



RELATIONSHIP MARKETING GROUP

**Epipoli introduces Gordio™
the innovative system capable to provide in-store promotions
and help retailers to track shopping behaviours
and measure layout effectiveness**

For the first time in Europe, thanks to Epipoli's technology, a new channel of communication with consumers is now available at store level, just in front of the shelves.

The technology used is based on: a hand-held self-scanning device capable of reading the product bar codes, a shopping trolley equipped with a transponder and a transceiver called "illuminator", which is placed on the shelves of interest.

When consumers enter the supermarket, they get the self-scanner, swipe the loyalty card and use it immediately to "read" a code on the trolley (which links them with the trolley). The self-scanning device displays a message informing them on some areas where promotions are.

"It was conceived and put forward by Epipoli and the University of Parma", says Giampiero Lugli, professor of marketing at that university. Epipoli has patented and supplied *Gordio™*, the technology solution and Conad Centro Nord, the Italian partner of E. Leclerc, is where the system has been implemented. *Gordio™* is a new communication channel that reaches consumers in the point of sale, right in front of the shelf, when consumers are already inclined to buy, and hence most effectively.

When the consumer enters the supermarket, the consumer has already been informed of the initiative and of the promotions reserved for the holders of Conad loyalty cards. The first reading links the trolley with its user. Thus the retailer can carry on specific promotional activities and differentiate the approach to the consumer according to the cardholder's profile as well as to the buyer's socio-demographic character and behaviour.

While moving around the supermarket, the consumer goes past the shelf where an "illuminator" has been installed which identifies the trolley. *Gordio™* displays a message, an offer, on the screen of the self-scanning device which may also be signalled by a beep or the jingle.

The offer may include tokens to be collected, discounts, free product-tasting or a cross category promotion. For example, the consumer that stands before the pasta shelf and buys spaghetti can receive a message informing him/her that a free sauce is available on the sauce shelf.

Also, inducements can be offered on a volume basis: for instance, if we know from the loyalty database that the average receipt amount of customers is 30 euros, we can provide incentives for them to spend more instead of focusing them on single offers by saying: "if today you spend more than 40 euros, we will grant you a discount of 3 euros." It is an innovative test, the first of its kind in Europe. It has a very distinctive character as the boost it gives to the use of the information technology for marketing practices can also result in appreciation of the manufacturers involved", says Gaetano Giannetto, President and Founder of Epipoli. At the same time retailers can measure promotion effectiveness, "hot and cold" area in the store and evaluate the layout.

The Conad is located in Reggio Emilia Italy and is 1,600 sq m large and generate an annual turnover of over 30 million euros.

The main sponsors and first users have been Barilla, Granarolo, Kraft Foods and Procter&Gamble.

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