

TVs aim to make you more shelf-conscious

2 Texas companies market way to show ads to shoppers

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By MARIA HALKIAS / The Dallas Morning News

Two Texas companies have built a device for store shelves that plays commercials as shoppers decide to buy or not to buy.

Brands including Coke, Colgate, Maxwell House and Tyson are participating for free in a test of P.O.P. ShelfAds that's under way in Dallas at the Fiesta Mart on Webb Chapel Road.

The wireless device kicks on as shoppers pause during the critical eight-second window that researchers say it takes to decide which toothpaste or soda is going in the basket.

For more than three years, Houston-based Point of Product Broadcasting Co. and Irving-based Avidwireless have been working on the device.

It has a 3.5-inch screen, a digital readout and a sensor that knows when a shopper is standing nearby.

The unit also can send out scents of fresh bread or coffee.

P.O.P. ShelfAds is the brainchild of Earl Littman, a 79-year-old previously retired Houston advertising executive.

Mr. Littman is the L in GDL&W, which was the largest and oldest advertising agency in Houston when it was sold to Saatchi & Saatchi in 1993.

"For years, I spent the clients' money on TV advertising, and we weren't sure if it worked. I think this prevents waste," Mr. Littman said.

Later this year, the test will be expanded to all Fiesta Mart locations.

Additional brands that have commercials running on Fiesta's shelves this weekend and all next week are Energizer, Bush's Beans, Mrs Baird's, Bimbo Bakeries, Reynolds, Kikkoman and Rotel.

When the test is done, Mr. Littman estimates that it will cost about 16 cents an hour to hire one device for a year– a total of \$1,460.

"Technology had to catch up to Earl's idea," said John McGinnis, senior vice president of sales and business development at Avidwireless.

"Sharp Electronics developed the HDTV screen that was small enough but still had a quality picture that could run on batteries. We had to be able to deliver the commercials to the boxes remotely and on and on. We had to have speakers loud enough. We're still working on the kinks."

The timing of the new medium may be right as product manufacturers and retailers try to reach shoppers at several levels due to media fragmentation.

"This sounds very promising. The fact that it's small and wireless and truly at the point-of-purchase level makes it very intriguing," said Bill Schober, editorial director of the In-Store Marketing Institute, an industry research and trade group.

In-store marketing has gained clout, with Wal-Mart Stores Inc. selling ads on its own TV network, industry analysts said.

Overall in-store ad spending this year is estimated to be in the range of \$17 billion to \$18 billion, Mr. Littman said.

"We think eventually we can double that," he said. "Today, we've heard from several more companies – Kraft, General Mills and Nestlé."

Reaching shoppers with video at the point of purchase fits the way people shop today and is something the industry has been talking about for years, Mr. Schober said.

"Your grandma made a shopping list and stuck to it. You don't. You walk through familiar aisles and have a basic idea of what you want to buy," he said.

With 30,000 new products introduced every year in the supermarket – mainly from brand extensions and new flavors – effective advertising

provides product information "right there where the person is going to buy it," he said.

"That's a problem with TV screens up on the walls. It may be showing you a coffee commercial when you're in the cleaning products aisle. You're in a different frame of mind in each aisle," Mr. Schober said.

Asked whether consumers might eventually find the 10-second commercials intrusive, Mr. Schober said that hasn't been the industry's concern.

The risks are costs and the reception of store personnel, he said. "We've seen good ideas in the past die because they ended up being too expensive to execute, or store personnel were bothered by it."