



wiser

Better data, better decisions

Top Tips to Protect Your Brand Online



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Introduction

Since the early days of retail, brands have been advising stores on how to display, price, and sell their products.

Merchandising audits provide regular assurance that the reseller is complying with the agreements, regarding product location, shelf space, product displays, pricing, and promotion.

Brands have a plethora of traditional tools and methods available to them for these audits; from planograms and armies of sales reps to printed material and new concepts, such as virtual reality. But as eCommerce grows, it's becoming harder to perform merchandising audits outside of a physical setting.

As a brand selling through multiple online channels, you have all the same criteria to monitor, but with far fewer tried and tested processes and tools.

The gap between brands and retailers is widening and relationships are evolving. The human interaction between the

traditional store and the wholesaler has not translated well to the world of eCommerce. Brands are losing control of their products online and fear the brutal price slashing tactics of retailers living in an ultra-competitive landscape, where loss leaders and bulk deals are essential to survival.

This eBook will look at the digital gap that has widened over the past few years, provide tips and strategies to implement, and tools and advice to consider in order to protect your brand.



Why You Should Care

In online retail, your brand and price are everything. Shoppers can't fully experience your products and instead have to rely on pictures, product descriptions, and customer reviews. For example, trying on a perfectly crafted leather jacket helps earn its price point. You can feel how soft the leather is and check out the stitching. Selling online is an entirely different ballgame. Understanding your value proposition and how it is being enforced or undermined by resellers needs to be at the forefront of your pricing strategy.

When resellers slash prices, it hurts your business in more than a few ways, such as tarnishing your brand value. They might be trying to increase their sales volume, but in the meantime, shoppers are changing the way they think of your brand. It is this brand erosion that is causing the ever-widening gap between the "store" and the "product," the reseller is villainized and the brand is victimized.



What is a Planogram?

A planogram is a diagram that shows how and where specific retail products should be placed on retail shelves or displays in order to increase customer purchases.

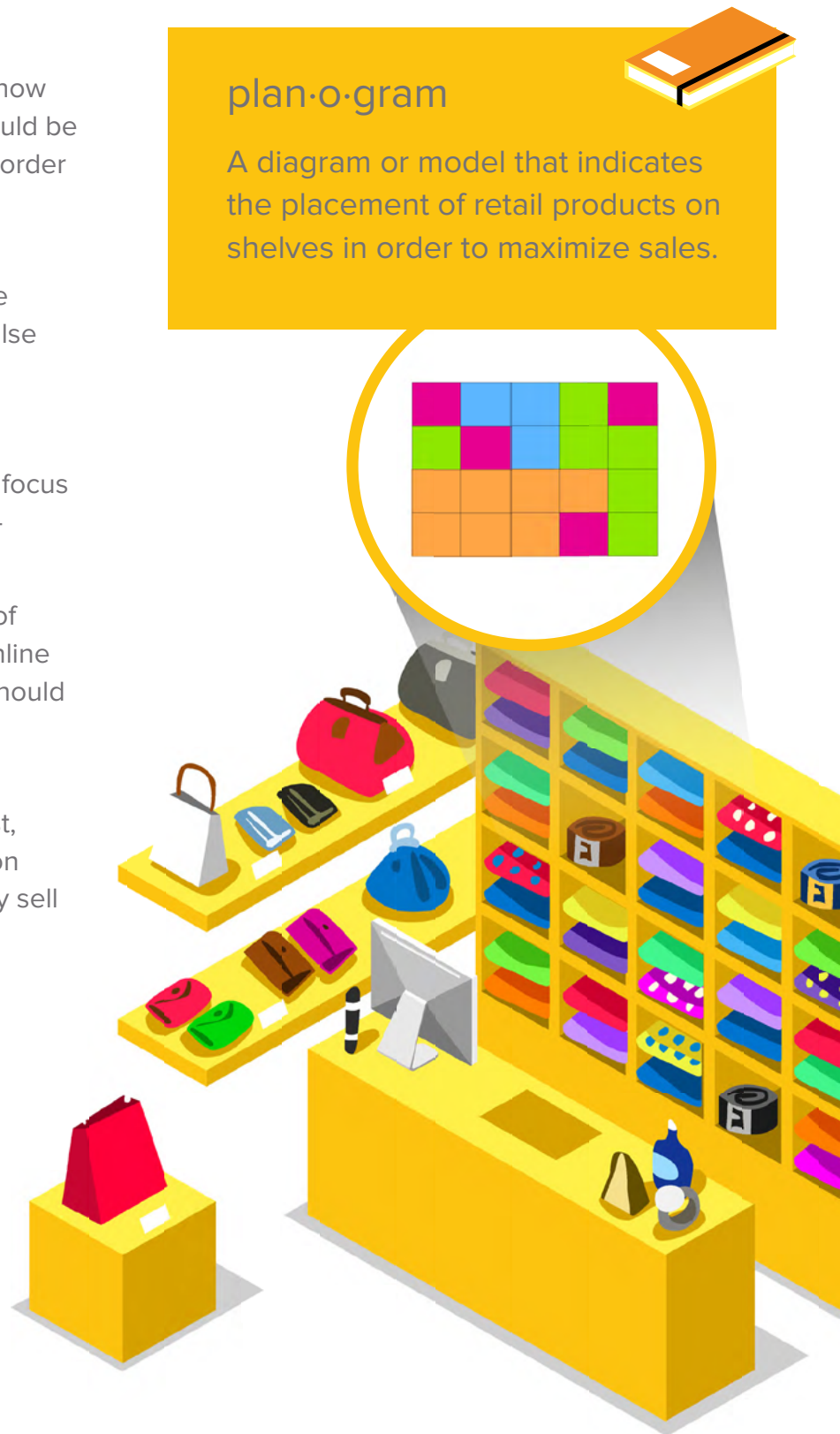
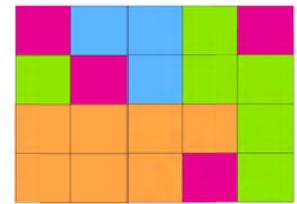
Planograms vary depending on their purpose and the retail vertical. For one product the goal may be to drive impulse purchases and increase turnover by optimizing shelf space. For clothing, however, the goal is to encourage customers to stop and browse, so the focus needs to be on creating more visually appealing product presentation.

Most brands are aware that this level of planning is distinctly lacking in their online presence. They know their products should be managed better, but few have the guidelines or tools to enable this.

A simple checklist will, at the very least, ensure retailers have all the information necessary to display and subsequently sell your product.

plan·o·gram

A diagram or model that indicates the placement of retail products on shelves in order to maximize sales.



Your Online Planogram Checklist



1. Imagery

Have you supplied a full catalogue of imagery for every variation of your product? Color options? Quantities? Angles? Videos?

Ensure each image is accompanied by a description of what order you need them in. If there are multiple options for your products, make it clear which is the preferred default product.

It's also important to understand competitive actions with regards to promotions and discounts in order to help strategize your own promotions.



2. Product Description

Make sure retailers are providing the most accurate, up to date descriptions possible for your respective products online. Include utilizations and fits in order to instill confidence in the shopper's purchase decision. You don't want your product to be left on virtual shelves just to have its price cut to get it moving.



3. Product Variations - Sizes, Weights, Colors

Product dimensions are crucial when it comes to shoppers making purchase decisions on an online store. Since they are unable to try

the item on or hold it in their hands, product variations and colors are all shoppers have to go off of when deciding to complete a purchase or not.



4. Price

Minimum advertised price (MAP) policies in the US and Canada allow brands to enforce a price floor for retailers to protect their brand. Ensuring your resellers understand your pricing standards is essential to maintaining consistent brand value. Provide your MAP policy and an updated price list, and communicate the value your reseller will receive from selling at that price.



5. Product Placement

Just as you would want your product to be attractively positioned on a store shelf, you want to make sure your product is displayed properly in a digital setting. There has long been a disparity between the control of placing products on physical shelves and the placement of items online. But emerging technologies are addressing these issues.

Cloud-Based Tech in eCommerce

All eCommerce sites use a Content Management System (CMS) to help them organize the content of their website. Many legacy systems use a series of templates for their web page layouts that offer limited control and functionality. These systems are commonly shaped around traditional inventory sort orders, like “most popular” or “lowest price.” In the same way price implies brand value, so too does the position at which a product is displayed within the digital store. How quickly you or your reseller can respond to changes in market conditions, the agility of the technology the reseller is using to position products, and the flexibility it gives them over the space are important factors in helping you work with them to manage your brand perception online.

Many of the more progressive eCommerce sites use a small, but growing generation of cloud based technologies that make it possible to place a product on any page of a website. In addition to giving resellers the same flexibility to replicate most of the familiar elements of physical stores, they also open up new dimensions to your consumer experience that are not constrained by physical space. A good example of this type of technology is [Elevaate](#), a software as a service (SaaS) platform. It gives resellers and brand owners instant control of digital shelf position, gives real-time feedback on which positions are performing best, and helps tune both the brand perception and ROI of each location.

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It's worth noting that this new breed of cloud platforms is not the same as the classic media placements resellers will often reference. Media spaces are typically focused on selling space as a commodity across a network of locations on multiple reseller sites. Each media location is not connected to the reseller's commercial operations or fulfillment engines.

The next generation of solutions, like Elevaate, is focused on providing you with controls across a number of resellers, while supporting the daily merchandising needs of commercial teams. They are integrated with the reseller's operating infrastructure - directly connected to their supply chain and distribution infrastructure. They are designed to give you the scale and page presence of media spaces with the control, transaction data and 'in-day' trading adjustments needed for brands operating at the speed of digital.

DAVID SHEARER, VP OF MARKETING,

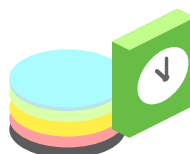
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Information to Monitor



Return Policy & Delivery Policy

Understand who is providing free delivery, and what resellers are doing that would encourage shoppers to buy from them, rather than directly from the brand. You don't want to create too much competition between you and your reseller network, but it's important to know who is going directly head to head with your brand, so you can plan and price accordingly.



The Inventory Assortment

What other brands are sitting next to your brand? You need to understand the inventory assortment of every reseller. Wisier works with brands to provide them with online promotional capture and analysis, as well as product sentiment by tracking how the number of product ratings and reviews changes over time.



Profit & Revenue

Get an idea of what your resellers' desired profit margins are, and also check what their revenue goals are. If they're looking to boost revenue and willing to sacrifice margins, your product may be at risk for being sold below your ideal price. At the same time, if they're looking to attain high margins, it may be hard for your product to be sold on their webstore, compared to others.



Content

What content is displayed around my brand? Product descriptions can often make or break the sale of a product on a webstore or a marketplace. Make sure your description is infused with appropriate jargon and lacks any defaming vocabulary. Sending the retailers a pre-set description with your planogram is a good way to ensure uniform standards are met, and can prevent a series of tedious edits between you and your reseller network.

How to Use Reseller Data

What is always important to remember is that, by proxy, resellers are the face of your company. They can either enhance or cloud your brand promise with your end customers. Building real partnerships with retailers, however, makes the brand's promise vital to the success of suppliers and distributors.

This strong partnership improves both organizations' sales and performance and serves as a profound differentiator in a crowded market. An understanding of both companies' selling strategies can benefit their relationship and improve overall sales and revenue.

Your reseller network can offer clues about your own store's selling strategies. If you notice a higher sales count coming from your reseller network, compared to your own store, take cues from the way your products are set up there. Are their prices for your products higher or lower than yours? If they're higher, you could possibly increase your own price and gain more margin from goods sold.

On the other hand, if sales from your reseller network are lackluster, you can use this to inform them of different ways you'd like to see your products presented on their site. They should be open to new ideas to improve their own sales, and it gives you the opportunity to get more directly involved in the selling process.



How Reseller Data Can Help Brands

1. Manage and Create a Mutually Beneficial Relationship

If the reseller isn't selling a substantial volume of your product, you will be taking up valuable "shelf space" and will inevitably be replaced by a competitor. Stay as involved in the shelving process as possible, assess results, and make changes accordingly.

2. Competitive Analysis

Who are your real competitors and how are you positioned against them (is it where you want it to be?). How are you positioned on the metaphorical "shelf" in comparison with your competitors? If your competitors are closer to the top of the page, look into ways you could possibly get closer to the top of the search results with the retailer. Use private label matching to see how your prices stack up to comparable products from different brands. Put high powered metrics to work, like Market Price Index (MPI) to understand how the market perceives your prices relative to other brands and use this to steer high level pricing strategy.



MPI (Market Price Index)

MPI is Wiser's Market Price Index, a single score that tells you where your price stands against key competitors across your brands, categories, or a custom group of SKUs.

MPI helps determine where you're in a cheaper or more expensive price position versus your key competitors. This allows you to leverage areas where you have a cheaper price position to promote and optimize for revenue. More importantly, it helps you to understand areas where you're more expensive and investigate if you have the ability to command a price premium and continue profitable growth.

MPI calls attention to SKUs where there is significant inventory overlap with key competitors. This allows retailers and brands to determine whether their price position as a whole on certain brands or categories is effective. Using this data, they can make price changes to experiment and find optimal pricing.

How Reseller Data Can Help Brands, cont.

3. Improve Direct to Consumer Selling

Use the data you collect from resellers to merchandise and price more effectively in your own [direct to consumer](#) channels. If their prices are higher than yours, your own prices can be increased in your store. If your resellers use different images than your own and they're experiencing higher sales, implement image changes for your own listings.

4. MAP Monitoring

Placing your product in the hands of a retailer can be risky. How will they price it? Can you trust them to uphold your brand value and not enter your products into price wars? Manufacturers use minimum advertised price, or MAP, as a pricing threshold retailers should never cross.

Unfortunately, monitoring your product pricing across your growing network of retailers can be a huge challenge to effectively manage as you scale. Considering the advancements in eCommerce and retail technology, it is surprising how many brands still work sporadically and manually through an Excel sheet to check their pricing on retailers' websites.



Wiser's brand protection solution enables you to automate online brand protection within a centralized system. It does all of the heavy lifting, letting you focus on other facets of your business.

Automated price monitoring makes it possible to catch unauthorized sellers, even if they're flying under the radar or solely using marketplaces. This method does more than simply monitor prices. It can keep an eye on your entire product suite across a wide network of retailers by tracking your products. Some standard numerical identifiers utilized to monitor online product listings are Universal Product Codes (UPCs), Manufacturer Part Numbers (MPNs), or Amazon Standard Identification Numbers (ASINs).

Easily identifying retailers straying from your MAP, and by how much, lets you measure the significance and impact of these price variations. That gives you the insight needed to gain a better understanding of your reseller network. Who changes price frequently? Who strays wildly? Do you recognize all sellers? The answers to these questions tell you who you can trust with your products and who you should be wary of.

Uncover Unauthorized Sellers

To put the damage of unauthorized sellers into perspective, imagine learning your products were on the physical shelves of a retailer who did not purchase them from you, nor did they ask for your permission to sell them. They're flying under the radar:

- No shelving regulation
- No pricing regulation
- No involvement from you whatsoever

You cannot build a planogram for these sellers. These sellers are damaging your brand without you even knowing.

Now place this scenario into the realm of eCommerce. The freedom of selling online and the lack of a physical store means the odds of encountering these sellers is that much higher. Most of these disruptive sellers use the cover and ease of marketplaces to hide their identities.

There are a number of ways to deal with unauthorized sellers. Brands have seen success with investigation, product buys, cutting off sellers as they uncover them, and sending threatening Cease and Desist notifications. Others have had better luck with requesting to buy back product and even asking a seller to join their authorized network with better wholesale costs and other incentives. That's what [Skullcandy](#) did upon discovering unknown online sellers. They identified and capitalized on a new potential stream of revenue after Wisser helped them spot third-party sellers distributing their headphones without their permission.



Conclusion

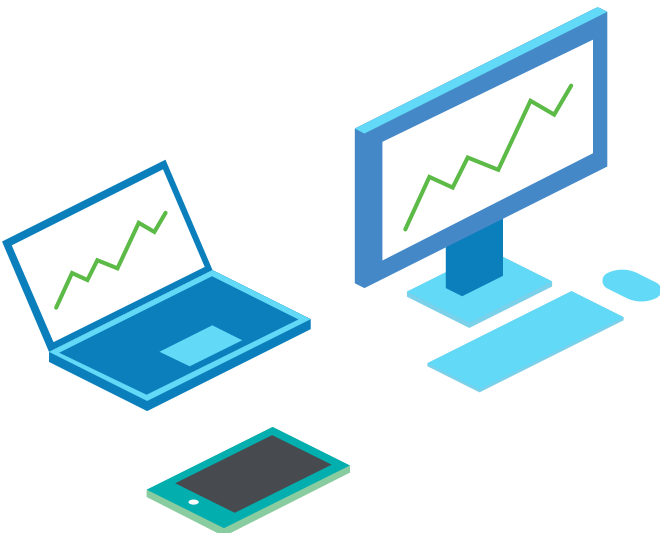
Today's best-in-class manufacturers are using all the tools at their disposal to provide a consistent brand image across all marketing channels. Uniformity is important both within your reseller network and your own retail stores. This includes your pricing and promotion strategies, as well. Instead of pitting them against each other, try to have your selling channels work together to improve your brand image.

As more shoppers flock to new, emerging commerce channels, like voice and social media, it's important to keep them on your radar. Invest in these channels with marketing and analytical efforts to make the most accurate recommendations for shoppers in real-time. And don't forget to monitor these channels for gray market sellers, as many may feel they can go unnoticed due to the lack of regulation. Acting quickly and being proactive can improve and form relationships with your dealer network and protect your brand as more channels emerge and eCommerce grows faster than anyone anticipated.

Regardless of the channel, nothing is entirely out of your control as the manufacturer. From product placement to product price, your influence can be felt throughout your reseller network. Keeping your hands in the selling processes is ultimately the best way to protect your brand image. The digital gap between brick and mortar and online retail is closing, and now is the time to bridge it before your competitors beat you to it.

Today's best-in-class brands are:

- Providing a consistent brand image across all marketing channels
- Unifying their pricing and promotions strategies across channels
- Investing in new and emerging technologies to reduce man hours and regain control of reseller networks
- Responding to consumer demand in real-time
- Making marketing and analytics investments in emerging channels



About Us

Wiser is the leading provider of actionable data for better decisions. Wiser collects and analyzes online and in-store data with unmatched speed, scale and accuracy. The Wiser platform then blends these insights with advanced workflow software to drive business value for brands and retailers, including restaurants. Using a unique combination of data science and human validation, Wiser offers integrated solutions for every aspect of retail, all in one place.

Learn more at www.wiser.com and follow [@wiserdata](https://twitter.com/wiserdata).

Wiser is a single source partner by design, with solutions for every aspect of retail, including:

Market Intelligence

- Promotional Analysis
- Pricing Intelligence
- Private Crowd

Optimization

- In-store Shelf Health
- Online Repricing

Compliance

- MAP Monitoring & Case Management
- In-store Merchandising



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