Australia's First Food Label Marketing System

Proves a Boon for Retailers

As supermarkets race to expand their fresh food departments, the final results of a case study trialling the effects of advertising on deli labels have just been released, and are good news for retailers.Results showed:- An increase in average spend - An increase in average items per basket - Sales growth of the item on promotion- Greater traffic to items located in `cold spots - Proven results for fresh food item managementAdPro, the only technology of its kind in Australia, consists of a software solution which can work with existing hardware to allow contextual information (such as promotional offers, competitions or recipes) to be printed out on the bottom of existing service deli, bakery or pre-pack labels. Turning what has traditionally been an expense into a revenue-generating tool, the system requires little change to existing work processes and is a smart way forward for supermarket leaders. The case study ran over an 11 week period at Il Mercato, a leading Adelaide gourmet retailer with a busy service deli. Completed mid April this year, the trial was conducted by Complete the Picture Consulting, a business strategy and research company with a focus on new technologies.Based on pre-trial data, the average spend per customer showed a 100% increase, items per basket increased by 125%and promotional items sales rose by an average of 177%.

As well as increased sales across the board, the system showed an improvement in moving customer flow into what were traditionally `cold spots within the store (by up to 285%) and demonstrated that it could assist in fresh food management by increasing fresh food item sales (by up to 538%).
We were impressed by the additional sales gained during the trial and have observed a change in our customer spending habits, says John Caporaso, Director, Il Mercato.
We will definitely continue to use the technology as a key part of our marketing, he says.
ProScales Pty Ltd, who have patented the technology, believe that the concept will take off as coupon usage increases and retailers look for ways to capitalise on impulse buying without adding additional work processes to their business.
The advertisements can be either pre-programmed or can be changed easily on the fly, allowingretailers to respond quickly, as well astargeting changing demographics at any time of day, says Managing Director of ProScales, Stephen Heaney.
ProScalesplans to roll out the technology, across Australia and New Zealand, in the coming year.

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