

On Site. Insight.



Craig A. Gunckel
Executive Vice-President and
General Manager
RockTenn Merchandising Displays

With the recent acquisition of Smurfit-Stone, Gunckel oversees the operations of what is arguably the leading manufacturer of in-store merchandising in the U.S.

*Another in a continuing series
of industry dialogs.*

*To contribute or comment, contact:
jkramer@rocktenn.com*

How do you view what's going on in the field of merchandising and display?

The continuing shift of marketing funds toward in-store communication is requiring marketers to examine the effectiveness of their investment more closely. Just like advertising people hone and test their creative messaging and carefully plan their media buying, responsible in-store marketing people have to do the same. We drive our business around three key pillars of customer satisfaction: Innovation, Execution and Low Cost.

OK, let's talk about that. How is RockTenn driving innovation?

Innovation begins with insight. In our case, on-site insight. We try to understand, better than anybody else, the needs of marketers and retailers. We are able to do this because we interface daily with the leaders of the industry.

But that is not enough. We also try to help our customers understand what works at the shopper level. And what doesn't. We have proprietary tools that we use to evaluate messaging effectiveness. For example, a brand's advertising theme often doesn't translate directly to point-of-purchase, where messaging must be crisp, telegraphic and feature a call to action. So we can test whether this has been accomplished.

Even more importantly, we need to measure and understand shopper behavior. By that I mean real in-store behavior, not just research about what shoppers say they will do, but how they really react to in-store merchandising.

So we have innovated with a proprietary "learning lab" process, anchored by our ShopperGauge® behavior monitoring system. This state-of-art technology lets retailers and marketers measure the exact effectiveness of alternative in-store programming, and take action in real time, to improve performance. It works through strategically installed cameras, combined with digital triggers that measure actual product takeaway.

We use these insights and data to provide better in-store solutions and enable our clients to sell programming to their customers based on facts vs. theory. Armed with insight, we

have been able to develop in-store innovations for our customers that truly increase sales.

Such as?

Technology is driving change faster than at any time in history. We feel we need to provide our clients with the ability to get ahead of these changes. Our perspective is that if you are not leading change you are behind it. We have developed a smart end cap delivering customized promotional messaging to shoppers as they shop. We are leveraging mobile technology by offering hotspot platforms for in-store displays. Our Eco-Max™ line of environmental products helps us turn sustainability into shopper-appeal. We offer the newest design, lighting and motion technologies that stop traffic, engage shoppers, and persuade them to buy.

Why do you view execution as a key pillar?

Enormous investment in in-store media requires that marketers get the right display to the right store at the right time. When display material fails to get in front of the shopper it adds to the delivered-cost of a shopper message. Our approach to reduce this waste is two-fold. First, we take steps to streamline the supply chain, including more points of proximity to our customers' operations centers. Secondly, we integrate our process into theirs, so that all parties are continuously on top of the production, delivery and installation process.

How does low cost fit into the equation?

At the end of the day, after messaging, design and everything else is perfect, marketers have to continuously drive down their cost-per-delivered message. It's simply a fact of doing business today. Low cost wins. Look at how Walmart works with suppliers to drive down everything from packaging to logistics costs. This is where RockTenn has been making the most progress. Our expanded operation facilitates economies of scale like never before. Our designers are continuously discovering ways to engineer costs out of production without sacrificing quality. We are proponents of display modularity, and have been helping our customers save millions of dollars through this approach.



More in Store. Less Out-of-Pocket.
800.829.1509 www.rocktenndisplays.com