

For OTC Beauty Magazine
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ENERGIZING YOUR ENDCAPS

Any Retailer Knows That Endcaps are Big Business, But Many Don't Know How to Create Truly Eye-Catching Displays

A recent statistic from a supermarket trade publication says that in a typical supermarket, 67 per cent of customers don't go down the aisle, but focus almost exclusively on the endcaps. While beauty stores are much smaller than supermarkets and it takes less time for a customer to move through all the aisles, endcap design is as important in a family-owned 1200 square foot store as it is in 150,000 square foot Walmart Supercenter.



There are many aspects to the process of creating effective endcaps, and the most successful retailers are the ones who've taken the time to think outside the box, get creative and ask their suppliers for support. Some manufacturers will supply high-quality point of purchase marketing materials along with their product, while others would never consider it. In the best-case scenario, retailers and manufacturers work together in partnership to promote specific products, with endcaps being the most effective of all in-store marketing tools.

What makes an endcap perform, and how much time, effort and money should each partner -- the manufacturer and the retailer -- contribute to the creation of endcaps that really work?

"Many retailers aren't really marketing oriented, and may not know much about merchandising. They'll pile some products onto an endcap without giving it much thought, and unfortunately, the manufacturers don't give always offer as much support as they could," notes Lori Justice-Shocket, vice president of conceptual development for OPI. "The best system for everyone involved -- manufacturer and retailer -- is a package deal where the two work as a team. Endcap merchandising materials such as decorations, signage and even lighting are sometimes included in a promotion. And to make it even more powerful, an integrated program that includes window displays and advertising can all work together."

One example of this is a promotion OPI created for its South Seas product line. Along with the product, sales reps delivered bags of sand and seashells to include on the South Seas endcap display. They also included window display materials and ad layouts for the store to use with its own advertising.

DISPLAYS THAT ADDRESS A SPECIFIC FUNCTION



Andrea Brown, project development manager for OPI, adds, "We have something called a 'Plan-o-Gram,' which can be used in an endcap or anywhere else in the store. It puts the products into a logical order, for example, it would include everything you need for a manicure and pedicure -- nail lacquer, remover, cuticle oil and cream, nippers, base & top coat, nail strengtheners, files, buffers, soaks, etc. It's a total system, and an endcap is the perfect place for it, because it's one-

stop shopping. We also include educational materials that explain the products and the processes."

If an endcap can function as a "solution center" by uniting different products for a common purpose, there's a higher chance that the customer will pick up a few extras that she might have missed otherwise. Customers who come to your store with a specific activity in mind -- a facial for example -- can find everything they need in one location, and are more likely to buy a few things they didn't know they needed. A skin care display might include an exfoliating scrub, moisturizers, facial buffs and eyebrow kits. If the products are aligned with other items that suggest an activity, the customer is more likely to buy all the pieces for that activity, rather than just one or two pieces. It's a different type of logic, which grocery stores have been using for years. They traditionally group products by type, but find that higher sales are realized when products are grouped according to meal ideas, such as putting boxes of Hamburger Helper on shelves about the ground beef.

DISPLAYS THAT ADDRESS A THEME

This idea can be taken even further by creating seasonal or event-themed endcaps that combine related products. Every month offers an opportunity for new endcap themes -- Valentine's Day, Christmas, Prom, Weddings, Vacation, Halloween, Mother's Day, the four seasons -- the list is endless if your imagination allows. You can aim at different markets, such as ethnic, 20-somethings, men, pre-teens or seniors. Create interesting promotional packages, join together different products, and group them by function, color or season. One year, OPI created a string of colored Christmas lights that looked exactly like their nail lacquer bottles, and these lights were part of a package that served as merchandising support material for holiday promotions.

OPI's Justice-Shocket suggests that retailers stock up on close-out holiday decorations to keep endcaps relevant throughout the year.

"After each major holiday (Christmas, Thanksgiving) the stores sell their holiday decorations for up to 75% off. Stock up on these things, and keep them in plastic bins in your storage room. Every season, every holiday, you can create a display using the same materials. Get a 12-month calendar and mark out all the special periods, such as Summer (June brides, Father's Day, vacations and graduations), or Autumn (Halloween, Thanksgiving and back-to-school). And build your endcaps accordingly. It's just like decorating your Christmas tree every year."

FRONT VS. BACK

Some experts say that a front endcap should focus more on new products or special promotions, as an introduction to customers who may have never heard of these products or promotions before, while rear endcaps are better for less significant displays or tried-and-true sellers.

To draw customers deeper into your store and through your aisles, place certain promotional endcaps at the rear with a teaser positioned at the front, perhaps in the window or near the check out area. Use the same imagery that the manufacturers are using in their advertising, so that if a customer visits your store in response to an ad she's seen, she can identify that same image at the front of the store, but be pulled toward the back to actually find the product, browsing additional aisles along the way.

Front and back positioning may vary according to your market. Stores in upscale neighborhoods may position their most expensive, high-end products toward the front, making them visible to consumers who can afford to buy them, while a store in a lower-income neighborhood might put these same products in the back, and use the front area

for discounted or low-priced items that will sell easily.

HIGHLIGHT NEW AND IMAGINATIVE PRODUCTS AND PACKAGING

Color and decoration will attract customer attention more than anything else. If there's electricity running to the endcap, then lighting is a plus. Signage should be large, loud, readable and concise, and should scream key words like "free" or "special offer." Think in terms of keywords, sound bytes and bright colors. If you have plain white shelving, can use bright wrapping paper or cloth as a background, and add flowers, confetti, ribbons, art objects or anything else you can find to make the display more eye-catching.



Terry Taylor, owner of Shear Madness Beauty and Supply in Foley, Alabama, used her artistic abilities to create a, country style boutique that appeals to the local gentry. Instead of traditional shelving, she uses antique furniture -- large tables, bookcases and cabinets -- to display products. The center aisle of the store is a row of butcher block tables displaying sale items, and small round tables and barrels hold everything else.. An antique clawfoot bathtub acts as an endcap to display special bath and body products, and at the back of the store is an actual fireplace, around which she's placed baskets, barrels, and antique fruit crates filled with goodies. Hair brushes are in round baskets and also hang from a tree. Her Summer window display features a mock up of a fishing dock to exhibit tanning products and summer supplies, and at the front of the store customers are delighted to find tables with fishbowls (containing actual fish) and a continuation of the Summer theme. At the back of the store a fireplace is surrounded by tin washtubs filled with various items, and brightly painted flower pots to hold hair color.

"This store is a real surprise to everyone who comes in here," says Terri. "And they stay here longer because they enjoy the atmosphere and have so much fun looking around. I wanted to submit some photos to a beauty store contest, but I haven't had time. That's how busy I am. Business couldn't be better."