



Oblique is one of Retail World's longest standing contributors. It has a strong, established reputation within the industry for being a leader in shopper marketing, shopper insights and category management; it was – and still is – the pioneer of all things shopper and category within Australia. As preferred shopper partner for many of the top FMCG players within the industry, it is known for its leading edge, relevant and actionable solutions. Its recommendations are proven and most importantly, have delivered significant sales growth for retailers, brands and categories alike.

In this series of articles on Shopper Marketing, Oblique draws upon its extensive shopper experience, as well as the only in-store shopper behavior metrics & benchmarking database within Australia – Shopperpedia™ – to bring you understanding, real life Australian case studies and a global perspective on what it means to go beyond the surface of shopper.

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 - Part 6: Shopper Marketing: Shopper Marketing Forum: Your opportunity to have your say. Please contact us to post your view. Entries will be anonymous: info@oblique.com.au
 - Part 7: Shopper Marketing: New Year Resolutions & Predictions for 2010
- Please contact Amanda Howe at Oblique directly to find out more: 02 9452 7777.

Author Overview:

Amanda is a top level industry thought leader and is known for her considerable strategic outlook as well as her ability to deliver day-to-day practical solutions. She works with many of the key FMCG players as a management consultant and is a business coach for some of the highest level sales and marketing executives within the Asia Pacific region.

Knowledge does not equal power

At a time when belts are tightening and budgets are being reviewed, I thought I would give you some good news: reading this article will seriously help your sales. The best news of all is that for some of you, this will mean that you don't have to spend another cent to do this. It can be achieved by simply transforming your current business knowledge into an actionable strategy.

Although your business probably has access to more data sources than you can poke a stick at and that you may have significantly more information than your competition, it all means nothing unless it is fully utilised. The bottom line is that it's not what you know but what you do with it that matters and the opinion that 'knowledge equals power' is fundamentally flawed for

a 'proper handover', (whatever that means, I don't know anyone yet who's had one), and therefore are more likely to start from the beginning again, most certainly to repeat steps and very probably to make the same mistakes over again.

It is unrealistic to expect that people movement will become less transient in the mid-term therefore the only thing that the business can do is to plan accordingly. This does not mean creating a knowledge database as big as Ben Hur – which is the first obvious conclusion to draw here – but about ensuring that the brain – the human lap top if you like – is synced with the server, ie., your critical intelligence pyramid, as frequently as possible. Your business insures against data back-up theft and loss but what is it doing

It is impossible for one person to know how the knowledge that they hold could possibly provide solutions for others. It is also incredible that many within organisations truly believe that their interpretation is required in order for others to 'get it'. This lack of transparency is a very big problem for organisations as typically this situation occurs when the perceived power is not for the greater good of the business, but for the benefit of an individual person or team. If this level of protectionism exists within your business, it is clear that the business result will not be optimal.

Manana, manana

In plain English: don't put it off until tomorrow any longer. The 'don't have time' excuse, (sorry, reason), is probably the third biggest factor that is currently holding businesses back. Unfortunately however it has to be done. There is no magic enlightenment wand that can suddenly be waved to deposit the golden nuggets of critical knowledge at the door; it is simply about getting your head down to the task.

Picking through data efficiently and effectively is a critical skill, yet very few people within FMCG have been formally trained in data analysis. It sounds like a very boring training course I know, but up skilling your team in this area will deliver significant savings to your budget. Most people are very data and numbers savvy, but being able to cut through data to quickly get to the insights is a skill that can be taught.

While boring on the surface from my experience there are few workshops that generate as much excitement and discussion as critical knowledge workshops and if your team are adequately skilled in preparing for these, your business will deliver ROI before you know it.

So now that we have addressed the common problems that hold businesses back, the next thing to cover is how to build true power from knowledge into your business. In explaining best practice, I'll talk you through our Power Ladder, (see Figure 1: The PowerLadder).

“Knowledge does not equal power until it equals action; more to the point, until it equals sales.”

this very reason. Knowledge does not equal power until it equals action; more to the point, until it equals sales. From working with virtually all FMCG manufacturers and retailers within Australia over the past few years, I can confidently state that while there are definite knowledge gaps in the market, there is a bigger need to better use what we already know.

To implement this thinking within your business, it will mean understanding three key areas. I intend to cover these in this article:

- Problems currently holding you back;
- How to build true power within your business, and;
- Making actionable strategy a part of everyday working life.

Firstly therefore, the problems that are currently holding you back. From our experience, the three most common issues to address are as follows:

- Internal restructuring;
- Redundancies, and;
- New people in the organisation.

Data resides in computers but knowledge resides in people and therefore any movement of your people means the potential loss of knowledge and subsequent power potential. More often than not, when people are moved in, on or out, the knowledge goes with them. In addition to which, when new people come in, they frequently struggle to pick up the unfinished pieces from their predecessor – even if given

about your people's knowledge? It should have a critical intelligence pyramid structure installed; 'point to's' will be key but it should be lean, honed and current in its entirety, not an immense library of data. Typically this would be managed by the Insights Team, however who owns it is less important than the fact that it actually exists.

Ring fencing

Intentionally or otherwise, ring fencing is also a significant problem that holds businesses back. When we work with businesses we very frequently find huge amounts of knowledge that is limited to one team only – or even more commonly – to an individual. Again we are not advocating unworkable solutions such as sharing every last bit of data around like doughnuts, but what we are saying is that there needs to be an open, transparent and objective means of sharing critical knowledge. This will ensure that pertinent insights are shared and mulled over by more brains than one.

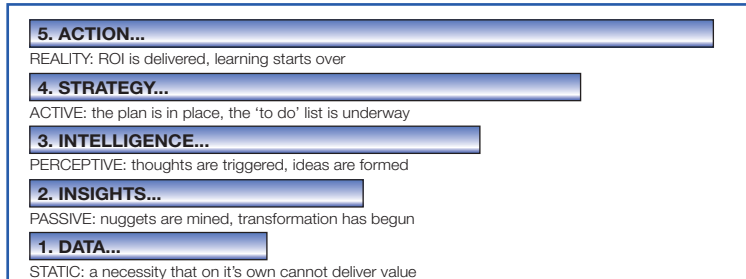


Figure 1: The Power Ladder.

Data

Data is the start point to building true power from knowledge. It is the solid foundation from which to build and as with any foundation, it must be robust. This does not mean having to quantitatively research everything to the nth degree, but it does mean being very realistic about the reliability of your data and clearly distinguishing between the very robust facts to the very loose gut feel foundations.

Questions that you need to be pressure testing against are things such as: are you about to launch NPD based on 15 in depth qualitative interviews? How reliable is a hypothetical rationale of what people think they might do to support a new claim that you are thinking of launching? Clear statistical measures that will test data reliability are important in this stage to ensure that you do not expose the business to additional risk and cost. Also critical is the acceptance that you are never going to be in possession of all the facts and that ultimately you still have to make decisions.

Insights

The human brain is the salt and pepper that brings meaning to a set of data. The most critical piece in this stage is honesty. Being objective is very difficult and is also surprisingly hard to maintain during this stage. You will need to put clear checks and measures in place to keep yourself honest here because as the saying goes, 'you can prove anything with statistics', so don't fall into the trap of using the data to prove your pre-conceived ideas. These checks and measures can be as simple as asking yourself some key questions:

- Would my key competitor or trade partner draw the same conclusion from this data? If not, why?
- Do other data sources confirm my conclusion or am I cherry picking somewhat? Why?
- Am I listening equally to the things that I don't want to hear? If not, why?
- Are people in the room nodding when I explain or are they looking at me like I've got rocks in my head?

The bottom line is that nobody likes bad news, but often what appears to be bad news on the surface is more often than not your biggest opportunity. Avoiding bad news is very dangerous but very common. The worst thing about it is, it rarely goes away; the longer you leave it to rot the smellier it gets, so don't let it fester, deal with it. If you don't trust yourself to be honest at this stage, it's best to involve someone who can be.

Intelligence

This is where it gets really interesting as this is when knowledge starts to breathe life. It is the time when best thinking takes over and therefore means it is important to have more than one brain applying itself to the knowledge. The critical piece in this

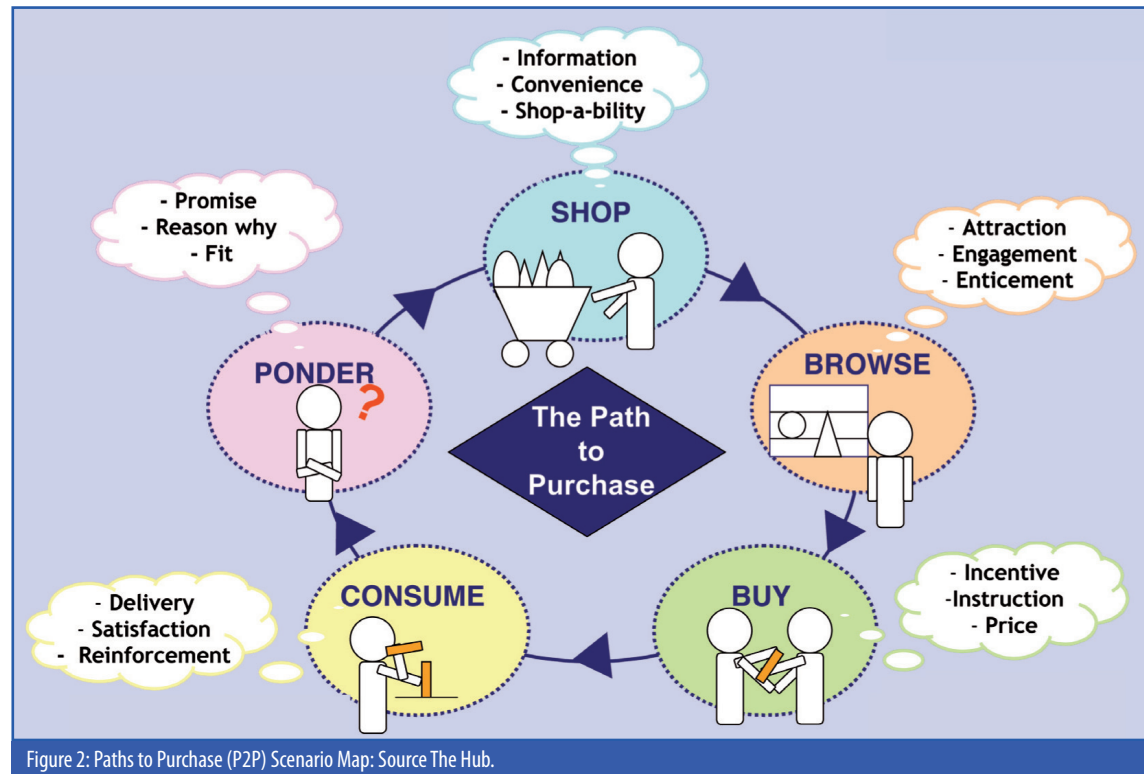


Figure 2: Paths to Purchase (P2P) Scenario Map: Source The Hub.

stage is the reality check. If not managed appropriately, direction can become blurred, whacky and at times completely off track.

You will need to ensure that relation back to insight is a key test throughout this stage. It will also be important to involve different types of thinkers in this stage to ensure that a fully rounded view is shared, ruminated and prioritised.

Strategy

The plan of attack is when the whole becomes active. Having a clear plan of attack is the critical piece in this stage but more important than that, is engaging key stakeholders in this. I remember someone once saying to me that it is better to have the whole team moving together in a slightly off track direction, then everyone wandering off on their own.

Destinations are amended as you develop and learn and therefore having the pack on board is key to ensure that the strategy is set to succeed from the start. There needs to be a clear and logical path from data to strategy with objective KPI measures to clearly demonstrate how close or far away initiatives are to the strategic direction.

Action

Execution of strategy; easier said than done. Critical at this stage is the measurement and tracking KPIs that will enable you to continue to gain knowledge and turn this once more into sales. That is why at the top of the Power Ladder, the next step is to return down to rung 1. You need to be able to collect data in order to measure which parts of the strategy are successful. Continuing to develop and transform your knowledge will ensure that your business continues to grow.

Assessing where you currently sit on the Power Ladder is the first step towards building

true power within your business. If your business feels that it has not secured adequate ROI from a recent knowledge project, I can almost guarantee that it will be because you have not progressed beyond step 2 on the Power Ladder.

While there may be a myriad of reasons or excuses for this and while none of it may be your fault, the bottom line is that while this is the case, your knowledge is passive and this means that you will not achieve your goal of getting more for less in terms of sales. A key question to test yourself on here: does your business travel the ladder in the wrong direction? ie. create a strategy then look for the data to support it.

So now that we have covered how to

build true power from data within your business, the final step is making actionable strategy part of everyday life. All too often, strategy is something that FMCG thinks about once a year – at the annual business planning sessions – yet decisions are what our consumers, customers and shoppers make every single day about us. These are represented here in the P2P.

The bottom line is that we are never going to be able to respond quickly enough when we only take a really good look around once a year. Actionable strategy needs to become part of everyday practice and this means making the annual discussion an everyday dialogue. Contact us to find out more. Until next time! 🛒

