



## In-Store Color Printing

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## Solution Executive Overview

The key to a successful retail merchandising strategy lies in creating a visually dynamic environment. In today's competitive retail atmosphere, it's not enough for your stores to have the right products at the right time in the right quantities. In order to close the sale and to develop loyal customers, retailers must also make the shopping experience enjoyable.

Retailers generally agree that the store attributes listed below are critical to attracting new customers and sustaining customer loyalty:

- Saving money through highly visible price signs
- Saving time helping customers get answers and find products quickly
- Locating departments easily by providing in-store kiosks and attractive signs
- Detailed product information signs presented next to the product
- Convenience of having the right product on the right shelf when the customer needs it
- Ease-of-shopping with the ability to visually distinguish between specific product areas within the store and with signage displayed at eye level
- Creating a fun atmosphere, such as grouping similar products with unique tags explaining how to use these products
- Special services visibility signs prominently displayed, promoting delivery, special ordering, alterations, photo developing, and similar services

Creating a visually dynamic environment can help stores separate themselves from the competition. "In order to sell a lot of merchandise, stores must be visually interesting, well-conceived and easy to shop", states retail consultant George Whalin in his new book "Retail Success". He goes on to say, "They must be merchandised to fit the customer, the category and the community. And the merchandise must be the star. Making the merchandise the star requires an almost obsessive approach to creating exactly the right environment so the merchandise always is well-presented and attractive to customers."\*

## The Power of Color

One of the most effective tools to help in accomplishing this goal is through color signage. Even the experts agree. Generating color signs, banners and shelf-tags yields immediate and measurable results:

- Customers are up to 85 percent more likely to pay attention and buy when color is part of the message<sup>1</sup>
- Information is communicated 70% faster and 77% more effectively with color vs. black and white<sup>1</sup>
- Brand identification by customers soars as much as 70 percent when color is used<sup>1</sup>
- Color has an enormous impact on attention spans, lengthening them by as much as 82 percent<sup>1</sup>
- Visual search time is reduced by up to 80 percent<sup>1</sup>

Beyond a doubt, color signage makes a world of difference. But even the brightest attention-getting sign is of no value unless it's displayed on time.

Store managers need to display goods in the right place - on a shelf, on an end cap, in a display window, or outdoors in the garden center. They need items to be priced correctly. Customers must be able to find products quickly and without confusion. And when competition heats up, prices need to be changed at a moment's notice.

There's only one way to meet these challenges: print planograms, product-image shelf tags, banners, and signage in the retail store, on demand, and in rich, full color.

With a corporate-wide in-store color printing initiative, stores don't need to wait for a shipment of signs from the central distribution center or sign vendor. Each store manager can print the exact number of signs and shelf tags needed, eliminating both waste and shortages.

By giving store-level personnel the power to print on

<sup>1</sup> "Color for Impact: How color can get across your message or get in the way" by Jan V. White

demand, retailers can reduce freight and packaging costs, improve the speed and accuracy of shelf restocking, and give customers a clear and distinctive way to find specific products. Brightly colored professionally-designed signs that draw customers' attention may also lead to an increase in impulse buying. All of these benefits help improve the bottom line.

Traditional centralized production of signs and price tags -- often at a corporate print shop or by a third-party sign vendor -- was designed for a bygone era when retailing moved at a more leisurely pace. Once the only practical way to create professional signage, these centralized print-and-ship operations simply can no longer keep up with the pace and continually changing needs of modern retailers.

The solution: In-store color laser printers. They provide instant high-impact results and allow pricing changes to be made on the spot.

With a high-resolution color laser printer installed in each store, a manager can print signage, shelf tags, promotional banners, and merchandise display planograms as needed. Shipping costs and weeks of waiting disappear, signs are no longer lost or damaged in transit, and the long-standing necessity of printing weeks signs in advance is eliminated.

Though it's certainly possible to print black-and-white signs at the store level, there's no longer a reason to do so. Lexmark's color lasers print high quality output and do it for little more than the cost of an uninspiring monochrome-only sign. With studies confirming that color sells products and ideas up to 85 percent more effectively, increased sales far outweigh the minimal cost of adding color.

## Color Signage Value Proposition

### Time Compressed, Money Saved

We have heard from retailers that sometimes up to 70 percent of preprinted signage fails to reach individual stores in time for scheduled promotions. The result is missed opportunities, lost sales, and increased post-promotion markdowns. It's bad business, and it's unacceptable.

With the traditional business model, getting signs and shelf markers to individual stores is a chal-

lenge. The design and printing phases can take two weeks or more. When an outside printing company is used, additional time passes as bulk materials are shipped to the distribution center, broken down, and repacked for shipment to individual stores.

By the time these signs are received at the store level, they've been handled by dozens of people, consuming valuable time and employee resources. Received in a merchandise shipment, signs are often damaged or given a low handling priority. Imagine a chain with dozens, hundreds, or even thousands of locations, and the problems multiply.

In-store on-demand color printing eliminates the waste and inefficiencies. Signs are no longer shipped to the wrong location. Store managers can print exactly the quantity needed, eliminating the waste from shipping too many signs and the missed merchandising opportunities from shipping too few.

Reacting quickly to local market conditions can be done only with printing on demand. When the local sports team makes it into the playoffs, supermarkets and convenience stores can quickly print promotional signs and banners reminding fans to stock up on chips, nachos, pizza, and beverages. And when the pharmacy across the street offers special pricing on certain items, printing new signs and price tags on a moment's notice keeps customers from defecting. Artwork, still designed by the graphics arts professionals back at headquarters, can be made available to each store via an e-mail message or through the secure corporate intranet. Then it's simply a matter of loading the appropriate media and printing.

## Color Signage as a Business Tool

### Keeping Shelves Stocked

For supermarkets and mass-merchandisers, shelf tags are an essential business tool. They help customers find specific products and display the current price. And for employees, they simplify restocking. But they can offer so much more.

With Lexmark's unique ability to print on specialized media, "image shelf tags," that use die-cut vinyl media, can include a high-resolution color image of the actual product adjacent to pricing, product size,

and barcode inventory information. The benefits are enormous. In addition to enhancing the overall customer experience, visual image tags are an elegant solution for a contemporary multi-language society. For customers, that means quickly finding the right product. Employees can re-stock shelves with up to 30 percent greater accuracy, reducing empty-shelf lost sales by as much as 65 percent, according to a study by Sorensen Associates.

Image shelf tags also improve planogram compliance, ensuring that products are merchandised in the correct locations. And for multiple products that have nearly identical packaging, such as headache remedies marketed in tablet, caplet, gelcap, and capsule forms, there's no more confusion about which is which.

### **Lexmark In-Store Color Signage Solution**

Merchandising a new store is often a frantic and last-minute undertaking. However, now it can take on an atmosphere of an organized process, thanks to on-demand color printing. Planograms and shelf tags, printed as an organized package, provide all the visual cues necessary to ensure that inventory is displayed exactly as intended. With signage printed at the same time, everything needed for displaying and promoting merchandise is together. And by printing at the store level, there's no more hunting for the sign work package that's mixed in with hundreds of cases of inventory.

Clearly, printing full-color signage as needed at the store level provides enormous merchandising advantages coupled with simultaneous cost savings. Choosing the right media is the key to achieving superior results. With Lexmark's in-store retail solutions, creating signage on a variety of media is possible. Precision die-cut media ensures that shelf tags will fit perfectly every time. Weather and fade-resistant media and color laser technology are an ideal combination for creating promotional signs, banners, and price tags for an outdoor garden center or nursery.

Lexmark retail solutions are geared to today's hectic environment. Quickly installed on the corporate network, Lexmark's color laser printers can be administered from hundreds of miles away, while store personnel attend to more important tasks such as taking care of customers. With an easy-to-use, high-resolution printer installed in each store, retailers can react to changing marketing and competitive conditions in just seconds, keeping customers loyal, and shelves fully and accurately stocked.

Merchandising strategies that are high impact and visually appealing are key to success. Lexmark's retail color output solutions can help your stores create a distinctive look that stands out above the competition. With the flexibility to adjust signs, pricing and displays locally, your stores can increase the effectiveness of merchandising campaigns and offer a superior shopping experience to their customers.