, about 60 percent of corporate chain store managers indicated that in most instances their point-of-purchase materials were delivered by the warehouse or headquarters. Close to 70 percent of independent operators and operators of voluntary or cooperative stores indicated that the food processor or his representative delivered most of their point-of-purchase materials. Only about 4 percent of the store managers indicated that they received most of their point-of-purchase materials at their store through the mail, mail delivery being at about the same level for all types of store management.

About half of the store managers indicated that store personnel put up three-fourths or more of the point-of-purchase materials used in the store; all others indicated they put up some of it. But suppliers of the material--food processors' salesmen, brokers, food processors' representatives, and wholesalers--put up a significant proportion of the material used.

While about a third of the store managers indicated that they preferred to use store personnel to set up point-of-purchase advertising materials in the store, a majority preferred that the supplier actually place or set up the material. The predominant reasons for preferring that point-of-purchase materials be put up by nonstore personnel were a saving of time and cost of

labor and the fact that suppliers of point-of-purchase materials have the know-how and are better prepared to display the material for maximum effectiveness. Of all store managers, 15 percent, predominantly corporate chain store managers, indicated there were restrictions that prohibited nonstore or non-company personnel from putting up the materials in the store. While this was strictly a company policy in some instances, union rules were cited most often as preventing the setting up of point-of-purchase materials by nonstore employees.

A slight majority of the store managers interviewed indicated that the food processor or distributor was the major source of point-of-purchase advertising materials used in the store. However, corporate chain store managers reported that their own store or company was the most important source of material used in each of the major store departments.

On the other hand, managers or operators of independents and stores belonging to voluntary or cooperative groups depended heavily on outside sources for materials. The only exception was among operators of voluntary and cooperative groups, where almost 90 percent of the managers indicated that their own management was the major source of advertising material used in the produce department. Excluding material provided by store management, the food processor or distributor was the major outside source. Only for produce department items were agricultural commodity groups recognized by store managers as a significant source of advertising materials.

Recognition of the role agricultural commodity groups play in supplying point-of-purchase materials was generally more evident at the headquarters than at the store level, particularly for meat and produce. Response as to originators who supplied the most effective point-of-purchase material, closely paralleled that for those who provided the largest volume of point-of-purchase. Again, headquarters personnel rated commodity groups higher as suppliers of the most effective materials for meat and produce than store managers did.

A wide variety of reasons were given as to why point-of-purchase advertising materials from a particular source were the most effective. Retailer-supplied material received a high rating because management knows its store's needs and can tailor the material to meet the need. Processor-supplied material is most effective, some thought, because the supplier best knows his products, can relate the materials to his advertising, and supplies attractive colorful material. In several instances, it was noted that the processor was the only source of material for specific products, or that the store's headquarters staff required the use of material sent to the store by the processor.

Only 13 percent of the corporate chain managers indicated they had sole responsibility for decisions regarding use of point-of-purchase advertising materials, 44 percent said headquarters had sole responsibility, and an equal number indicated decisions were made at both levels. While practically all managers of voluntary or cooperative group stores had responsibility for point-of-purchase decisions, one-sixth of the operators indicated that a headquarters group was influential in this area.

In retail operations where headquarters either was responsible or had some responsibility in point-of-purchase decisions, there was considerable variation as to position held by the decision-maker. In corporate chains where headquarters control was more evident, there appeared to be about equal division between a situation in which one person may be responsible for store point-of-purchase advertising decisions and one in which several persons decide. When one person was responsible, it was most likely to be the advertising manager, sales manager, department buyer, or general manager. Where responsibility for point-of-purchase decision was shared, the merchandising manager for each store department such as produce, groceries, meat, etc., most often made the point-of-purchase decisions. However, in many instances buyers for the various departments were making these decisions.

The amount of material received by independent retailers with or without requesting it appeared to be about evenly divided. Close to 20 percent of the independent store operators reported they received no material that was not requested, and about an equal number reported none of the material received was requested. On the other hand, close to 30 percent of the independent store operators reported that 90 to 100 percent of the material received was requested, and an almost equal number reported that 90 to 100 percent of the material they received was not requested. In these instances, independent operators included both voluntary and cooperative stores where responsibility for point-of-purchase advertising rested solely at the store level.

At the headquarters level, a majority of officials indicated that 90 to 100 percent of the material received for the various store departments was requested from the supplier.

Requested point-of-purchase advertising materials had a much better chance of being used than those received without request. This was true in all store departments. Among corporate chains, a request for the materials was even more vital to their use than among independents. More than 60 percent of corporate headquarters officials indicated that 90 to 100 percent of the materials actually used in each store department were requested. The fact that retailers favored requested point-of-purchase materials did not mean that unrequested materials were not desired and not used. Almost 45 percent of all store managers interviewed indicated that materials "should be, or sometimes should be, sent" without prior request or approval. Voluntary and cooperative store managers and independents favored such action on the part of point-of-purchase advertising suppliers more than corporate chain managers did. Corporate chain headquarters officials took a much more disapproving view toward nonrequested materials than their store managers (table 14).

As an indicator of the volume of point-of-purchase advertising materials wasted (table 15), respondents were asked to estimate the portion of all materials received that was used. Of all store managers and headquarters officials, almost 70 percent indicated that their use ranged from 70 to 100 percent of all materials made available to them; 40 percent of all store managers reported using 90 to 100 percent of all materials received.

Thirty-two percent of all store managers reported using less than 70 percent of the materials received. However, very few managers failed to use

more than half of the material received. A sizable proportion of store managers (12 percent) did not estimate level of usage. Of all the material received, independents used less than voluntary and cooperative stores or corporate chains did. However, chains appeared to receive less material that was not requested and additionally, headquarters officials exercised control over much of the materials reaching their store.

Not enough store space to use the material or too much point-of-purchase material was the reason most often given for not using all instore promotional material received. "Poor display, Not effective;" "Not particularly useful;" "Products promoted not adaptable to store;" and "Not adaptable to needs of store" were other frequently mentioned reasons for not using point-of-purchase materials (table 16).

The principal attributes of point-of-purchase material considered most important for its acceptance were: Support by local or national advertising; attractive, adds to store appearance; and high-profit item (table 17). One or more of these attributes was stipulated by more than 60 percent of store managers.

Of all the store managers, 33 percent indicated the amount of material available to them was more than enough to meet their needs. However, close to a sixth of all store managers indicated too little supply was available. Headquarters officials had about the same reaction as store managers to the adequacy of the volume of material made available to them.

Close to a fourth of the store managers indicated that 10 or more individual promotions involving point-of-purchase materials were underway in their store at all times.

Evidence indicates that voluntary and cooperative group stores may average fewer promotions at a given time than either the independent store or the corporate chain. However, voluntaries and cooperatives tend to have larger promotions. This is shown by the fact that close to 50 percent of the store managers from voluntary and cooperative stores compared to 31 percent of those from corporate chains and 19 percent from independents, use an average of 10 or more promotional pieces per promotion. On the average, most store promotions run from 4 days to 2 weeks.

No dramatic change that would make point-of-purchase advertising materials more effective was suggested by respondents. In fact, a third or more of respondents either had no comment or indicated no change or improvement was desirable. Of the positive suggestions, "more eye catchers" was mentioned most often, but by no more than 14 percent of any respondent group.

Interviews with food-trade officials generally indicated that commodity groups did not receive recognition as a source of instore promotional materials warranted by the volume of materials they supplied to retail food stores. For example, store observations found that 30 percent of the point-of-purchase materials used in the produce department were provided by commodity groups and that, excluding material provided by store management, commodity groups were the major sources of materials in the produce department. Yet, only a small

proportion of the store managers and headquarters officials stated that commodity groups were a major source of materials used. However, when trade officials were asked specifically if they received promotional kits from agricultural commodity groups, almost half of the store managers and close to two-thirds of the headquarters officials answered affirmatively.

Practically all store managers who received kits of point-of-purchase advertising materials from agricultural commodity groups used all or some of the pieces. Almost half of the chain store managers reported using the entire kit. For operators not using all pieces in the kit, posters and pennants were most popular. This was followed by shelf talkers, shelf cards, floor displays, and price cards. Among store managers, there was about an even preference for the complete kits as compared to selected pieces. But more than half of all headquarters officials preferred selected pieces to a complete kit.

APPENDIX

Types of Point-of-Purchase Materials

For purposes of analysis, point-of-purchase materials were classified into the following types:

1. Clusters and Replicas--pieces cut to resemble the product or some feature of the product or a reproduction of a use of the product. These may be affixed to windows, walls, and display fixtures or suspended by wire or string.
2. Pennants, Banners, Streamers, and Posters--Pennants and Banners are designed to be suspended from wire or other objects. They are normally flag shaped. The Streamer is similar to banners and pennants except that the streamer is generally large and has its greatest dimension in its width. The Poster is generally rectangular in shape and designed for attachment to a flat perpendicular surface such as walls, windows, posts, and store fixtures. However, it may be suspended from wire or other objects.
3. Price Cards--receive their name from the fact that price always appears on the piece. Price Cards are most often made of cardboard, are placed in close proximity to the product featured, and are normally under a foot in width or height. However, price cards are classed as point-of-purchase pieces only if they carry a promotional message in addition to price.
4. Danglers and Mobiles--Danglers usually consist of one piece of material independently suspended. Mobiles generally consist of several pieces of material suspended from each other so that they are balanced. Both danglers and mobiles depend on color and shape in conjunction with motion caused by air currents to attract attention.

5. Shelf and Bin Strips--are attached to the vertical surface of a bin or display case. They are fairly narrow in height but may vary considerably in length.
6. Shelf Talkers--come in various sizes and shapes. While they are most often designed to be self-supporting, they are often attached to the face of a shelf to call attention to a product. They are relatively small. The Shelf Talker is used much as a price card except that emphasis is on product rather than price.
7. Animated Displays--are pieces that employ motion as their main feature. They often consist of lithographed sheets mounted to cardboard and used on a pole or back of a display. Motion is usually provided by battery-driven motors.
8. Other--includes all point-of-purchase advertising materials that do not fall within the types previously described. This category is additionally divided into functional and nonfunctional pieces. A functional piece is one that in addition to being promotional in nature also performs other services in the store. This could be such things as a temporary display bin or rack or a dispenser for the product promoted. It is often termed a "merchandiser."

Table 1.--Percentage of point-of-purchase advertising materials used by department, in supermarkets; United States, and by region 1/

Department	Total	North Eastern region	North Central region	Southern region	Western region
	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/
Produce	16.5	17.0	16.2	17.7	15.1
Dairy	9.0	9.4	9.9	7.9	8.3
Meat	12.3	13.7	13.2	11.0	11.4
Frozen foods	6.7	8.9	6.2	6.6	6.0
Grocery	30.8	25.3	31.5	31.5	33.0
Total foods	75.3	74.3	77.0	75.0	73.8
Nonfood items	14.1	10.7	12.2	14.9	18.2
(Grocery department, nonfood items)	(9.3)	(6.2)	(8.1)	(10.7)	(11.5)
(Nonfoods in separate department)	(3.8)	(3.3)	(3.0)	(3.0)	(5.9)
(Nonfoods in window)	(1.0)	(1.2)	(1.0)	(1.1)	(.9)
General promotion	10.7	15.1	10.8	10.2	8.0

1/ Data were collected for the conterminous United States (48 States plus the District of Columbia). The four regions are identical to those used in the United States Census of Population, 1960. Percentage based on number of individual pieces of promotional materials.

2/ Figures add to over 100 percent because of rounding.

Table 2.--Percentage distribution of the use of various types
of point-of-purchase materials

Type of promotional piece	Percent of use <u>1/</u>
Price cards	39.6
Posters, pennants, streamers, and banners	22.7
Shelf talkers	15.1
Clusters and replicas	10.2
Shelf strips	6.7
Mobiles and dangles	2.2
Other, functional	1.9
Other, nonfunctional	1.1
Animated .....	.5
Total	100.0

1/ Percentage of individual point-of-purchase advertising pieces.

Table 3.--Characteristics of point-of-purchase materials used in supermarkets with and without price cards included

Characteristic	All point-of- purchase	Price cards	All point-of- purchase, excluding price cards
	Percent	Percent	Percent
Price:			
Price shown	54.3	100.0	24.2
Price not shown	45.7	0	75.8
Distance from product:			
Less than 10 feet	87.0	98.2	79.6
More than 10 feet	13.0	1.8	20.4
Method of attachment:			
Wall	10.1	2.9	14.8
Display fixture or pro- duct, product display :	62.7	85.5	47.7
Top of product	9.7	9.5	9.8
On floor	1.8	.8	2.5
Overhead wire	12.7	.8	20.5
Overhead	2.1	.2	3.3
Other .....	.9	.2	1.3
Type of material:			
Paper	54.0	50.2	56.5
Cardboard	37.0	43.8	32.5
Other	9.0	6.0	10.9
Shape:			
Die-cut	21.0	6.1	30.7
Straight cut	79.0	93.9	69.3
Type of lettering:			
Printed	67.5	42.2	84.3
Hand	28.5	57.5	9.4
No lettering	4.0	.3	6.4
Art work:			
Pictorial	39.9	6.6	61.7
Nonpictorial	60.1	93.4	38.3
Size:			
Small (under 3 foot square)	82.3	94.0	75.3
Large	17.3	6.0	24.7
Use of color:			
Black and white	13.8	23.5	7.4
Color	86.2	76.5	92.6
Condition:			
Good	91.3	90.2	92.1
Fair	7.8	9.1	7.0
Poor .....	.9	1.0	.9
Artificial light:			
With light	2.4	1.9	2.7
Without light	97.6	98.1	97.3

Table 4.--Sources of point-of-purchase materials
used in supermarkets

Source	Percent <u>1/</u>
Store management	50.8
Processors	37.4
Commodity group	9.8
Other or unknown	2.0
Total	100.0

1/ Percent of individual promotional pieces. Relative cost borne by various sources was not determined.

Table 5.--Types and sources of promotional materials used in the grocery department

	Total grocery	Canned fruits	Canned vegetables	Canned juice	Other items
Percent of total	100.0	10.1	12.4	8.1	69.5
Clusters and replicas	3.6	6.0	4.0	3.3	3.3
Posters, pennants, streamers, and banners	15.7	17.1	12.0	11.9	16.6
Mobiles and dangles	1.8	1.9	.8	1.2	2.0
Price cards	45.8	54.8	62.7	60.8	39.8
Shelf or bin strips	7.3	3.9	3.7	6.0	8.6
Shelf talkers	21.0	14.6	15.2	13.5	23.8
Animated .....	.6	.3	.1	.1	.8
Other nonfunctional	1.2	.1	.3	1.4	1.5
Other functional	3.0	1.3	1.2	1.8	3.6
Sources					
Store management	56.0	65.6	73.7	73.7	49.6
Processors	41.3	32.1	24.4	25.3	47.4
Commodity group	1.5	1.7	1.0	.8	1.6
Others unknown	1.2	.6	.9	.2	1.4

Table 6.--Types and sources of promotional materials used in the produce department

	Total produce	Total fruit	Citrus	Apples	Other fruit	Total vege- tables	Potatoes	Other vege- tables	Other items
Percent of total pieces ..	100.0	65.7	25.6	6.9	33.2	26.3	6.4	19.9	8.0
Clusters and replicas	28.4	39.0	49.9	54.7	27.4	6.7	9.6	5.8	12.7
Posters, pennants, streamers, and banners ..	21.4	23.5	19.4	12.5	28.9	14.8	18.5	13.7	26.6
Mobiles and dangles	2.3	1.8	2.4	.8	1.5	2.8	.6	3.5	4.3
Price cards	39.1	28.6	21.9	24.5	34.8	66.2	61.3	67.6	36.9
Shelf or bin strips	3.6	3.4	3.3	4.1	3.3	3.9	4.4	3.8	4.3
Shelf talkers	3.4	2.5	2.1	3.1	2.6	4.6	4.7	4.6	6.4
Animated .....	.3	.3	.3	.1	.5	.1	.2	.1	.7
Other nonfunctional .....	.6	.3	.2	.1	.3	.4	.2	.5	3.3
Other functional .....	.9	.6	.5	.1	.7	.5	.5	.4	4.8
Sources	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Store management	48.9	37.5	26.6	27.5	48.0	78.1	69.0	81.1	46.6
Processors	18.9	19.6	24.8	16.2	16.3	9.7	11.7	9.0	43.1
Commodity group	29.5	40.2	47.4	52.5	32.0	9.8	17.0	7.5	7.3
Others unknown	2.7	2.7	1.2	3.8	3.7	2.4	2.3	2.4	3.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 7.--Types and sources of promotional materials used in the meat department

	Total meat	Fresh beef	Pork and ham	Poultry	Lamb	Other items
Percent of promotional pieces	100.0	33.8	25.6	10.6	4.5	25.5
Clusters and replicas	7.2	5.2	7.4	6.5	3.1	10.5
Posters, pennants, streamers, and banners	40.2	45.2	39.1	34.5	48.5	35.5
Mobiles and dangles	2.6	2.3	2.0	4.2	2.0	3.0
Price cards	34.7	35.7	36.6	38.3	37.6	29.6
Shelf or bin strips	3.7	2.8	3.4	4.4	1.9	5.2
Shelf talkers	8.2	6.0	7.8	10.2	5.9	11.1
Animated .....	.4	.4	.5	.4	0	.6
Other nonfunctional	1.4	1.6	.7	1.0	.8	2.0
Other functional	1.6	.8	2.5	.5	.2	2.5
Sources						
Store management	56.5	66.0	51.1	61.6	57.0	47.1
Processors	31.8	22.8	41.2	22.3	16.8	40.8
Commodity group	8.0	8.1	4.7	11.7	21.2	7.2
Others unknown	3.7	3.0	3.0	4.4	.5	4.9

Table 8.--Types and sources of promotional materials used
in the dairy department

	Total dairy	Eggs	Milk	Other items
Percent of total pieces	100.0	7.6	19.7	72.9
Clusters and replicas	6.8	2.6	10.6	6.3
Posters, pennants, streamers, and banners	32.7	17.4	42.7	31.7
Mobiles and dangles	3.2	.8	3.7	3.4
Price cards	26.9	59.3	21.1	25.1
Shelf or bin strips	7.6	5.3	7.7	7.8
Shelf talkers	19.3	13.6	12.2	21.7
Animated .....	.7	.4	.8	.6
Other nonfunctional	1.7	.3	.4	2.1
Other functional	1.1	.3	.8	1.3
Sources				
Store management	34.9	76.3	30.2	31.8
Processors	54.9	12.1	55.6	59.1
Commodity group	8.8	9.0	13.5	7.5
Others unknown	1.4	2.6	.7	1.6

Table 9.--Types and sources of promotional materials used in the frozen food department

	Total frozen foods	Frozen fruits	Frozen vege- tables	Frozen juices	Other items
Percent of total	100.0	7.5	18.2	21.2	53.1
Clusters and replicas ...	4.3	7.9	2.4	6.8	3.4
Posters, pennants, streamers, and banners ..	14.4	18.8	12.4	11.4	15.7
Mobiles and danglers	1.6	1.3	.8	1.7	1.9
Price cards	38.2	36.5	47.9	41.1	33.9
Shelf or bin strips	15.2	15.5	13.2	14.7	16.0
Shelf talkers	23.7	16.8	21.7	23.2	25.6
Animated .....	.3	.3	0	.3	.4
Other nonfunctional .....	.9	.3	1.0	.5	1.2
Other functional	1.4	2.6	.6	.3	1.9
Sources					
Store management	42.8	45.3	53.5	47.7	36.9
Processors	51.9	47.1	42.0	45.1	58.6
Commodity group	3.6	5.2	2.5	6.4	2.6
Other--known and unknown :	1.7	2.6	2.0	.8	1.9

Table 10.--Ranking 1/ of types of point-of-purchase advertising materials considered most effective by retail and wholesale grocery officials

Type of point-of-purchase material	Store managers			Headquarters officials			Whole-: salers	Combined rating
	All store managers	Chain	Voluntary and cooperative	Independents	All headquarters officials	Voluntary and cooperative		
Posters, pennants, streamers, and banners	1	1	1*	1	1	1	1	1
No type specified (mention of themes, size, etc.)	2	2	1*	2	2	2*	5*	2
Shelf talkers	3	3	2	3	3	2*	2	3
Animated displays	4	4	5*	5*	4	3	4	4
Floor displays	6	7	3	5*	5*	5*	3	5
All other non-functional	5	5*	4*	4	65*	5*	5*	6
Shelf cards	7*	5*	4*	8*	65*	4	5*	7
Clusters and replicas:	7*	6	4*	6*	7	7*	6*	8
Price cards	8	8	4*	7	8	7*	7	9
Don't know, none	9	9	0	6*	10	0	6*	10
Mobiles and danglers :	10	10	5*	8*	9*	7*	0	11
All other functional materials	11	11	5*	0	9*	8	0	12

1/ An asterisk (*) indicates that two or more kinds of point-of-purchase material were ranked equally.

Table 11.--Percentage of store managers and headquarters officials mentioning itemized themes having greatest impact on consumers

Theme	All store managers	All headquarters officials
	Percent	Percent
Seasonal or timely use of food	51	58
Price appeal	33	19
Special sales, store themes	24	22
Premiums, coupons	15	5
New products, brand names	15	10
Tie-in with foreign land or country of origin of product	4	7
Tie-in with other products	4	8
Themes directed at children, family	4	5
Tie-in with magazines	1	5
All other	13	24
Total <u>1/</u>	164	163

1/ Totals exceed 100 percent because of multiple answers.

Table 12.--Ranking 1/ by store managers, headquarters officials, and wholesalers of what representatives should stress about point-of-purchase advertising materials

Point to stress	Store managers			Headquarters officials			Voluntaries; Wholesalers
	All store managers	Chain	Voluntaries; and coop-eratives	Independents	All head-quarters officials	Chain and coop-eratives	
Use increases sales volume	1	1	1	1	1	1	1
Offer help in setting up material	2	2	2	3*	5*	6*	3*
Gives information about product	3*	4*	3*	2*	4	3	2
Decorativeness	3*	3	5*	2*	2	2	0
Special prices, sales	4*	8	4*	3*	6*	5	4*
Use draws attention to product	4*	5	0	2*	0	0	3*
Use ties in with advertising in other media	4*	7	5*	3*	4	5*	4*
Size, saves space	4*	4*	4*	5	5*	5*	0
Nothing	5	9	5*	4	5*	4	3
Gives price of product	6*	6	5*	0	7	6*	4*
Timeliness of piece, seasonal item	6*	9*	3*	6	6*	5*	0
Piece ties in with other products	7	9*	0	0	3	5*	4*

1/ An asterisk (*) indicates that two or more points were ranked equally.

Table 13.--Percentage of store managers and headquarters officials citing specific requirements or restrictions on the use of point-of-purchase advertising materials

Requirement	All store managers	All headquarters officials
	Percent	Percent
Material needs approval of main office	37	45
Proper size of promotion piece	20	14
Organization has restriction on type of material	16	2
Needs approval of store manager	12	8
Organization has limit on number of pieces ..	9	5
Must be timely, right season	4	0
Piece must tie-in with advertising campaign :	4	3
Display must be in good taste	4	8
Product should be appealing	4	6
Restriction limits location of point-of- purchase material	4	8
All other	13	25
Total <u>1/</u>	127	124

1/ Totals exceed 100 percent because of multiple answers.

Table 14.--Responses of store managers, headquarters officials, and wholesalers to the question, "Should point-of-purchase material be sent to retail stores without request?"

	All store managers 1/	Chain 1/	Voluntaries and coop- eratives 1/	Independents officials 2/	All head- quarters officials 2/	Chain head- quarters 2/	Wholesalers 3/
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Material should be sent with- out prior approval or request	37	29	45	42	5	4	41
Should not be sent	52	57	45	49	68	72	53
Material should sometimes be sent without prior approval or request	8	9	10	6	10	12	6
Don't know, no answer	3	5	0	3	17	12	0

1/ Excludes nonindependent stores that do not receive material not cleared by headquarters.

2/ Excludes headquarters whose stores get material directly from originator.

3/ Excludes voluntary and cooperative group headquarters.

Table 15.--Estimates by store managers and corporate chain headquarters officials of the quantity of point-of-purchase advertising material received that is actually used 1/

	Store managers				Corporate chain headquarters officials
	All store managers	Chain	Voluntaries and cooperatives	Independents	
	Percent	Percent	Percent	Percent	Percent
Under 50 percent	8	4	9	17	21
50 - 59 percent	16	14	23	18	18
60 - 69 percent	8	7	0	13	2
70 - 79 percent	20	23	23	16	2
80 - 89 percent	8	8	14	4	0
90 - 100 percent	40	49	32	32	57
Average use of material received by respondent <u>2/</u>	76	<u>3/</u> 79	73	69	72

1/ Excluded are store managers and headquarters officials who did not indicate a level of usage for point-of-purchase materials. Almost 12 percent of store managers and over a fourth of headquarters officials did not provide estimates.

2/ Based on midpoint of each class.

3/ The relatively high average use reported by chain store managers, reflects waste only at the store level. Much of the material passes through and is cleared by headquarters officials. Nonuse at the chain headquarters level must be combined with that at the store level to obtain a realistic picture of the total waste of promotional materials.

Table 16.--Ranking 1/ by store managers, headquarters officials, and wholesalers of reasons for not displaying point-of-purchase materials

Reasons	Store managers			Headquarters officials			Voluntaries; Wholesalers		
	All store managers	Chain	Voluntaries and cooperatives	All head- quarters officials	Chain officials	Voluntaries and cooperatives			
Not enough space	1	1	1	1*	1	3	3*		
Poor display, not effective	2	3	2	2	3	2	2*		
Not particularly useful	3	2	4	1*	2	1	2*		
Too much point-of-purchase material ..	4	4	6	5	7*	4	3*		
Products not adaptable to store	5	6	3	6*	7*	5*	3*		
Not authorized	6*	5	0	6*	5	0	3*		
Not adaptable to needs of store	6*	9	5	2*	4	5*	4*		
Don't have time to assemble	7	9	7*	8	0	0	0		
Arrives late	8	8	9	8	8	0	1		
Not geared to local demand	9	10	0	7	7*	0	5*		
Competes with store's brand	10	11	9	5	6	5*	4*		
Not timely, out of season	10	10	0	4	5	5*	5*		
Sorting too complicated	0	0	0	0	0	0	4*		

1/ An asterisk (*) indicates that two or more points were ranked equally.

Table 17.--Ranking 1/ by store managers, headquarters officials, and wholesalers of attributes of point-of-purchase materials considered most important for acceptance

Attributes of promotional pieces	Store managers			Headquarters officials			Wholesalers
	All store managers	Chain	Voluntaries and cooperatives	All headquarters officials	Chain officials	Voluntaries and cooperatives	
Must be supported by local or national advertising	1	1	1*	3	2	2	1
Must be attractive, add to store appearance	2	2	2	2	1	1	2*
High profit items promoted	3	3	1*	1	3	3	2*
Should be unique or unusual	4	4	4*	4	4	5	3
Should be a cash allowance made for using material	5	5	5*	5	5	6	6
Should be a merchandising allowance made for using material	6*	8	4*	6*	6	7	5*
Should be easy to handle and assemble	6*	6	4*	6*	7	5	7
More than one item should be promoted	6*	7	3	7	9	8	8
Product should be emphasized rather than brand name	7	9	5*	7	5	4	4
Should be offered to store exclusively	8	10	6	8	10	9	9
Should present factual information	9	11	7	8	8	8	5*

1/ An asterisk (*) indicates that two or more points were ranked equally.

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