

# ***Point-of-Purchase Promotion Q&A***

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The point of purchase is the time and place where the prospect is actually shopping. Traditionally, the point of purchase was always thought of as the retail store, and so POP (as point-of-purchase promotions are termed) consisted of signs, special offers, end-caps and free-standing display racks, and other things you can do to lift retail sales for a product or branded line of products. Then B2B (business to business / wholesale) marketers caught on and began to use sophisticated displays and offers at trade shows, where buyers also make purchases.

Next comes the realization that a virtual store on the Web offers a virtual POP or, as I suggest it should be called, a V-POP. Most marketers don't think this way yet, but soon enough, everyone will be applying the tactics of good POP to the Web and V-POP will be popping up everywhere too. Wait and see – or better yet, help lead the charge!

## ***POP Questions and Answers***

How do you design good POP? The sections that follow give you some facts to help you develop and implement a retail POP program. (The principles are similar for other applications as well.)

### ***Who should design and pay for POP: Marketers or retailers?***

The answer is a bit of both. In some cases, marketers design POPs and offer them to retailers as part of their marketing programs. In other cases, retailers develop their own POPs. Point of Purchase Advertising International (POP AI) reports that the industry is about equally divided. In other words, retailers directly purchase half of all POP displays, and marketers who offer their materials to retailers make up the other half.

### ***What kinds of POPs do marketers use?***

Marketers generally think about temporary displays first when talking about POP, even though POP AI surveys reveal that salespeople spend the most on POPs for permanent displays (generally, retailers make these purchases), followed by in-store media and sign options and then temporary displays. Maybe marketers need to rethink their approach and redesign their programs to emphasize permanent displays and signs first and temporary displays second.

### ***How much can POP lift your sales?***

*Lift* is the increase in sales of a product attributable to POP marketing (calculated by figuring the difference between sales with and without POP).

You need to estimate lift in order to figure out what return you can get for any particular investment in POP on a particular product. In general, accessories and routine repurchases have the highest lifts. Also, significantly new products have high lifts if their POPs effectively educate consumers about their benefits. In Table 16-2, I give you a range of lift statistics based on a detailed study of the topic by POPAI.

**Table POP-1**

**Lift Statistics**

<i>POP Displays/Signs For</i>	<i>Typical Lift</i>
Photo printing	48%
Socks/underwear/pantyhose	29%
Dishwashing soaps	22%
Cookies and crackers	18%
Movies	12%
Butter/margarine	6%
Pet supplies	6%
Stationery	5%
Salty snacks	4%
Salad dressing	3%

These numbers give you a general idea of the range of possible benefits from point-of-purchase promotion. You should track your own sales, both with and without POP, to find out exactly what lift you can create. Then compare the added sales with the costs of the POP program to see whether it's effective and worth continuing. Every promotion is different, so keep good track of what you do and spend and what results you get. You'll gradually come up with your own winning promotion formulas.

## ***Don't Forget to Integrate Packaging with POP!***

As a book author, I'm very mindful of the power of POP to sell my own products. Take a look around a bookstore's nonfiction sections and notice how well the ...*For Dummies* series "pops" off the shelves. Wiley (the publisher) delivers a consistent, distinctive brand that is always packaged in the exact same shade of yellow, so you can't help noticing the array of ...*For Dummies* options

on the shelves. Sometimes publishers offer extra discounts for special shelving — an eye-level display on an end-of-aisle shelf, or face-up display on a table, for instance. And the bookstore may add a special promo such as a discount or an announcement that the books are signed by the author (if the author has visited the bookstore recently). But really, the cover is awfully important and without a strong “package” the book won’t sell well, no matter how it’s shelved.

Shoppers *do* judge books — and all other products — by the cover! Keep that in mind and make sure your product is easy to pick out of a lineup, and looks enticing and interesting to prospects. Give it a distinctive style, pick a good color for it (noticeable and a fit with the product’s personality), and add enough information to make it clear this is the right product for the shopper. Good! Now your packaging will pop, whether or not you’ve added extra POP marketing.

- *Alex Hiam*