

## The importance of Field Sales Activity

In our previous article entitled “The Role of Shopper Marketing”, we discussed how important Shopper Marketing was to smaller/NPD brands by boosting rates of sale early on in their life stage through the stimulation of trial.

In this article we will look at another method of boosting in-store sales, that of undertaking field sales activity in-store. For the unfamiliar, and at the most basic level, field sales activity involves sending an individual to physically visit a store to ensure that the brand offering is “correct” both on the main fixture and at other potential points of purchase throughout the store. This is done by making a series of interventions at the point of purchase such as merchandising stock, correcting stock errors and filling availability/distribution gaps as well as siting a variety of additional displays around store.

Whilst this is often viewed by some marketers as lacking in the glitz and glamour of more well known marketing approaches, such activity is often vital to ensuring a brand sells in-store since it ensures that potential customers can easily get hold of the product they have come to purchase.

As with all types of marketing, however, the key to successful execution of a field sales strategy lies in understanding the economics that sits behind it in terms of return on investment.

As a business, we have been fortunate to evaluate hundreds of field sales campaigns over the years and during that time we have observed that uplifts from such activity, when viewed at the category level, typically range between 0-8% of total category sales, depending on the type of category, store mix and indeed type of interventions made.

### Typical % Uplift in Category Sales from Field Activity



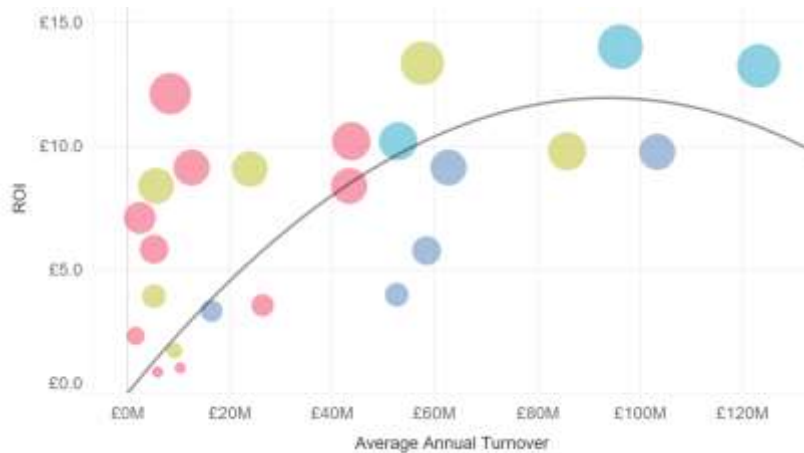
*Source: Retail Alchemy Client Database*

Whilst the percentage point uplift is relatively constant, what this translates into, in terms of pounds and pence, can vary enormously according to the underlying rate of sale for a brand in a particular store.

The 8.11% at the top end of the chart above could translate into a physical pounds and pence increase of around £8.11 in a store that typically turns over £100 per week, rising to £81.10 in stores that turn over as much as £1,000 per week. With the cost per call of a typical grocery field sales call varying between £15 - £60 per call, base rate of sale is therefore one of the key determinants in assessing whether, or not, field sales activity is viable.

Indeed, as the chart below shows, base rate of sale, and by extension overall value of category is one of the key determinants of how well field sales activity performs in terms of ROI:

**Field Sales Returns vs Category Size (RSV ROI vs Annual Category Turnover)**



Source: Retail Alchemy Client database

Bringing this full circle and relating it back to our opening paragraph, this result implies that in contrast to Shopper Marketing, the economics of Field Sales activity means that it is best suited to large, well established brands with relatively high rates of sale.

In order to maximise the ROI from marketing activity in-store, marketers must therefore be careful to choose the most appropriate form of marketing for the situation they find themselves in: using Shopper Marketing to promote new or more “niche” brands and utilising Field Sales activity to bolster the sales of more established, larger brands.

To find out more about how we help brands evaluate the impact of their Field Sales and Shopper Marketing activity, visit our website: [www.retailalchemy.co.uk](http://www.retailalchemy.co.uk)



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