

CASE HISTORY



Store and Clothing Manufacturer are
Floored by 'Branded Zone' Advertising

One of the most popular and enduring retail establishments in rural Spencer, Massachusetts is the family-owned department store Klem's. The 63-year-old store's eclectic mix of practical clothing, household goods, tools, tractors, sporting goods, plants, pet supplies, craft materials, and miscellany makes it an important one-stop-shopping resource for people in central and western Massachusetts.

During the 2008 holiday shopping season, Klem's was also the site of one of the nation's most innovative and successful experiments in at-retail graphic advertising.

As part of an integrated marketing campaign with work clothing manufacturer Carhartt, Klem's management teamed up with self-adhesive film leader FLEXcon, its neighbor one mile down the road, to create a "branded zone" for Carhartt within Klem's retail environment. FLEXcon has extensive experience in at-retail advertising applications and is an innovative leader in the use of self-adhesive materials in at-retail and outdoor advertising spaces.

The marketing teams from each company understood the need to make an emotional connection with customers, transform the environment, and have a positive impact on Carhartt sales.

Working together, the three companies created "Carhartt Country at Klem's" by covering the store floor

with more than 900 square feet of graphics to promote Carhartt's line of premium work clothing, which includes jeans, work pants, woven shirts, sweatshirts, coats, and bib overalls.



Irresistible Visuals

The huge floor-based murals of workers in Carhartt clothing provided a bold visual attraction that shoppers could not ignore, and a subliminal message at how great the shopper would look (and work) in Carhartt gear. The eye-catching floor images began at the store entrance with a “Welcome to Klem’s Carhartt Country” message to shoppers. The graphics then extended down the store aisle that contained all of the Carhartt clothing displays and across the entrance foyer to help launch the new Carhartt women’s line.

Carhartt designed the graphics, which were printed on FLEXcon’s FLEXmark® floor art™, a new self-adhesive product system specifically designed for full coverage graphic advertising on floors. The graphics were digitally printed in roll form and sheeted into 12 inch by 12 inch “tiles” for ease of installation. The thin-gauged individual tiles were applied to the floor in a single night.

The ability of the graphics to resist damage from heavy foot traffic during a typically harsh New England winter (when shoes and boots of holiday shoppers often bring in melting snow as well as sand and other abrasives) was a testament to the durability of the FLEXmark® floor art™ solution. “This product’s durability was one of the reasons we chose the fall/winter season for our installation,” says Michael Chevalier, New Business Development Manager – FLEXcon At-Retail. “The store could continue regular floor maintenance even with the graphics in place. They could continue to wax the floor, and clean with normal floor-care equipment.”



Boosted Three-Month Sales Dramatically

In terms of sales results and return on investment, the project was a clear winner. Klem's experienced an increase of approximately 31% in Carhartt clothing units sold compared with the same October, November, December period in the previous year (an increase of 1,800 units). The Carhartt results far exceeded Klem's single-digit increase in sales for their entire store during the 2008 holiday shopping season.

Other specifics were equally impressive. The average monthly sales increase for the Carhartt men's line in October, November and December 2008 compared with the equivalent month in 2007 was 33%. This compared with an increase of 26% for Klem's men's clothing lines overall. Klem's attributes this lift in all men's clothing sales to the presence of the Carhartt graphics.

Carhartt's line of women's work clothing was introduced in Fall 2007. The average increase in sales of this product line for each of the three 2008 holiday season months was 68% compared with the equivalent month in 2007. That was in contrast to an average monthly sales decrease for Klem's women's department offerings in general.

Overall, during the 2008 FLEXmark® floor art™ installation period, Klem's generated additional sales of \$54,400 of Carhartt-branded merchandise, a significant dollar amount for a store of Klem's size.

Carhartt Impressed with Results

Carhartt is a family-owned company that has manufactured premium workwear for 120 years. Its customers include a variety of workers in industries that include construction, manufacturing, farming, and ranching, as well as outdoor enthusiasts. The company proudly promotes the exceptional durability, comfort, quality of construction, and fit of its products.

Tim Waldschmitt, a Northeast Carhartt Sales Associate, says that "the use of a branded zone and floor advertising proved to be an unusually effective promotional tool, and it went a long way to reinforce Carhartt's desired brand image. It was a pleasure to explore this at-retail ad concept both with Klem's and a service-oriented company like FLEXcon".

Carhartt is now expanding a test program to 10 retail stores in the Northeast.

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Northeast Carhartt Sales Associate

Bottom Line Attracts More Brands

Based on Carhartt's results at Klem's and the FLEXcon FLEXmark® floor art™ solution, interest is growing in the branded zone at-retail advertising strategy, and major brands in the lawn care, hardware, sports, and outdoor markets have sent representatives to Klem's to study the Carhartt visuals and the effectiveness of the project. As of early 2009, several are now exploring branded zones of their own within the store, and Klem's is considering creating branded zones for its private-label offerings.

Like the customers of Carhartt products, the advertising strategy employed by Carhartt, Klem's, and FLEXcon proved to be a hard worker and multi-tasker. The themed environment simultaneously enhanced the appearance of the store, created an indelible brand image in the consumer's mind, and – most important – generated impressive sales lift.





The floor transformed our store. It made a huge visual impact and really brought life into the store. The branded zone concept was a great success for Klem's and our relationship with Carhartt.

Hundreds of customers commented on the floor and its attractiveness. The amount of traffic directed to Carhartt was impressive, with many customers asking staff for the 'coat in the picture on the floor'. We're excited and plan on taking advantage of more branded zone advertising in the future.

Jessica Bettencourt
General Manager - Klem's



Before



After



About the Author

Michael Chevalier is FLEXcon's New Business Development Manager for At-Retail Advertising and is a member of the company's Product Branding Business Team. He works closely with ad agencies, ad specifiers, brand owners, imaging companies, and printers/converters to deliver the full benefits of self-adhesive film for brand promotion within the at-retail environment. Mr.

Chevalier's more than two decades in the materials and labels segments of the industry include over ten years with FLEXcon. He spent two years as FLEXcon's Application Development Specialist-Retail and several years as a FLEXcon Sales Representative. Prior to joining FLEXcon, he served as Director of Business Development for Industrial Label Corporation where he was responsible for identifying and developing new business opportunities with owners of many national and international brands. He also worked for Avery Dennison for 10 years. Mr. Chevalier holds a Bachelor of Arts degree in Marketing from Iowa State University of Science and Technology. To Reach Michael call (402) 991-0011 or e-mail mchevalier@flexcon.com.

About FLEXcon

FLEXcon is an ISO 9001:2008 worldwide manufacturer of pressure-sensitive films and adhesives for applications including indoor and outdoor advertising, bonding/mounting, and product identification, safety, hazard, bar-coded, and primary labels. The company's Value-Better-Supreme (VBS) product offering is the most extensive standard product offering in the pressure-sensitive film industry. FLEXcon is also a leader in developing custom solutions to meet unique converting or application needs. FLEXcon's mission is to provide its customers the highest quality products with exceptional service. The company is headquartered in Spencer, Massachusetts, and has operations throughout North America and Europe, with distribution worldwide. For more information on FLEXcon, visit www.FLEXcon.com.



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