

IN-STORE MEDIA RESEARCH

on the

BIG W POS MEDIA NETWORK

October 2006



Independent Research by McNair Ingenuity for BIG W and DAT Media

EXECUTIVE SUMMARY



July 2006

In July 2006 we analysed the sales results of those stores that had the POS system installed compared to those that did not to identify any lift in sales.

There were four brands / products chosen from the following categories that were advertised on the POS Network during this period:

Mobile Telecommunications

Small Appliances

Cosmetics

Confectionary

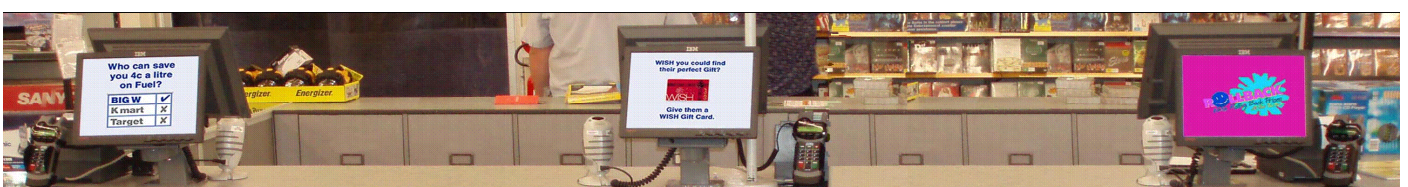
The stores with POS reported the following results for the promoted brands / products: -

Mobile telecommunications sales increased by 34.5%.

Small appliances sales increased by 46.9% versus a decrease of 1.3% in stores without POS.

Cosmetics sales increased by 75.5%.

Confectionary recorded an increase of 28.5% in POS stores and a 13.6% in non-POS stores. Notably sales for **Confectionary** increased by 32.4% when a combined POS and Radio campaign was executed.



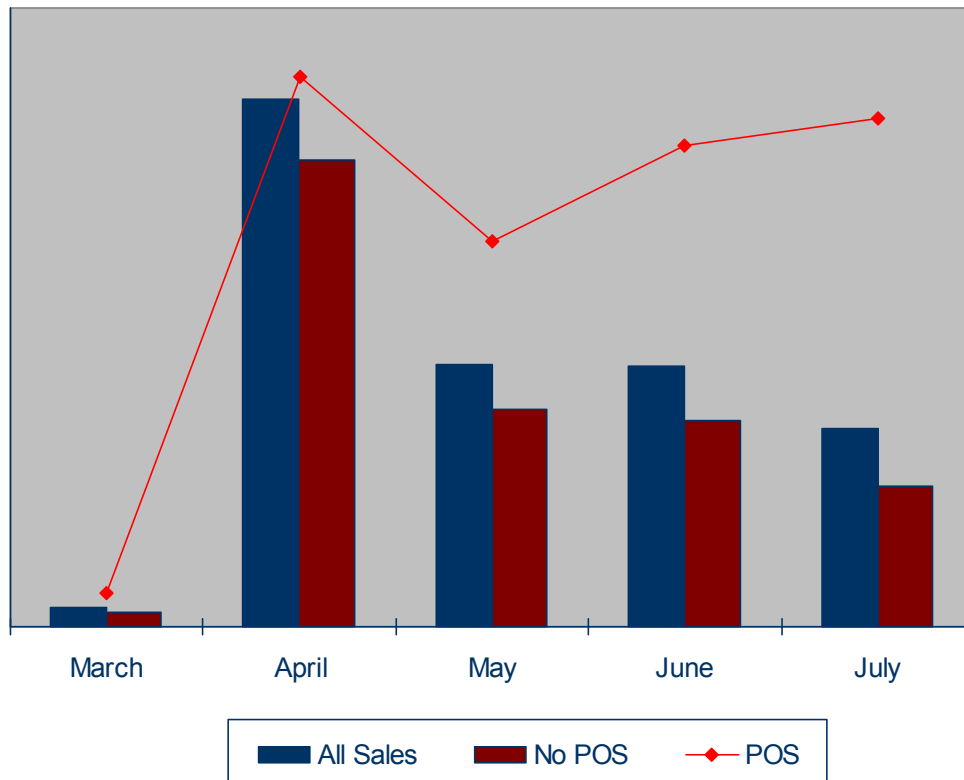
OVERVIEW

To detect what the impact of the POS Media screens has on sales over a two months period. (June-July 2006)
 The campaign was run promoting the featured carrier's prepaid phone card offer..
 During the campaign period there was also another Telecommunications offer on screen.

STATISTICAL FINDINGS

- ◆ Overall sales for Virgin remained constant in June compared to the previous month with July decreasing.
- ◆ Sales in stores with the POS increased in June and July.
- ◆ Average weekly sales overall for the POS campaign period were 12.7% less than the average sales for March to May.
- ◆ Average weekly sales for the POS campaign period of stores with POS installed were 34.5% more than the average weekly sales for these stores for March–May.

Average Sales April - July 2006



“sales in stores with POS increased by 34.5% during the campaign period”

CONCLUSIONS

When the POS screen advertising was introduced, these stores sales increased to exceed the weekly average. When the advertising ceased the levels dropped back to the historical trading levels. The POS Media test proved that using the media did increase sales during the campaign period. It was also able to maintain and increase sales in a competitive environment over an extended period.

SMALL APPLIANCE CASE STUDY



OVERVIEW

To detect what the impact of the POS Media screens has on sales of the featured small appliance.

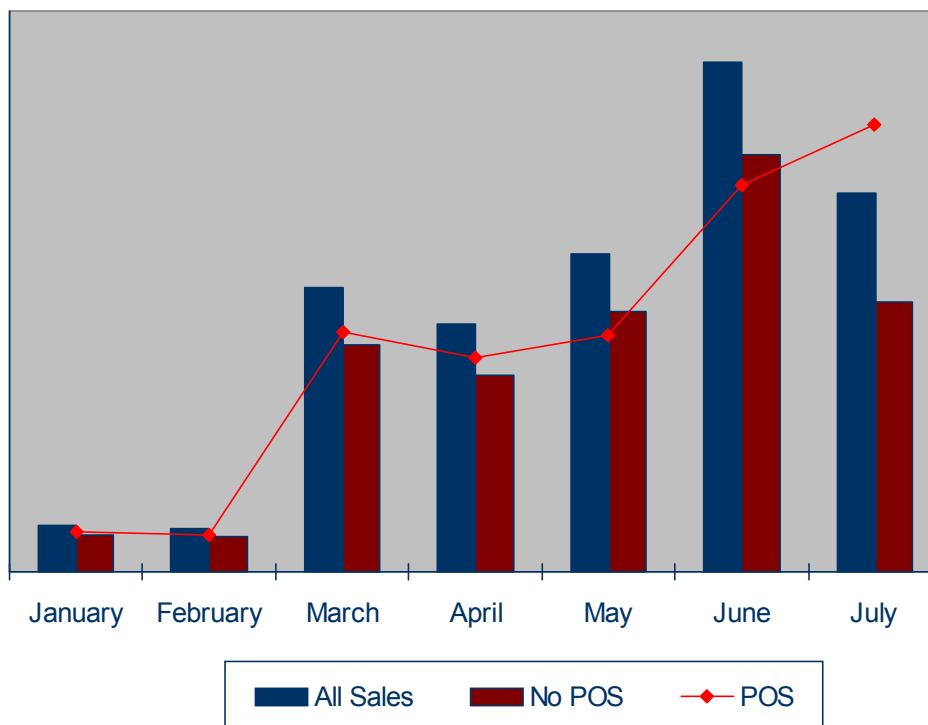
The execution ran for 8 seconds consisting of brand and product imagery and featured the price.

For two weeks of June the item was a managers special resulting in higher sales across the board during that month.

STATISTICAL FINDINGS

- ◆ Overall sales for the product increased in June compared to the previous month.
- ◆ Sales in stores with the POS increased in June at a greater rate compared to sales in stores with no POS.
- ◆ Average increase of sales in stores with POS was 26.8% for June compared to the average from March–July.
- ◆ Average change in sales in stores with no POS was an increase of 51.9% for June.
- ◆ Average increase in sales with POS was 46.9% for July compared to the average from March–July.
- ◆ Average change in sales in stores with no POS was a decrease of 1.3% for July compared to the March–July average.

Average Sales January - July 2006



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“average sales increase in stores with POS was 46.9%, sales decreased in stores without POS by 1.3%”

CONCLUSIONS

During the Managers Special periods the POS screens impact was not necessarily detected but once this promotion ended sales in the stores with POS Screens increased dramatically where sales in the Non-POS stores decreased significantly.

COSMETICS CASE STUDY

OVERVIEW

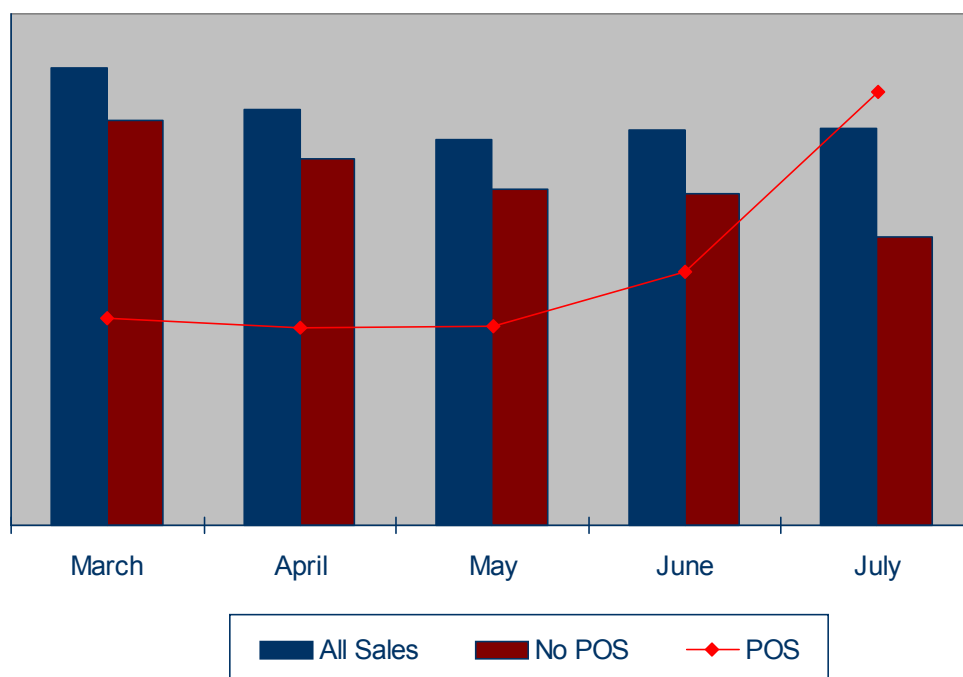
To detect what the impact of the POS Media screens has on sales of a nominated brand and specific product range. The campaign was run over two months, (June-July 2006).

The execution ran to draw attention to the product and was not run in conjunction with any other price promotion.

STATISTICAL FINDINGS

- ◆ Overall sales for brand / product increased marginally in June and July compared to the previous month.
- ◆ The number of POS stores increased from approximately 12-18 during June, increasing to 33 to July 31st.
- ◆ Sales in stores with POS increased more significantly than in stores with no POS.
- ◆ Average **sales increase in stores with POS was 75.5%** for July compared to the three months prior.
- ◆ Average weekly sales overall for the POS period were 5.6% less than the average weekly sales for March—May.

Average Sales March- July 2006



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“average
monthly sales
increase in
stores with POS
was 75.5%

CONCLUSIONS

Historically the POS test stores all traded below the Average Store Trading (AST) level for this category. When the POS screen advertising was introduced these stores sales increased to exceed the average AST level. The POS Media test proved that using the media did increase sales significantly during the campaign period.

CONFECTIONARY CASE STUDY



OVERVIEW

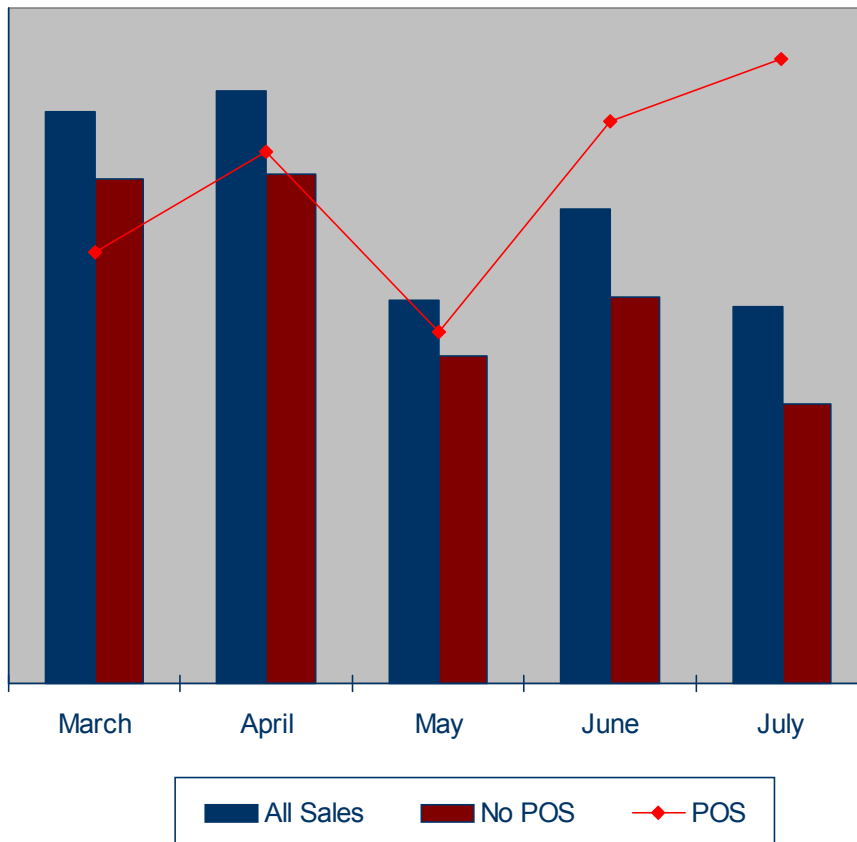
To detect what the impact of the POS Media screens has on sales of a nominated market leading brand and specific product range. The campaign was run over two months, (June-July 2006).

The execution ran to draw attention to the product and was not run in conjunction with any other price promotion. Certain test stores also received an In-Store Radio campaign.

STATISTICAL FINDINGS

- ◆ Overall sales for the product range increased in June compared to the previous month.
- ◆ Sales in stores with POS increased compared to the previous months.
- ◆ Average change of sales in **stores with POS was an increase of 28.5%** for June compared to the three months prior.
- ◆ Average change in sales in stores with no POS was a decrease of 13.6% for the same period.
- ◆ **When a combined POS and In-Store Radio campaign ran in July sales increased by 32.4%.**

Average Sales July 2005 - July 2006
(note July 3 weeks only)



“average weekly sales increase in stores with POS was 28.5%. Sales increased by 32.4% when a combined POS and Radio campaign ran.

CONCLUSIONS

The POS media test proved that it was possible to maintain an increased level of sales beyond the traditional spike normally experienced over the Easter and Mothers Day periods.

MAGAZINE CASE STUDY



OVERVIEW

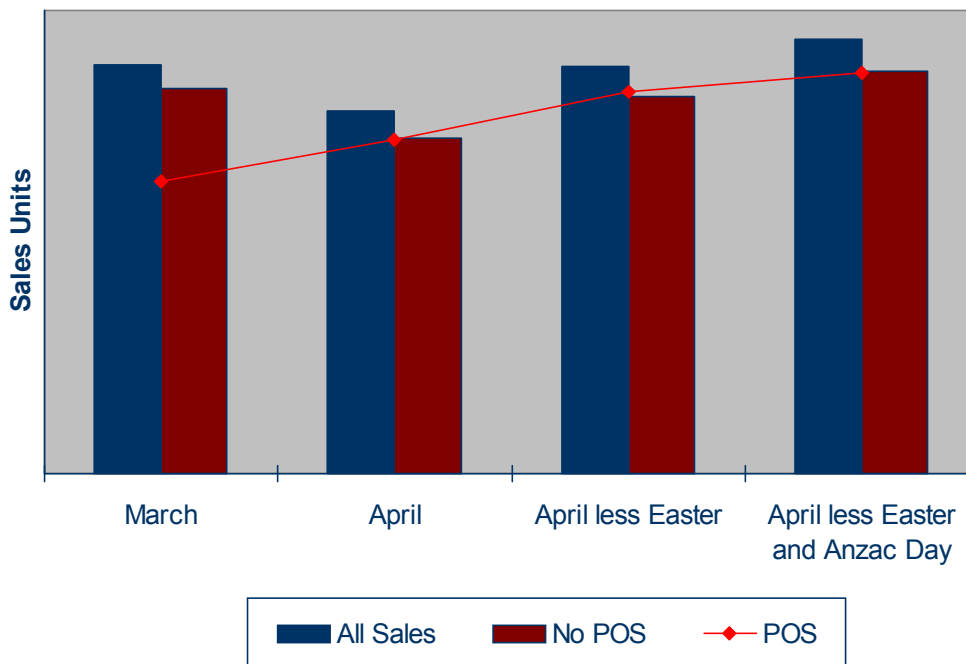
To detect what the impact of the POS Media screens has on sales. The Magazine campaign was run over one month, (April 2006).

The execution ran for 8 seconds consisting of the Magazine masthead and website address as static images with the words "On sale NOW!" flashing every 2 seconds.

STATISTICAL FINDINGS

- Overall sales for the Magazine decreased in April compared to the previous month.
- Sales in stores with the POS increased in April compared to the previous month and sales in stores with no POS decreased.
- Easter Monday was in week commencing 16th April which effected sales overall.
- Average increase of sales in stores with POS was 30.3% for all of April and 36.9% for the weeks without Easter and Anzac Day.
- Average change in sales in stores with no POS was a decrease of 2.3% for all of April and increase of 4.6% for the weeks without Easter and Anzac Day.

Average Sales in March vs April 2006



"average weekly sales increase in stores with POS was 28.5%. Sales increased by 32.4% when a combined POS and Radio campaign ran.

CONCLUSIONS

Historically the POS test stores all traded below the Average Store Trading (AST) level for this category. When the POS screen advertising was introduced these stores sales increased to meet, and in some weeks, exceed the average AST level. When the advertising ceased the levels dropped back to the historical trading levels. The POS Media test proved that using the media did increase sales during the campaign period