

### **Institutionalizing Retail Practices Moves Daymon Worldwide Value Proposition Forward**

The delivery of quality and value resulting from the Retail portion of our service package to ourselves, our Customers and our Principals is dependant on the consistency of our performance and results. Our success is defined by the delivery of positive ROI for ourselves, driving PL sales and penetration for our Retail Customer, and demonstrating quantifiable value to our Principals. To that end, the following are consistent practices that when employed, create a formula for success.

Structure the Retail Sales Team's activities into thirteen 4-week periods. Beginning and ending dates for each period match our Retail Customer's sales cycles/periods.

Provide Retail Sales Associates with a finite and measurable List of Priorities to accomplish during each 4-week period. The number of priorities / tasks should be no less than 3, and no greater than 6. Without these parameters, everything becomes a priority, which means nothing is a priority

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**DAYMON  
WORLDWIDE**

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## **Welcome to the Spring Edition of Daymon Worldwide's Retail Solutions Quarterly Newsletter!**

This is the first of four Retail Solutions newsletters you will be receiving this year – one for each season. The intent in creating this communication vehicle is to continually inform you on our progress as a company in the area of Retail Solutions relative to knowledge, information, insights, and successes. Although it is being sent directly to the Officers group, I encourage you to forward the newsletter to your direct reports.

As we are all aware, it is critical that we continue to discover innovative and effective ways to deliver value to our retail customers and principals, while at the same time doing so simply, efficiently and profitably for ourselves. The Retail portion of our service package must and can deliver greater value to our constituents than it has in the past. In this issue, you will see some results from one Daymon team's implementation of a new Retail Solution...Winn Dixie. You will see how and what they are doing to drive continuous improvement to our value proposition by:

- Integrating Retail into their total business process
- Focusing human resources at retail on clear and measurable targets and objectives
- Outsourcing the service/labor portion of retail so as to enable "fully loaded" and highly skilled Daymon associates to drive PL sales and penetration – thereby driving greater value at a lower cost
- Utilizing a new Retail Information System to set objectives, focus efforts, measure results, evaluate performance, and market our value to our customers and principals.

"One size does not fit all"...and yet at the same time it is imperative that we operate effectively with cost and profit in mind. Our new Retail Solution is institutionalizing a consistent set of practices, while at the same time providing the flexibility necessary for Daymon to achieve a leadership role with our principals and at each customer location.

## **DAYMON WORLDWIDE at Winn Dixie** **A New Retail Solution**

In March 2004, Daymon Worldwide was asked by Winn-Dixie senior management to represent their entire service package. One of the key requisites in the service package was effective execution of Corporate Brand strategies at Regional level. At that stage, Daymon was at a competitive disadvantage with the traditional

retail service package, having 16 retail associates calling on 304 of the 1156 Winn-Dixie stores on a 4-week cycle. Crossmark was touting their advanced retail capabilities that included extensive manpower resources and, more importantly, technology that would provide real time feedback on store level activities.

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**DAYMON WORLDWIDE at Winn Dixie A New Retail Solution** 

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Winn-Dixie believed that there was a \$23 million opportunity to increase corporate brand distribution and availability at retail and wanted to partner with a provider that could quickly address and capture this opportunity. By partnering with SPAR, thereby outsourcing the technology and incremental manpower needed, Daymon was able to quickly implement a new retail strategy and provide a best in class, more efficient solution. The new solution provided broad retail store coverage (all 1156 stores would now be called on every 4 weeks) along with a web based, real time retail information system that enables Daymon and Winn Dixie to view yesterday's activities today. In addition to the new retail resources, the new solution allowed Daymon at Winn Dixie to appoint 4 Regional Field Marketers, located in the 4 Winn-Dixie operating regions. Their roles and objectives are:

1. To improve communications with WD Regions and ensure that Daymon is delivering on the expectations of senior Regional Managers. The focus is on providing Region level marketing, sales and merchandising solutions, educating the Regions and stores on Corporate Brand share and profitability goals, assisting with the effective implementation of WD's weekly merchandise planner activity and communicating Corporate Brand new item launches and promotions.
2. To ensure that Spar Merchandisers meet all critical components of Daymon's store

call standards by effective, regular and consistent store calls, authorized void resolution and accurate reporting on call cycle priorities.

Initial training of the new SPAR team began in June 2004. This was a challenging exercise. Daymon at WD in partnership with SPAR introduced and trained 88 new recruits to Daymon and Winn-Dixie standards, processes and expectations in a relatively short period of time. The training process has evolved and now includes an "e" training course for all new Spar recruits, as well as on the job training provided by the Daymon Field Marketers and Spar District Managers.

The new Daymon **Retail Information System** powered by SPAR is a robust handheld system that allows Daymon teams to download customized work projects for every 4 week call cycle. Projects are divided into 2 categories:

1. Identifying and correcting UPC voids and Out of Stocks utilizing store specific POS data – or – UPC specific supplier information.
2. Completing approved project request activity from Business Managers such as validating, implementing and/or reporting on such things as POG integrity, placement of off shelf displays, new item distribution, price checks, etc. The new **Daymon Retail Information System** powered by SPAR has the capability to download digital pictures of store displays, on a daily basis to the web site.

To ensure the same high standards are maintained throughout the 4 Winn-Dixie regions, an effective on-line actionable auditing process has been established that allows Daymon Regional Field Marketers and SPAR District Managers to measure and validate the accuracy and quality of SPAR merchandisers' store calls.

Daymon at Winn Dixie's Business Information Group has developed an ROI model that scorecards the number of voids corrected, the value of voids corrected and also the value opportunity gaps for voids that could not be corrected for various reasons. In the first 6 months - June to December, there were 20, 513 Corporate Brand voids corrected by Daymon with an annualized dollar value of \$8.6 million. Total annualized \$ value for all voids filled to date across 52 wks is estimated to be \$18,000,000 for Winn Dixie.

Principals are also being provided with real time information and will be receiving scorecards on the value of retail work that is being performed by Daymon on their items.

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## Daymon Team at Winn-Dixie Fully Integrates and Leverages Their New Retail Solution



Two supplier presentations highlighted the Winn-Dixie Regional Field Marketer (RFM) meeting in April. The Winn-Dixie retail team meets for two days on a bimonthly basis to discuss, plan and prioritize the activity for the upcoming sales cycle, including new item launches, promotions and merchandising opportunities they can sell through to the regions. In the spirit of true knowledge sharing, the RFMs also present the latest competitor marketing and merchandising activity from their respective coverage areas.

At the most recent meeting, SPAR senior managers from our retail outsourcing partner SPAR, and the Daymon Business Information Group also discussed the priorities of the upcoming retail cycle and

how the collected data will produce actionable feedback for suppliers and Winn-Dixie.

The two keynote suppliers were Rich Walker from Shultz Foods and Jim Masood from Fieldbrook Foods, who brought the RFMs up to speed on their respective businesses, product lines and the issues they face at retail. In turn, the RFMs discussed how they help drive sales by managing the outsourced SPAR store-level relationship, presenting penetration information to store/district/regional managers, and educating the regions on merchandising opportunities.

“This presentation was especially important, not only because it gave Fieldbrook Foods, a new supplier, a window into what services they

can expect from Daymon at Winn-Dixie, but also because it was a joint effort between the Corporate Brand Manager from Winn-Dixie and the Business Manager from Daymon,” says [Michelle Tonner](#), Strategic Business Manager, Perishables. “This was an excellent opportunity to solidify the relationship with a new supplier and showcase Daymon’s relationship with Winn-Dixie.”

The Daymon retail team at Winn-Dixie consists of outsourcing in-store labor and services via our SPAR relationship, four Regional Field Marketers - Stuart McAlister, Dave Herron, Sue Luke and Michele Leohner - and [Victor Melville](#), Retail Operations Manager.

## Institutionalizing Retail Practices Moves DWW Value Proposition Forward

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The Retail Priorities List assigned for each 4-week period is the result of business information and analysis as well as input from Business Managers. One key strategic decision maker (preferably the Team Lead) takes all input and makes the final decision on the Priorities List for each period.

Develop and Communicate individual and team targets/objectives, measure results achieved against objectives, and hold individuals and team accountable. The new Daymon Retail Information System *powered by SPAR* is a robust tool with

which to focus activities, drive results, measure performance, and quantify/communicate value to all constituents.

One consistent action standard across all Daymon Retail teams of not less than 95% coverage of selected stores can and must be achieved during each 4-week period.

Understand and be able to articulate the difference between Retail Sales activities and Retail Service activities. (“Brains” versus “Brawn”)

Focus your Retail Team on Sales activities. When this is done, we

have evidence that there is an immediate ROI due to a marked increase in Product Availability (Void Correction), resulting increase in PL sales and penetration, and discovering an increase in productivity facilitating the achievement of greater results with the same # of people or less through attrition.

Outsource Retail Service activities. When outsourcing, there are many benefits inclusive of added flexibility and lower costs for labor. Again, an immediate ROI is achieved.