



Christmas

ALL WRAPPED UP

VISUAL MERCHANDISING

the experience matters

Matthew Clark

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INTRODUCTION

Your bar area and fridges are a shop window for your products and profits. We have created a set of guidelines to help you utilise bar space, maximise profit opportunities and meet customer expectations. These have been developed using industry leading research and insight from a cross section of our customers.

Merchandising is a combination of product display, visual sales messages, and point of sale and menus. 52% of customers have not chosen their drink brand by the time they reach your bar. The correct use of merchandising can lead to beverage choices that are more profitable for you, effective bar merchandising could lead to an increase in consumer spend per head by 9%.

It doesn't only benefit you either. Visual Merchandising will help you utilise bar space and improve your customer's experience by making it easier for them to make decisions, especially when combined with menu engineering. Customers that have followed these techniques have found an improvement in both layout and the opportunity to upsell, with customers being drawn to premium products. It's all about incremental sales – encouraging your customers to trade up to a premium product through product placement and use of visible communication.

With over 90% of drinking choices made at the bar or table, there is great opportunity to guide a decision. That said our merchandising standards aren't set in stone. We know every bar and customer is different there are elements of this guide that can be flexed to suit your bar shape, making the most of your hotspots and ensuring your products are in the key line of sight.

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9%

EFFECTIVE BAR
MERCHANDISING
COULD LEAD TO A 9%
INCREASE IN CONSUMER
SPEND PER HEAD.

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KEY RECOMMENDATIONS

SPIRITS AND BACK BAR

1. Group products by categories

- Display spirits with their up-sell option(s) together. Grouping categories will make it clearer for the customer and easier for your staff to up-sell.
- Use optics for high moving spirits.
- Keep service products such as syrups and low volume liqueurs out of view.

2. Tier your products Good, Better and Best

We recommend raising two layers of your back bar so you can tier your products. Place your good product on the lower level working up to best at the top. This layout is logical for your customers. If you can't raise the back bar, display from left to right within each product category.

3. Make the most of your hotspots

Hotspots are areas on or around your bar where customers gravitate towards and their eyes are naturally drawn to.

4. Ensure your products are in key line of sight

Don't block with non-saleable items such as milk, mugs, cleaning products, stationary etc. If it isn't for sale it shouldn't be seen!

5. Remove glassware from hotspots on the back bar

Use this space to promote your key product categories and margin makers.

Your primary hotspot is the place where people gravitate towards and it's important to put your focus product categories in this profit making location.

People's eyes naturally move from centre to the right when browsing. If your till is at either end of the bar, make sure your key lines are central as this is where customers naturally look.

Approach your bar and think about where their eyes fall first, this is your primary hotspot, the placement of your tills and founts will affect its location.

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WINES AND BACK BAR

6. Wine by the Glass

Make sure your 'Wine by the Glass' range has back bar presence. Wines can often be overlooked when building a back bar display, with focus falling on spirits – but wine is a very profitable category for your business and should be allocated adequate space.

Draw people's attention to your range when they come to the bar. Not everyone will read your wine list or look in fridges to prompt their decision. Where possible have your wine display grouped separately from your spirits. Ensure any split between spirits and wine is logical and uncluttered.

7. Good, better, best

Block your wines and follow the Good, Better, Best, where possible double bank to improve visibility.

8. Rotate stock

Ensure your display stock is constantly rotated.

FRIDGES

9. Hotspot

The top right hand corner in your fridge is your hotspot. People's eyes naturally glance to the top right corner first so make sure this is where you place your premium products. Mixers and juices should be on lower levels.

10. Allocated fridge space

Volumes sold should reflect the space allocated in your fridges. Reduce the number of soft drinks in fridges in the evening if your beer and cider sales increase.

11. Keep soft drinks separate

Keep your beer, cider and PPS separate from your soft drinks where possible. If you have to combine the two, split the fridge vertically.

12. Labels facing the front

To support your wine and Champagne display make sure your wines in the fridge have labels facing the front and each brand has visibility.

13. Frosted panel

We recommend you source a frosted panel to block the view of milk or any non-saleable products in the fridge or use a fridge that doesn't face the customer.

14. Back bar display

If there are any fridge products you want to draw attention to we suggest building a product display on your back bar with a call to action – a chalk board describing the flavours of the drink and the price will prompt a purchase decision.

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YOUR HOTSPOT

WHERE DO YOUR CUSTOMERS GRAVITATE WHEN APPROACHING YOUR BAR?

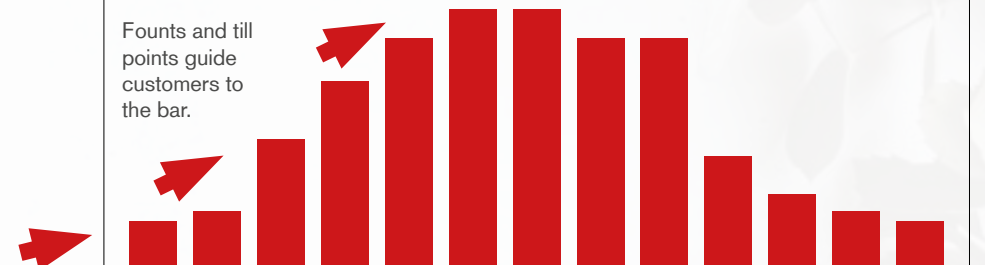
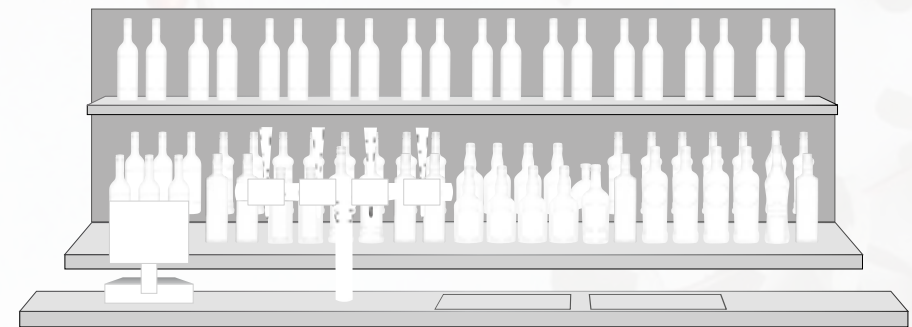
In this section we will help you determine the primary hotspot on your bar. You will then be able to choose an ideal template to base your back bar layout on. If you have more than one till point think about where customers mainly gravitate when approaching the bar. When a bar is not crowded, founts and till points will guide customers to the bar.

LARGE BARS

If you have a lot of back bar and storage space it can be difficult to layout. Ensure key hotspots hold focus products and your back bar doesn't look sparse by double banking and repeating the key product categories for more than one service station.

SMALL BARS

Can be a problem operationally and for storing products. If you have limited space make sure your key lines are accessible and visible and that service products are stored elsewhere.



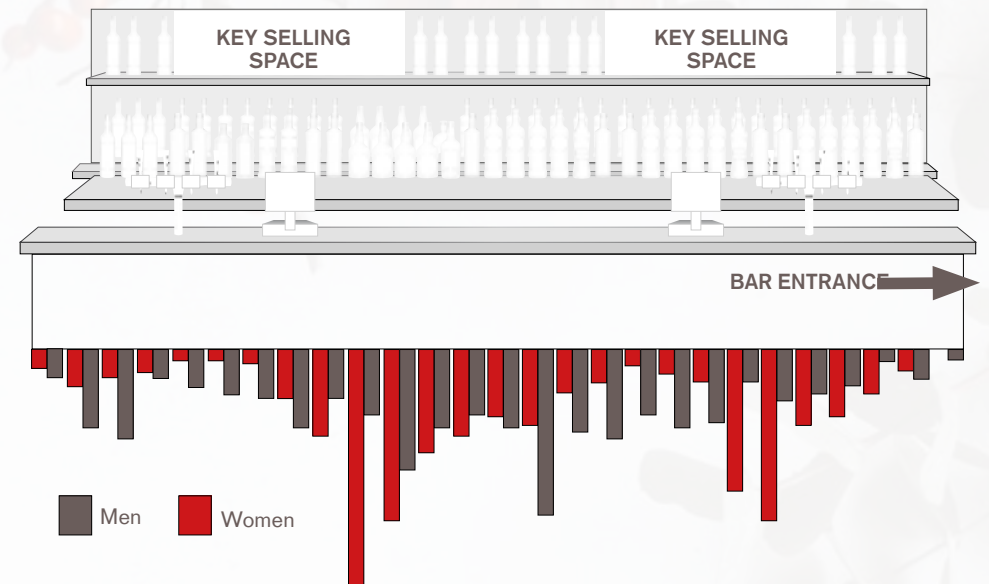
Red Bull 2012

These bars represent traffic volumes.

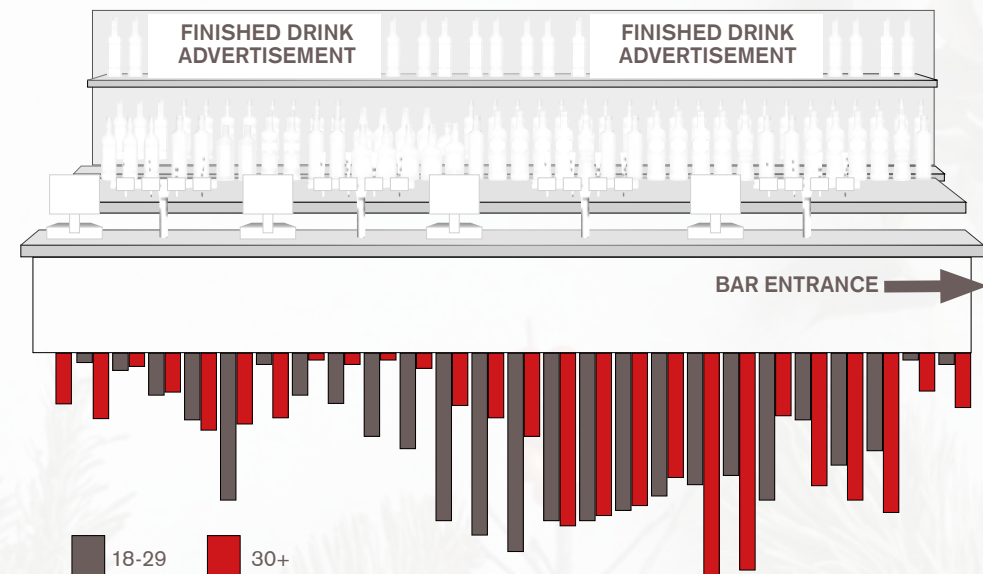
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In busier environments, customers can gravitate more towards the till point. This is more true for women than it is for men, who will still often move towards the centre.



Where a bar contains limited uninterrupted bar space, customers will gravitate more to the closest part of the bar to the entrance, partially around the first till. Younger people are more likely to head further along the bar.



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TEMPLATES



Once you have identified your bar shape and primary hotspot choose one of the following templates to apply to your bar, based on your till locations. If you have a large bar or need more than one service area, apply the same principles and replicate the pattern where necessary.

HIGH TEMPO BARS

Some extra points to consider:

- High level space can be used to advertise finished drinks or new products.
- Include pricing on displays, but this should not lead the communication.
- Advertise products you want to drive or promote up-coming events and VIP areas.
- Females congregate towards the tills - Focus female friendly communications here.

LOW TEMPO BARS

Some extra points to consider:

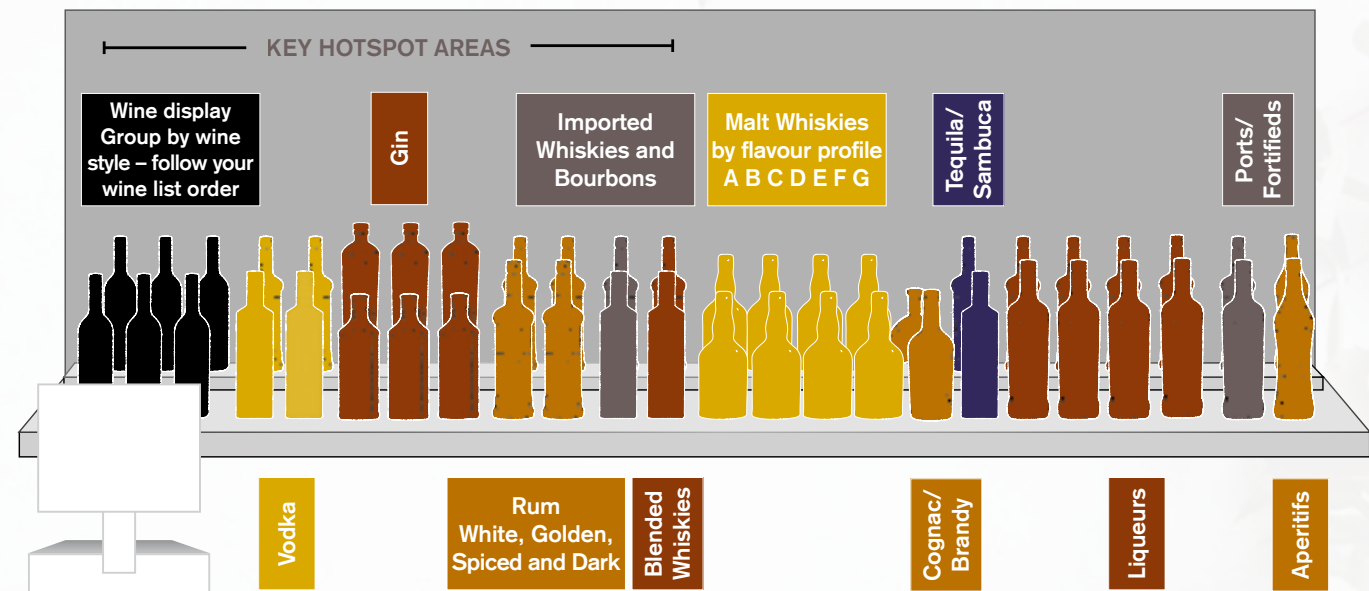
- Use till points to up-sell higher margin and fun serves – make the most of people willing to try something new on weekend nights out.
- Young males often gravitate to the first part of the bar they reach – in a hurry to get served. Make the most of this by weighting communications towards males to the first part of the bar.

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TILL LEFT

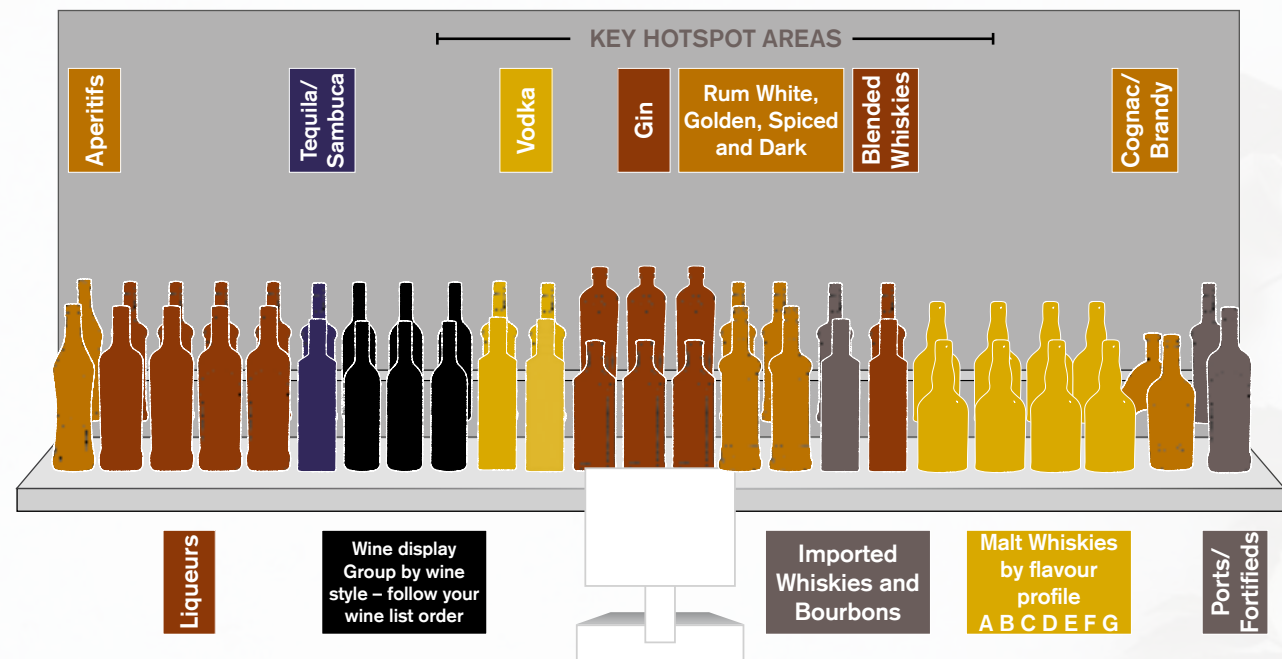


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TILL CENTRE

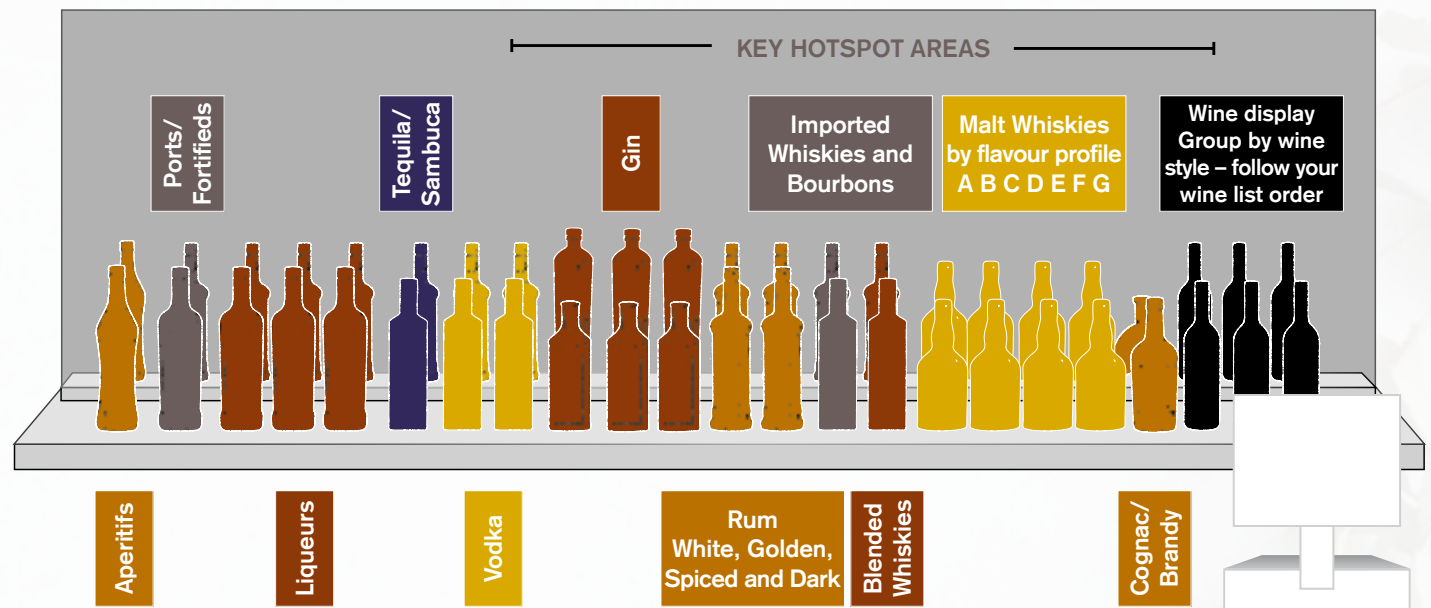


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TILL RIGHT

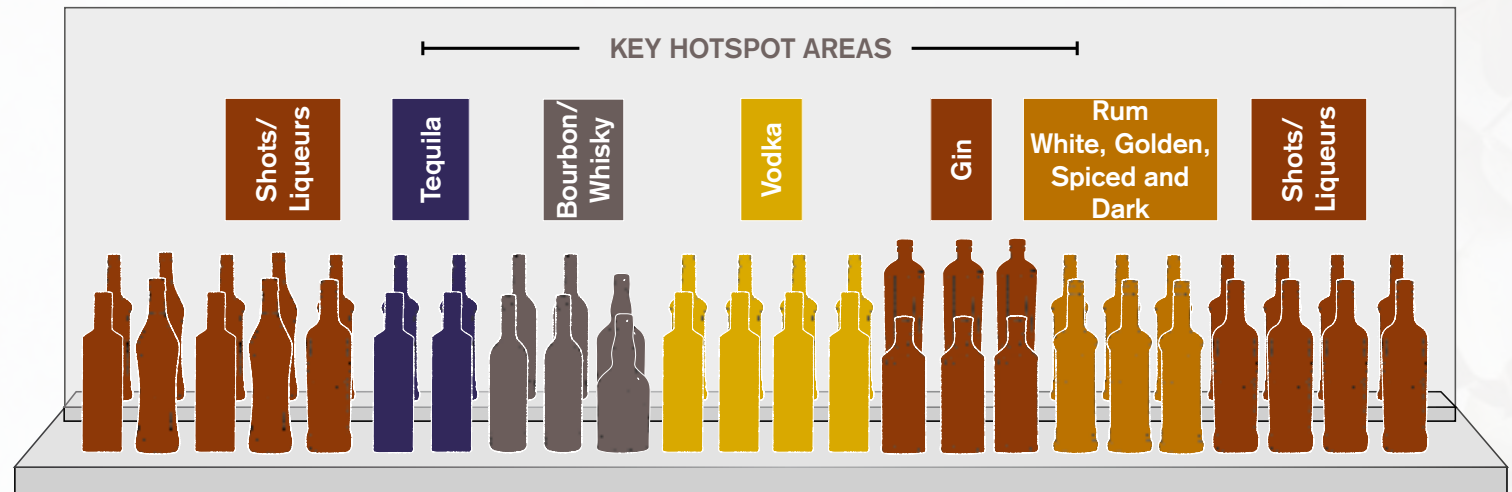


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For late night venues, you do not need to include wine on your back bar, instead increase the amount of shots, liqueur products and vodka.



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FRIDGE PLAN

Beer, cider & RTDs

If you stock premium/craft bottled ales place these on the top shelf. As well as being a point of difference they are currently seeing good market growth.



Wine & Champagne

In late night venues, consider moving your champagne and sparkling wines up to the top shelf to encourage impulse purchase.



Soft drinks

Place your premium and adult soft drinks on the top shelf. Mixers and waters will sell themselves and therefore do not need to be visible.



