

IN-STORE

The Newsletter of In-Store and Internet Marketing & Business

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Following *In-Store's* long tradition, this first issue of the new year will feature a "Year in Review." 2005 brought many significant happenings in the world of electronic marketing and, more broadly, "customer experience." Let's have a look:

RESEARCH HIGHLIGHTS in Review

The [latest frequent shopper statistics](#) were released at GEMCON 2005 (October 24-26 in Las Vegas). Ogden RSC compiled the base numbers and TDLinx analyzed the data by region and added the ACV percentage (sales) associated with those stores. As of October '05 there were 13,089 supermarket stores in the U.S. with card-based frequent shopper programs. This represents 38.5% of all supermarket stores. Those stores account for 45.1% of the total supermarket ACV.

As reported in the **AMR Research** of December 2005: In 2006, US retailers' technology budgets will increase by 3 percent as a percentage of company revenues, up from 2.9 per cent in 2005. Investment in self-checkouts and kiosks is predicted to be important, while hardware will take the biggest share of retail IT dollars in 2006. Twenty-nine per cent of respondents



INSIDE THIS ISSUE

RESEARCH HIGHLIGHTS in Review	1
LOYALTY MARKETING in Review	1
PERSONAL SHOPPING ASSISTANTS in Review	2
KIOSKS in Review	2-4
CELL PHONES/PDAs in Review	4
FUEL SYSTEMS in Review	6
COUPONS in Review	6
SCANNING/ELECTRONIC PAYMENT in Review	7
CUSTOMER DATA MANAGEMENT in Review	8
INTERNET in Review	8
TRADE PROMOTION MANAGEMENT in Review	9

also plan to upgrade their POS software, with a total of 80 per cent reporting that the Sarbanes-Oxley Act is driving their IT investments. AMR Research also estimates the 2005 retail applications market at USD 6.6 billion, but projects that by 2009 this total will grow by almost USD 3 billion to USD 9.3 billion. A recent survey of 300 consumers showed that those ordering goods online for in-store pick-up spent 58 percent more on average.

CARLENE'S CORNER

Hello and Happy New Year to all of you. I hope your holidays were wonderful and that you are looking forward to 2006 as much as we are! I suspect we'll see more advancement in the sophistication of loyalty marketing and the use of customer-specific data this year. And speaking of which, how long have we all been talking about combining loyalty data with category management? It's been a long time; a decade at least. Usually the "two sides" understood the potential of combining the disciplines but rarely have we actually met in the middle. There's a new book that takes us a step closer. Over the holiday "break" I read a new book called *Consumer-Centric Category Management: How to Increase Profits by Managing Categories Based on Consumer Needs*.

The book was produced by ACNielsen with John Karolefski and Al Heller. *Consumer-Centric Category Management* is an actual, step-by-step primer for retailers, CPGs, and anyone else who sells to the public. It's valuable for novices and experienced practitioners, and I highly recommend it.

Divided into three sections, the book explains the basics (Part I); reviews "The Eight Foundational Steps of Category Management in - you guessed it - eight separate chapters; concludes with success stories and then tells us "The Way Forward" for consumer-based category management. Though heavily slanted toward the food business, case studies show that the book is not for grocers only. They include General Mills, Big Y, SUPERVALU, CROSSMARK, Acosta, Chiquita, Hershey, Miller Brewing, and Hewlett-Packard.

I found ACNielsen-CEO Steve Schmidt's foreword interesting, although I took exception to his first-paragraph dig at consultants. "Consultants offering their new twists and titles are all too happy to declare the (category management) practice dead - so much the better to promote their own offerings." (*What was the point of that except to unleash some personal frustrations? I, for one, have never declared category management dead and have not heard other consultants do it, either.*) Other than that, however, Schmidt presents the book for what it is - "state and state-of-the-art in category management" and views it as "the continuation of an ongoing conversation about a vitally important business practice that will continue to evolve."

I enjoyed the whole book but particularly liked two things - the simple presentation of the eight category management steps that makes up part III, and Glenn Hausfater's chapter on linking category management and loyalty marketing. For those of you who are not category management practitioners, who practice a different way, who work with loyalty and are continually trying to merge it with category management or who just need to be reminded from time to time, the eight steps are as follows:

1. Define the category based on the needs of your target market.
2. Assign a role to the category (destination, routine, occasional/seasonal/convenience) that best supports the retailer's strategy.
3. Assess the category to find opportunities for improvement.
4. Set targets and measure progress with a scorecard.
5. Create a marketing strategy for the category. (Traffic building, transaction building, profit generating, cash generating, excitement creating, image enhancing, or turf defending.)
6. Choose tactics for category assortment, pricing, promotion, merchandising, and supply chain management. This section includes highly tactical information such as how high the top gondola shelf should be (78 inches) and how shoppers "see" a category.

Continued on page 7

LOYALTY MARKETING in Review

"Loyalty marketing continues to play an important role in how retailers compete with alternate channels," says Eric Williams, EVP and CIO for Catalina Marketing. Loyalty can take many forms, and retailers have only begun to take advantage of the possibilities. While eight out of the top ten U.S. retailers offer loyalty cards, discounts and savings are still the primary benefit in 98% of the programs. Fewer than 20% of the programs include additional features such as special rewards, sweepstakes, or points, to say nothing of affinity programs or community- and charity-oriented programs. In a sense many

current programs aren't full-scale loyalty programs at all. In Williams' word, many retailers "don't offer "loyalty cards, they offer "discounts cards."

The new breed of marketing includes much more, so let's take a look at what happened during 2005 in some of these areas:

GEMCON '06 will be held in Chicago, October 9-11, 2006. Save the date!

PERSONAL SHOPPING ASSISTANTS in Review

Stop & Shop's "Shopping Buddy" offers customers a "smart cart" with a wireless touch screen attached to the handle bar. The menu-driven screen offers shoppers a personalized circular with offers, personal favorites, and reminders by aisle and a visual product locator and self-checkout. "People today want more control and convenience," explains Curt Avallone, VP of Marketing for Stop & Shop. The Shopping Buddy at Stop & Shop provides shoppers with price-finding alternatives to item pricing. PSS solves shoppers' no-price-posted problem. The battery-powered "Shopping Buddy" from vendor Cuesol is recharged nightly and will include Bluetooth-enabled wireless laser scanners for ongoing self-checkout as customers fill their carts. The tablet device communicates with the store's main network servers. The proprietary hardware is from Symbol Technologies. The units cost approximately \$1,500 each, and around 85 will be available in each Stop & Shop store.

Symbol's Personal Shopping System (PSS) is also at Albertsons. About a half dozen of Albertsons' Jewel-Osco supermarkets are testing a PSS similar to the one at Stop & Shop. Customers can pre-order deli items, and get messages from the pharmacy and store departments on their scanners when orders are ready for pickup.

Food Lion implemented the Symbol Portable Shopping System (PSS) at its new Bloom concept store in Charlotte, in 2004.

Developed by Fujitsu Transaction Solutions Inc. in partnership with Klever Marketing, the Fujitsu U-

Scan Shopper features a wireless, cart-mounted computer that empowers shoppers with store information and scan-as-you-shop convenience as they move through a store. The announcement was made at the 2005 Markettechnics Show in Washington, D.C. Klever Marketing, Inc. markets a wireless, in-store advertising and communications system for supermarket, mass merchandising and other retail applications. The retail system utilizes patented and proven technology to deliver targeted ads and promotions through a small, electronic, remotely programmable display affixed to the shopping-cart handle. Web site: www.kleverkart.com

ScanAps' individual scanner is not exactly a Personal Shopping Assistant but a very helpful part of enhancing the customer shopping experience nonetheless. ScanAps, Inc. had a successful test at Green Hills Farms. The unit, which was used originally to scan coupons and then load them into the POS system via a docking station, is now a club card and coupon scanner combined. Think of it as the next-generation loyalty card or Interactive Loyalty Card (ILC). "Retailers are putting together the pieces that are needed to market one to one," said Gary Hawkins, CEO of Green Hills Farms. In a 12-week test at his store, the overall spend increased 8.3%, customer visits increased 6% and manufacturer coupon usage was up 26%.

Each device is programmed to work exclusively at the store that issued it and it would likely carry the logo of that store as well. Web site: Visit www.scanaps.com

KIOSKS in Review

In October 2005 Agilysys, a provider of enterprise computer technology solutions, announced its, interactive grocery shopping experience for the Camp Hill Giant Super Food Stores.

"The customer-friendly technology at the Camp Hill Giant store will go beyond the last wave of grocery retail innovations such as self-checkout and standalone kiosks," said Tony Schiano, president and CEO, Giant Food Stores.

They understood we wanted a store that provided a greater focus on efficiency for every customer's shopping trip."

The new kiosks allow shoppers to pre-order from specialty shops within the store (bakery, deli, prescriptions, etc.). Shoppers can also receive personalized offers and coupons based on their shopping history and reference information from their loyalty card, and look up prices on products throughout the store.

The applications from ShoptoCook, Inc. allow customers to access a wide variety of recipes, while applications from Healthnotes, Inc. (HNI) provide, health, wellness and pharmacy related information. Visit www.agilysys.com.

Albertsons has continued the program called "avenue" that is running in many of the Jewel stores in Illinois. Customers go to the main site (www.jewelosco.com) and click on "avenue." Streaming video on the site has a brief visual explanation of the kiosk and savings.

As reported last year, the JewelOsco website says: "avenue selects personal offers for you every day...The savings offers avenue selects for you are based on products you enjoySimply shop in Jewel-Osco stores.....When you check out, simply present the same Preferred Card.... If you want to plan around the offers valid today, you can extend them by up to two weeks by using the 'Extend your avenue' offers' link.

As of today the web site has 45 Jewels stores listed with "customized savings kiosks" The Jewel-Osco stores also have PRN and Sign Storey.

Oklahoma City-based Buy For Less is installing 3 Dimensions Communication Network's (3DCN) automated coupon machine (ACM) kiosk in its 10 stores. The interactive kiosk provides shoppers with manufacturers' coupons through a touch screen monitor and printer. The kiosk is equipped with a 3D holographic display that projects digital video images, making them appear as objects floating in space.

"Anything that will help us engage the customer will have residual impact."
Steve Lawrence, general manager, Buy For Less



The Personal Savings Systems, supplied by Tactical Retailing Solutions

"Anything that will help us engage the customer will have residual impact, and the ACM certainly helps us engage the shopper." said Steve Lawrence, general manager, Buy For Less, in a statement. The visuals presented are actually advertising images, developed by the advertiser or in conjunction with 3 Dimensions Communication Network. The 3D medium is an ideal platform for in-store promotions because of its uncanny ability to showcase products in a visually compelling way. Sitting literally on top of the ACM, it acts as a beacon to shoppers, who often try to reach out and touch the products projected in the air in front of them. See more at www.beta3d.com

Capture Resource Inc. has full-range support for reward programs from card production to data entry and hygiene. Their products include an in-store loyalty card sign-up kiosk with immediate card issuance and same-day database turnaround and a print-on-demand gift card sale kiosk that prints cards in 23 seconds. Capture Resource was purchased by Pay By Touch in December '05.



3D holographic display of 3 DCN

CashWorks, a GE Consumer Finance company, announced its bill payment and check-cashing services through its new mini-kiosk platform. The CashWorks bill payment feature gives convenience, grocery, and big box stores the ability to provide a risk-free, income-generating service. Customers, including those with cash but not a CashWorks card, can pay bills to more than 4,400 companies including utilities, cable, and phone service providers. The check-cashing and bill payment mini-kiosk launched in 34 QuikTrip convenience store locations in Wichita, Kan., in July 05. See www.cashworksinc.com

Not a kiosk but, it would be easy to see how **SignStorey, Inc.**, who is making good progress with its in-store LCD screens, could make them interactive. The system uses advanced flat-screen display technology to deliver high-impact messages to consumers at the point of decision. **Albertsons** will install the system, consisting of 15-inch flat-panel LCD screens at each checkout lane and 42-inch plasma



SignStorey install 15-inch LCD screens up to 42-inch plasma

screens along the perimeter of the stores. **Price Chopper Supermarkets** in Schenectady will also implement the SignStory displays in all 107 stores. Content will feature brand advertising, educational content, and customized messaging from Price Chopper. See www.signstorey.com brand advertising, educational content, and customized messaging from Price Chopper. See www.signstorey.com

CELL PHONES/PDAs in Review

MobileLime is a cell-phone based communications system that allows for shoppers to receive offers and messages from their favorite retailers on their cell phones prior to, or even during, the shopping experience. Consumers and the retailer have first to be enrolled with MobileLime, and then the customer, to be recognized, only has to say the last four digits of his or her mobile phone number. MobileLime has the corresponding credit card and debit card numbers and the payment is transferred from the shopper's account to that of the retailer by MobileLime. Already, over eighty merchants in the Boston area have enrolled. Merchants can also send real time text messages to customers who have previously used their service, offering such benefits as a single-day sale on an item the customer has purchased before. More broadly based advertising messages can be sent to customers of MobileLime who live in a particular location, by zip code. Visit www.mobilelime.com



Capture Resources Inc. Capture Resources also has shown a checkout payment system using a cell phone. The display on the telephone asks if you want to use your loyalty card, and if you want to use coupons (which you have downloaded in advance from Capture Resource's website). When coupons are used, the POS display indicates: "Added new coupons." Then the POS system displays the question, "Pay with cash or use e-wallet?" It displays the credit and debit card types you have in the e-wallet and the last four digits of the card number. All you do is press the phone key to identify which one you want to use. If it's infrared, it can all be done quickly. (For Infrared and Bluetooth capability a POS module is needed at each lane that Capture Resources can provide at a cost of about \$300 per lane.) See www.captureresource.com

FUEL SYSTEMS in Review

Giant Eagle will be allowed to continue rewarding shoppers by offering discounts on gasoline. The anti-trust division of the state Attorney General in Pittsburgh decided that Giant Eagle is *not* selling fuel below cost by offering discounts per gallon based on purchases in-store. The Petroleum Retailers & Auto Repair Association (PRARA) in Pittsburgh had charged that Giant Eagle was violating the Unfair Sales Act with its "fuelperks!" program. "They're killing us. It's unbelievable," said Nancy Maricondi, executive director of PRARA, which has 350 members. "Our members only work on a 5-cent margin at best. There's no way they can compete. If you're by a GetGo, you don't have a chance." The trade group had charged that more than 30 member gasoline stations were "substantially hurt" by "fuelperks!," which gives customers a 10-cent per gallon discount for every \$50 spent inside a Giant Eagle supermarket. Giant Eagle had countered that it's not selling gas below cost, but rather rewarding customers for their loyalty.

Source: Pittsburgh Tribune-Review, article by C.M. Mortimer

Excentus, formerly CCISTech, announced two partnerships - one with **NCR** and one with **IBM**. The partnership with NCR enables NCR to offer a fully integrated fuel package as an additional feature option for their Advanced Checkout Solution (ACS) software suite. By implementing technology provided by Excentus' Reward Fuel Controller, NCR's ACS users are able to treat fuel sales just as they would any other product sold in their stores. The IBM deal involves an integrated fuel controller as an optional component of IBM's ACE Application. "Excentus chose to work with IBM because of the success we've had integrating our fuel controller to their POS systems at customer sites like **Piggly Wiggly Carolina, Harmon's** and others," said Scott Wetzel, VP Marketing and Partner Development for Excentus.

www.excentus.com.

COUPONS in Review

The number of coupons distributed in the first half of 2005 rose 2.3% over the same period a year ago. Total pages increased 5.9%, average coupon face value grew 6.7% to \$1.09 and the average offer duration increased after several years of decline. The number of dry grocery coupons fell 10.9% on decreases in the candy and soup categories, and average face value of food item coupons rose 5.3% to 80 cents. Source: Marx Promotion Intelligence, a division of TNS Media Intelligence.

The CMS website is www.CouponInfoNow.com announced that the overall coupon distribution in 2004 grew by 9% over 2003. A total of 342 billion coupons were distributed in 04, which equates to 1,153 coupons for every man, woman and child in

Madison Direct studied first-time parents and found that 56% of households with a child under the age of six have used a coupon in the last year. And in general, over 71% of consumers claim that coupons are an influencer in their typical purchase decision

A study in *The Journal of Product and Brand Management* showed that 36% of men are now the primary grocery shopper and 92% of men have purchased groceries in the prior three months. However on the negative side, men are more than twice as likely *not* to use coupons than woman grocery shoppers. The only category where men were more likely to use coupons versus woman was for electronics and computer equipment.

CMS reported that other coupon distribution methods that fared better than FSIs based on redemption are:

- ◆ **Electronic checkout coupons** made up only 1.1% of the distribution but accounted for 7.3% of redeemed coupons and had a redemption rate of 6.41% (congratulations Catalina!).
- ◆ **Electronic Shelf coupons** made up 0.6% of the distribution and accounted for 3.6% of the total redeemed coupons and had a redemption rate of 6.29%.
- ◆ Other methods that had higher redemption rates included: **electronic discount** 10.51%; **instant redeemable** 18.54%; **military handout** - 10.16%; and **military shelf pad** - 26.5%. than 1% of distributed and redeemed coupons.

CARLENE'S CORNER (cont. from page 2)

7. Roll out the plan.
8. Review the category's performance regularly and make adjustments as needed.

Though its focus is category management, the key thing about the book is that throughout, it contains suggestions about how to use consumer data to feed each of the processes. I suggest you read through the list above again to see how easily you can see how this works. In step 3, for example, the book suggests examining these questions using panel (AKA loyalty) data: What percentage of households buys the category? How frequently? How much do they spend *per occasion and annually*? Who are they and where to they live? What drives their purchase behavior (promotion, impulse, etc.)? When do they purchase? What else do they buy? How loyal are they?

Glenn Hausfater takes the connection between category management and loyalty a step further, presenting first what you might call "the rub:" "On the one hand, chains are increasingly competing with the low-price leader, and category management, coupled with supply chain initiatives, is the process they're using to achieve that status....On the other hand, shopper loyalty depends on being the store that has 'exactly what I'm looking for,' meaning customer-driven variety and service. This often requires 'suboptimal' item mix compared to the CM-driven variety management, and added supply chain cost."

Glenn suggests five "approaches to linkage" that go beyond using customer data to feed category management analysis.

- 1) Give the customer a seat at the table, by creating a 'customer category manager' position. It means consider the impact of decisions on customer loyalty just as much as, say, dairy case profitability.
- 2) Use Loyalty Marketing as a Category tactic, where, for example, the loyalty marketing manager works with the CPG manufacturer and designs programs for top shoppers of the retailer who are also top buyers of the brand.
- 3) Share of Wallet - Combine customer-specific data with household panel data from external

sources (ACNielsen's Homescan, for example) to determine how much of a customer's total spend is done at the retailer.

- 4) Top shopper index, in which loyalty data of top shoppers is used to override other category management decisions.
- 5) Making customer loyalty a core business strategy. This one, as we all know, is used best by small operators and a few strong regionals.

Consumer-Centric Category Management is a quick read and a valuable tool for anyone in retail today. An excerpt from *Consumer-Centric Category Management* is included in the January edition of CPGmatters.com, a new e-magazine for the CPG industry. Read it in the Category Management section. You can even order a copy of the book from the "Store" section on www.cpgmatters.com.

SCANNING/ELECTRONIC PAYMENT in Review

StoreNext announced in June 05 that it had formed a strategic partnership with MTXEPS, Inc. that will enable independent grocers to offer shoppers a wide range of secure electronic payment options. StoreNext will now market the WinEPS electronic payment application with its ISS45 and ScanMaster point-of-sale (POS) systems, while WinEPS for non-StoreNext POS systems will also be available to certified StoreNext dealers.

The StoreNext announcement follows a similar agreement in May 05 between StoreNext and Pay By Touch under which StoreNext, through its nationwide dealer network, will resell Pay By Touch's biometric authentication and payment system. MTXEPS is providing the payment engine for transactions and data on that system, which will ultimately be processed via StoreNext's Connected Services suite of Internet-based store management applications.

See www.storenext.com or www.MTXEPS.com

Hypercom Corp introduced an impressively robust multi-application payment terminal in '05, the L4100. One of the many configurations of the L4100 included an

Continued on page 8

CUSTOMER DATA MANAGEMENT in Review

As Mark Heckman had commented last spring "Netezza seems to have figured out how to handle huge amounts of data by combining analytic processing with storage and making it affordable to do so. This is one to watch!" In **January 2005** Netezza Corporation announced that Ahold will deploy the enterprise-class Netezza Performance Server® (NPS®) data warehouse appliance as its Customer Data Warehouse (CDW) platform. "Ahold views the data warehouse as central to the way we manage product availability and operations and increase customer satisfaction," said Al Clevenger, Director of Data Management, Ahold USA. **August 2005**—Netezza announced that Catalina Marketing, has deployed the Netezza Performance Server® (NPS®) system to analyze growing data volumes captured by its Retail Direct Online Interactive (RDOLi) data management service. The Netezza Performance Server system is built specifically to analyze terabytes of detailed data 10 to 50 times faster than existing data warehouse options, at half the cost.

From *Morningnewsbeat.com*: Of three top companies with frequent shopper programs and highly-sophisticated systems for using data (Safeway, Kroger, and Albertsons) that gave speeches at a financial conference, only one (Kroger) considered the data from the program to be significant enough to mention to an investor group: "Kroger CFO Michael Schlotman says that his company plans to use its geographic diversity and multiple formats to compete more effectively - as well as by using more effectively loyalty data being generated in its stores." See www.morningnewsbeat.com

In October 2005 Ogden Associates, Inc., of Morristown, NJ. purchased Retail Systems Consulting's consulting, publishing and conference businesses, including *In-Store* newsletter. Ogden is the leader in customer-inspired, knowledge-driven Merchandising, Product Development, Marketing and Store Ops to enhance the customer experience and shareholder value. For more, see www.ogdenconsultants.com.

SCANNING/ELECTRONIC (cont. from page 7)

RFID reader with optional smartcard reader. The RFID unit demonstrated Express Pay (American Express) and PayPass (MasterCard). Users of the L4100 can control the colors and sizes of the "buttons/Graphics/Images." The terminal is also integrated into the Pay by Touch product. See www.hypercom.com

Pay By Touch system handles fingerprint identification, driver's license, frequent shopper cards, checks, credit, debit, and EBT. As mentioned above the system is also interfaced to the **StoreNext and Hypercom**. The Pay By Touch is implemented with StoreNext system at Thriftway in West Seattle and older women sign-up because they feel like targets in parking lots, and with Pay By Touch they don't have to bring their pocketbooks into the stores. See www.paybytouch.com

INTERNET in Review

More U.S. Hispanics use the Internet to make final decisions about brands than their general market counterparts do, according to the third annual AOL/Roper Hispanic Cyberstudy. The study indicates that Hispanics are rapidly catching up online with the general market and are surpassing non-Hispanics in areas like listening to and downloading music and instant messaging. And even English-speaking Hispanics take notice of online ads in Spanish. Source: AdAge.com

CoolSavings announced Freestyle Rewards, a consumer rewards program that marks the company's first major initiative to loyalty marketing solutions for consumer packaged goods (CPG) manufacturers. In a study of more than 21,000 consumers, CoolSavings found that consumers overwhelmingly prefer to receive cash over merchandise points, and prefer to receive that cash in the form of a debit card rather than a gift certificate. See www.freestylerewards.com

Continued on page 9

INTERNET in Review (cont. from page 8)

ComScore has been around since 99 but this past year has made available some particularly valuable online retailer and CPG research. They have helped clients understand how consumers are using the Internet both in order to help companies sell products on the Internet and to use the Internet as a marketing vehicle to communicate with consumers. Whether your focus is multi-channel, online, direct response or long-term branding they're positioned to provide the kind of information you need. See www.comscore.com

News Corp., parent of Fox Broadcasting, Fox News Channel, and the Twentieth Century Fox film studio, announced that it has set aside \$1 billion for Internet-related acquisitions. Speaking with analysts on August 10, Chairman-CEO Rupert Murdoch said News Corp.'s priority now is the Web. Said Murdoch, "We have tens of billions of dollars of asset value in our news, sports and general entertainment businesses. While we monetize this value daily in the form of our TV shows, channels, films, books and newspapers, our priority now, which is our mandate, is to perfect a plan that will monetize them across the world on the Internet." *Source: AdAge Online from article by Claire Atkinson in Crain's.*

TRADE PROMOTION MANAGEMENT in Review

The information below is from the *2005 Supermarket News 11th Annual State of the Industry Report on Supermarket Technology*. The report, published in the January 31 2005 issue of *Supermarket News*, noted that price management, at the top of the list, was deemed an important priority by more than half of respondents (53%). It was followed by promotion management (cited by 43%), advertising, marketing and promotion systems (38%) and inventory management (38%). Not far down the list was a related initiative, price optimization (31%), which has garnered growing interest in recent years. These all well exceeded the percentage of votes cast for each application for 2004.

The statistic that Barry Kotek noted last year as the most interesting in the Nielsen study was that only 17% of manufacturers said that retailers

The new 2006 Card-Based Marketing Report will be available in March 06. Call today to reserve your copy.

"frequently" shared frequent shopper data with them, down from 23% in 2003. Sixty-nine percent of manufacturers said that they occasionally received frequent shopper data from retailers, up from 60% last year. And 14% of manufacturers said that they never received frequent shopper data.

Connect3 Systems, Inc., a provider of enterprise Advertising, Merchandising and Promotion (AMP) software solutions for retailers, reported on their web site in October 05 that PETCO Animal Supplies, Inc., has installed the Connect3 AMP Performance Series. PETCO has built a collaborative enterprise solution for efficiently planning complex promotional offers, building highly versioned promotions and executing those promotions through multiple touch points. www.connect3.com

In November 2005 SAP announced that they were acquiring Khimetrics. A provider of enterprise software solutions that allow retailers to analyze how to price and position items to boost margins and optimize demand, deliver accurate profitability forecasts and implement long-term sales strategies that promote customer retention. The acquisition of Khimetrics comes in the wake of SAP's recent acquisition of Triversity— a provider of customer-centric, point-of-sale software solutions. www.khimetcics.com

Safeway has launched the company's eDeals product, a web-based platform for electronic promotion allowance management. "eDeals drives costs out of the promotion process, allowing Safeway to collaborate more effectively with our trading partners and offer deeper discounts to our customers," said Brian Cornell, EVP Marketing at Safeway.

Esprida announced in September 05 that Save Mart Supermarkets, is launching TradePoint Solutions' web-based platform for promotion allowance management. "For Save Mart and our suppliers, TradePoint's promotion management system reduces errors and saves time. The new system will help drive ROI for us and our vendors," said Cecil Russell, Vice President of Merchandising/Marketing, Save Mart Supermarkets. www.esprida.com