Abstract

Objectives: Design buyer-based design standards for a multinational production and distribution of products of mass consumption with presence in 44 countries. Methods/Statistical Analysis: The process was divided into four (4) phases - Diagnosis of current process, key design EDBC Strategies, proposals EDBC and implementation. Findings: Among the results is made, all the sub-sections that describe strategies are: Assortment, shelf prices and promotional such as: The study of vertical blocks of brands on the shelves, the step diagram’s purchase, shelf system according to the quality of products, etc. Application/Improvements: Finally standards are implemented in a sample of stores and checked analytically these increase sales volume by 20% above establishments do not accept the proposal.

Keywords: Pricing and Promotional Design, Standards-Based Buyer, Strategies Assortment, Shelving, Strategy Shelves

1. Introduction

According to the American Marketing Association (1995), the term marketing is “It is the activity, set of institutions and processes for the creation, communication and exchange of offers that create value for customers, partners and society in general”.

Marketing has evolved from its academic conception, early twentieth century to today. Initially the focus was directed toward production, i.e. manufacturing the highest possible amount of a product to saturate the market. Since the supply chain is interrelated with each other and the elements that do not add value as inventories should be reduced, then there must produce a product that will not sell. That is why, to meet demand from the final link in the chain, the consumer becomes vitally important to synchronize and encourage others.

According to an article in Money magazine (2010), about 70% of the decision to buy a product is taken at the point of sale. In addition, today the consumers live in a fast-paced world, where saving time and experience become more important during the process. Because of this, many companies allocate resources to understand the interaction of retail sellers with buyers and thus outdo their marks at the time of the decision to purchase within the point of sale.

From it follows that if a catalog containing standards-based buyer (EDBC) design is made, then the sales force companies can improve performance in implementing them. This causes marks the company gain a greater
advantage when a buyer decides which product to purchase. Therefore, both the rotation of shelf products as sales volume increases.

As above, the article is in the diagnosis of EDBC force, the determination of the key strategies to generate them, developing a proposal for EDBC and implementation of this new EDBC to a sample of outlets belonging to the supply chain of a multinational producer and distributor of consumer products.

2. Theoretical Foundation

2.1 Design Standards based on the Buyer (EDBC)

The EDBC are a compendium of indicators that establish some marketing strategies retailers and have as key objectives: Increasing the sales volume of the company, improve customer relations and the shopping experience of consumers. Figure 1 show the relationship of benefits provided by standards based on the buyer to the company under study, their customers (retailers sellers) and buyers end design.

To achieve the objectives of the EDBC, all sales representatives of the company must be in possession of these priorities to run on the sales floors and synchronize the negotiation process with global and local strategy of the company.

The standards determine what? and how? They must be negotiated products company for preferential shelf space at the various sales points. In addition, these parameters define how to improve sensory communication with buyers.

The EDBC are held in four (4) pillars covering different aspects to run a successful business. These strategies are stocked shelves and promotional prices.

![Figure 1. Relationship of benefits provided by standards based on the buyer.](image-url)
2.2 Assortment Strategy
Assortment strategy is characterized by product analysis to generate an efficient selection that maximizes the volume of sales for P&G. In the case of this project, this analysis is carried out considering the distribution channels and categories described in this chapter. A product distribution ensures that:
- Each establishment has relevant SKUs for the channel buyers.
- The SKU supported initiatives should always be on the shelves.
- You can change the options for offering the buyer, exchanging or increasing the various brands.
- Out-of-shelf is substantially reduced.

2.3 Strategy Shelves
Buying a product is a process in which many variables converge. Looking at the shelves of a sales floor, you can see a variety of products and brands, each seeking to highlight its benefits to increase your chances of being acquired. This makes the buyer get confused and tired in the process of selecting the product you want to purchase. Therefore, proper organization on the shelves allows the buyer, easier navigation when buying.

2.4 Promotional Strategies
Promotional strategies consist in determining promotional means considered most appropriate to meet the different communication objectives. Promotions seek to create sustainable volume and share growth. The overall objectives which are:
- Inform buyers the benefits and features of their products.
- Improving the image and organization of the store.
- Simplify the process.
- Improve communication and store experience.
- Promote purchases of specific products.

3. Methodology
The process divided into four (4) phases are focused to meet the specific objectives of the proposal, these are shown below:

- Phase 1. Diagnosis of current process: The most important source of this phase is the work of, which is described in the background of this project. Moreover, it seeks to compile all relevant business information regarding the concept of EDBC and its components.
- Phase 2. Key design EDBC Strategies: Through information contained in the global web portal company EDBC study and documents provided by market research centers of the same in other countries.
- Phase 3 proposals EDBC: The process of making this phase is accompanied by meetings for the approval of each of the strategies of all categories sold by the company and includes the coordination of graphic design EDBC.
- Phase 4. Implementation of the proposals: This phase has two (2) stages. In the first catalog to the sales force delivery and proper training on how standards should be implemented at points of sales are made. In the second, after representatives begin to implement the EDBC, we proceed to evaluate the impact of these on a sample of outlets belonging to the enterprise supply chain study.

3. Results and Discussion
This chapter presents the relevant results of the four (4) phases stipulated in the methodology.

- Phase 1. Diagnosis of the current process: The EDBC are held in four (4) pillars covering different aspects to run a successful business. These strategies are stocked shelves, and promotional prices.
- Phase 2. Key strategies for designing EDBC:
  - Strategy in a matrix of priorities range indicating the importance of a product over another for a particular distribution channel used.
➢ The strategy shelf planograms are used as an indicator to present the ideal order in each category.
➢ Pricing strategy in the most important category SKUs are compared with respect to its strongest competitor. The only thing that indicates what percentage is sold with respect to that SKU competition.
➢ The promotional strategy presents the SKU that should be placed in promotional initiatives such as gondola ends the shelf or an extra point.

- Phase 3. Proposal EDBC: The proposed methodology for conducting the EDBC is divided into assortment strategies and promotional shelves. The pricing strategy does not arise since it depends on the legal framework of the country where the outlet is located.

### Strategy Assortment

Assortment strategy aims to make products that maximize sales volume of one category. The expected result is a matrix of priorities presented by the efficient selection of SKUs a category in a particular distribution channel. The procedure to construct this strategy is ordered as follows:

- Get the sales volume data of a category in a distribution channel. From these, obtaining the essential and optional SKU through a Pareto chart.
- Analyze substitutes and complementary products that could change the order of priorities of the SKU.
- Analyze any regional initiative involving improve the position of a SKU within the matrix of priorities.
- Replicate the four (4) steps above for all existing permutations between categories and distribution channels of retail stores in Venezuela.
- Analyze the SKU that generate higher yield per unit capital.

### Strategy Shelves

Step 1: Divide the category by brand blocks according to the study on improving communication and vertical blocks.
Step 2: Sort the blocks of brands according to the quality of their products.
Step 3: Use the assortment strategy to define the products that should occupy the shelf.
Step 4: Decide on the basis of the strategic guidelines for each category the number of faces of the products that should be in the planogram.

### Promotional Strategy

Initiatives which take effect in the fiscal year for the region where the outlet is located shall seek. Among these, containing SKUs are on the top of the list resulting from the assortment strategy filtered. For each category, it is elected a promotional strategy.

- Phase 4. Implementation of EDBC: We proceed to validate that indeed EDBC improve the sales volume of the trades where they are implemented. For this the percentage growth in sales volume over two (2) establishments with similar characteristics is evaluated. One of the establishments accepts the implementation of the standards while the other does not. The analysis is performed in the months of July and August 2013 compared to the previous year.

To measure the total increase in sales volume of an establishment a percentage of average category growth is used. In trade where the proposal was applied, an increase of one thousand and fifty (1050) units is estimated from the month of August 2012 to the same month of 2013. Meanwhile trade that does not accept the proposal only throw two hundred ten (210) units in the same period.

When comparing the percentage growth of both and wrest the portion of estimated increase due to promotional investments, setting standards that implements
has an additional 20% increase in the establishment who decides not to accept the proposal.

5. Conclusions

EDBC are designed, this is achieved from analysis of strategies assortment, shelving, pricing and promotional. As a result of this action, EDBC that they are part of the sales force of the company under study are obtained.

The implementation of design standards based on the buyer generates a positive impact on sales volume estimated at an additional 20% that is determined by promotional investments. This means that the proposal received a positive reception from consumers. Therefore, it is expected that improved the shopping experience is reflected in greater loyalty from them.

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