

SAMSUNG

Visual Merchandising Principles
and AT&T In-Store Playbook

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1 Introduction

**Samsung solves
problems in
awesome ways.**

Brand Promises

Brand Promise

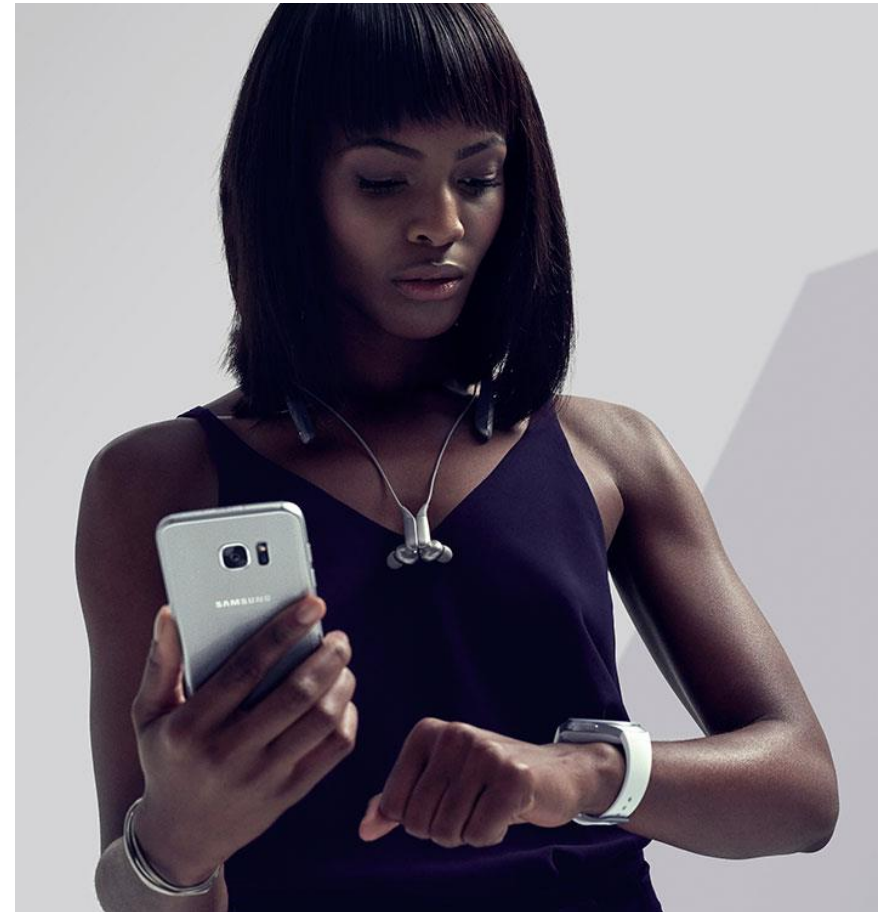
Samsung is obsessed with making life better.

Functional Promise

The most meaningful product, content, and service innovations.

Emotional Promise

Samsung + (Anything) = Awesome



Brand Principles

1. We work for our owners.
2. We care about their problems.
3. We solve their problems in awesome ways.
4. We show them what's possible.
5. We speak human.



Samsung + AT&T Playbook Mission

Align Samsung Teams on relevant Visual Merchandising Fundamentals, Retail Priorities and Desired Customer Outcomes for the Samsung Retail Channel in ATT Stores.

Provide Design Principles which link Merchandising Brand Strategies and Field Execution Tactics to achieve results in AT&T stores.

Illustrate the in-store customer journey and associated teachable moments along this path.

Track Results from Metrics studies to validate improvements in Sales Lift, Promotion Awareness, and Brand Engagement .



2 Alignment

Overview

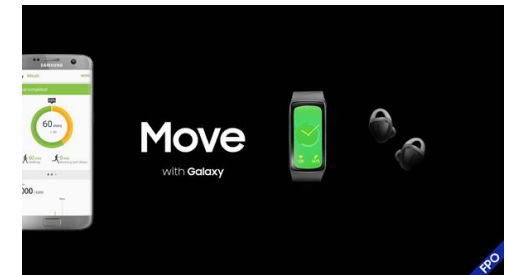
We as individuals each bring our unique point of view and professional expertise to this Visual Merchandising effort. From many individuals, we form a corporate team. This playbook is the template for cross-team alignment. Alignment of all internal stakeholders is tantamount to impacting the brand touch points and to making real improvements.

When stores are designed for end-to-end customer experiences, revenue grows 10% and customer satisfaction grows 20%.*

** Source: McKinsey & Company, 2013*



Visual Merchandising Standards



Be consistent

Consistency is fundamental to brand building. Through consistent touch points, customers build familiarity and a relationship with a brand is formed. Familiarity becomes a shorthand way for customers to engage with brands and connect with brands more quickly.

Connect emotionally

The retail environment allows customers to have a sensory experience. This environment allows customers to participate and connect emotionally with a brand. By inspiring, surprising and delighting a customer, they are more likely to remember the brand and become a brand advocate.

Keep it simple

Life is complicated and filled with stressful decisions and distractions. A good retailer edits assortments and presents simple yet inspiring solutions on behalf of the customer. Presenting solutions in a simple way reassures the customer, reduces stress and builds confidence in a brand.

Improve Brand Engagement

Make things Tactile: Texture in fixtures, texture in displays, pick things up, push buttons, listen

Make things Interactive: Speak into the microphones, audio is switched on, apps are empowered, goggles are linked to screens.

Make things Novel: Unexpected fixtures or displays, eye-catching overhead lighting, creative headlines and copy, humorous video content, unexpected pops of color, playful displays

Make things Easy: Eliminate visual clutter. Edit the product collection to keep choices simple. Arrange things by groups to help customers navigate the catalogue.



Increase Promotion Awareness

Make things Simple: Keep the promotion focused.

Promote with Purpose: Reduce over-promotion with too many complexities which can dilute the specialness of a promotion.

Communicate Consistently: Promotions should have visual consistency at all touch points and be prominently positioned.

Grow the Bundle: Promotions should be located with relevant accessories to grow the bundle but separated from general products.



Drive Sales Lift

Make it Easy: Allow customer to compare phone models easily.

Make it Quick: Edit the assortment to reduce the browse loop and to help customers focus on solutions sooner.

Fulfill the Promise: Feature new products and promotions in a consistent place to help fulfill customers' experience anticipation and help sales associates close the deal.

Deliver Delight: Arrange products by lifestyle groups to help customers navigate the assortment, identify with the story and find unexpected inspiration.



3 Design Principles

Bold

Samsung defies barriers and is unafraid to try bold new ideas.

We express this through the bold contrast of black and white, dramatic scale and artful cropping.



Innovative

Samsung innovates to create meaningful progress.

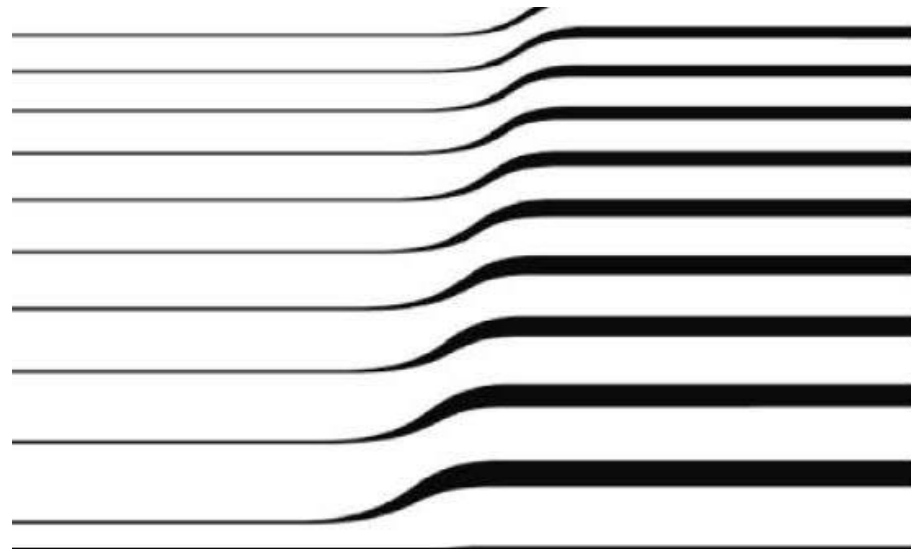
We express this by creating unexpected compositions and celebrating unique details.



Engineered

Samsung's engineering expertise produces premium quality products.

We express this through precise graphics and vivid photography.



Inviting

Samsung's brand is aspirational, but also inclusive and accessible, allowing everyone to enjoy the benefits of technology.

We express this through carefully crafted details, and meaningful storytelling to create emotional connections to our brand.



4 Brand Elements

Brand Attitude

Our voice is

Human
Inviting
Inclusive

Our personality is

Joyful
Surprising
Bold



Logo

The Samsung logo is our most valuable brand asset. It is used on most communications, both internal and external.

The logo can be celebrated loud and proud. It unifies the brand's product offerings.

SAMSUNG



Color

Samsung Blue and variations of blue appear in almost all of our visual elements.

White and black create our canvas, adding modern sophistication to our brand.

Blue can be a connective thread that unifies the brand across various activations.



Typography

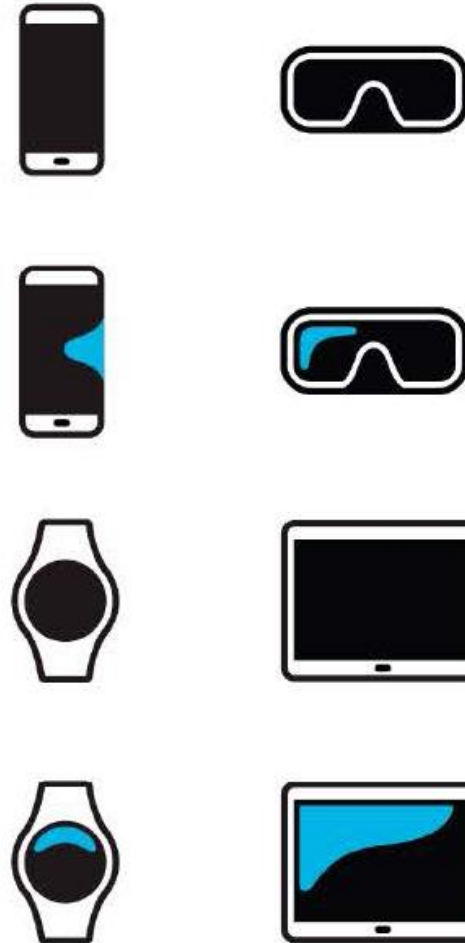
Samsung uses two proprietary typefaces; Samsung Sharp Sans Bold for headlines, and SamsungOne for body copy. Both have clean modern lines and are highly legible.

Headlines are accented with blue to reinforce the brand colors and add a vibrant pop.



Icons

Product icons unify the ecosystem of diverse products. Functional icons describe the features available on Samsung devices. Emotive icons contain elements of wit and charm. The color blue represents a “powered on” state.



Product Photography

Dynamic angles, bold shadows, and bright highlights create dramatic, bold imagery. Simplicity of layouts is key.

Staging products in clever, context-relevant ways communicates charm and encourages brand/product reconsideration.

Showing commonality among products helps tell the ecosystem story.



5 AT&T Stores

Current Strategic Challenges

Lack of Promo Awareness

50% of shoppers seeking a new smart phone were made aware of the Buy One Get One promotion. 32% were made aware of the Tablet offer and 14% were told of the Gear S2 offer. †

DirecTV Zone Is Not Delivering Sales Results

34% of shoppers seeking a new smart phone were made aware of a Direct TV offer. †

Customer Indecision

22% of customers ready to purchase a phone leave no closer to making a decision.*



* Source: Samsung AT&T Smartphone Shopper Study, PreTesting Group August 10, 2015

† Source: Field Agent Project Study, February 19 – February 25, 2016

Current Physical Challenges

Brand Visibility

Samsung brand presence is overlooked in the macro store environment. *

Product Separation

Customers want to easily compare phone types. *

Visual Distractions

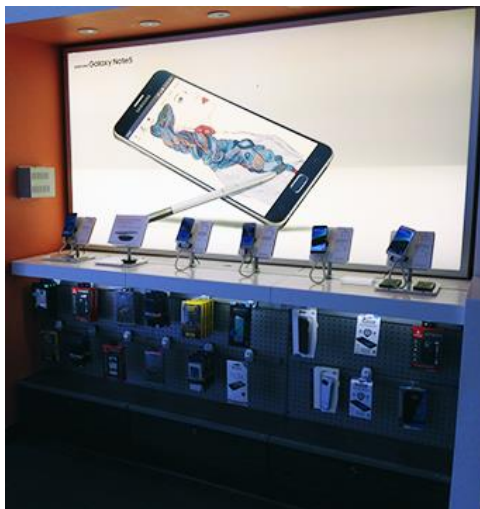
Printed graphics go unnoticed. *

** Source: Samsung AT&T Smartphone Shopper Study, PreTesting Group 8.10.15*

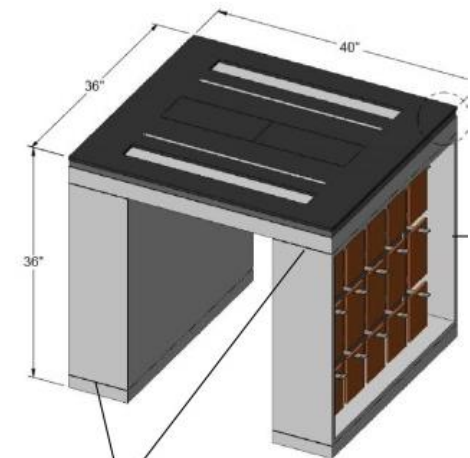
New 2 Tier Prototype for 9/30



Old Fixture thru 6/23/16

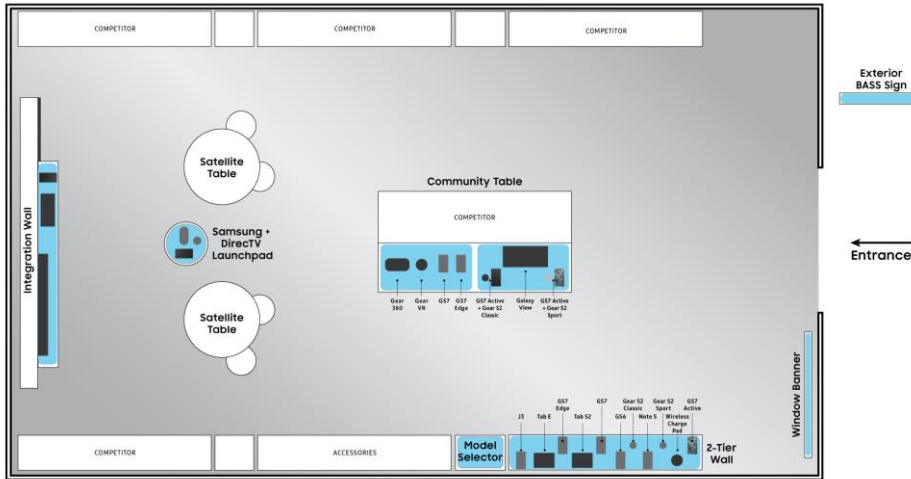


New 4 Sided Display & Top for 8/15 - 9/30



Establishing Store Zones

Phase 1

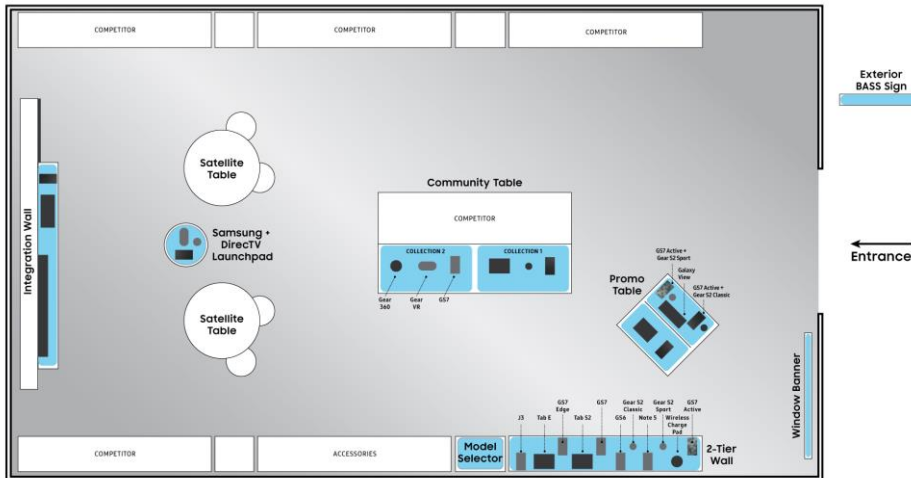


PHASE I

6/10/2016 – 8/15/2016

- G7 Active Product Launch 6/10/2016.
- ATT Interim 2-tier fixture installed 6/24
- No Promo Table (4x4).

Phase 2-3



PHASE 2

8/15/2016 - 9/30/2016

- 350 4-sided table arrives in select AT&T stores
- Samsung Collections come to AT&T
- Galaxy Note 6 launches

PHASE 3

9/30/2016

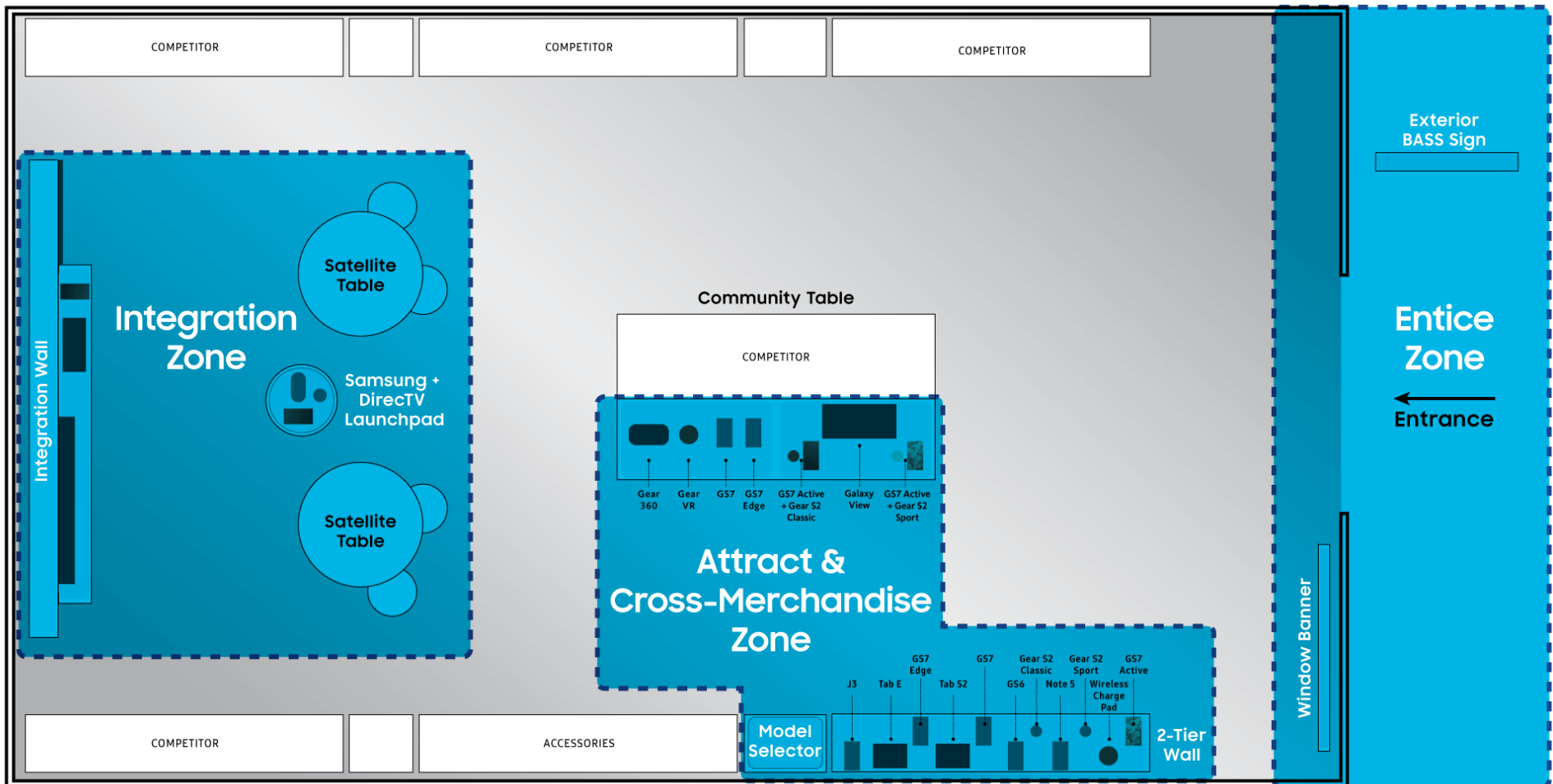
- Permanent 2-tier fixtures replaces interim fixtures
- Remaining 950 4 sided table arrives in select AT&T stores

Establishing Store Zones



Entice Zone

Disrupt & inspire the customer with a new promise and memorable imagery.

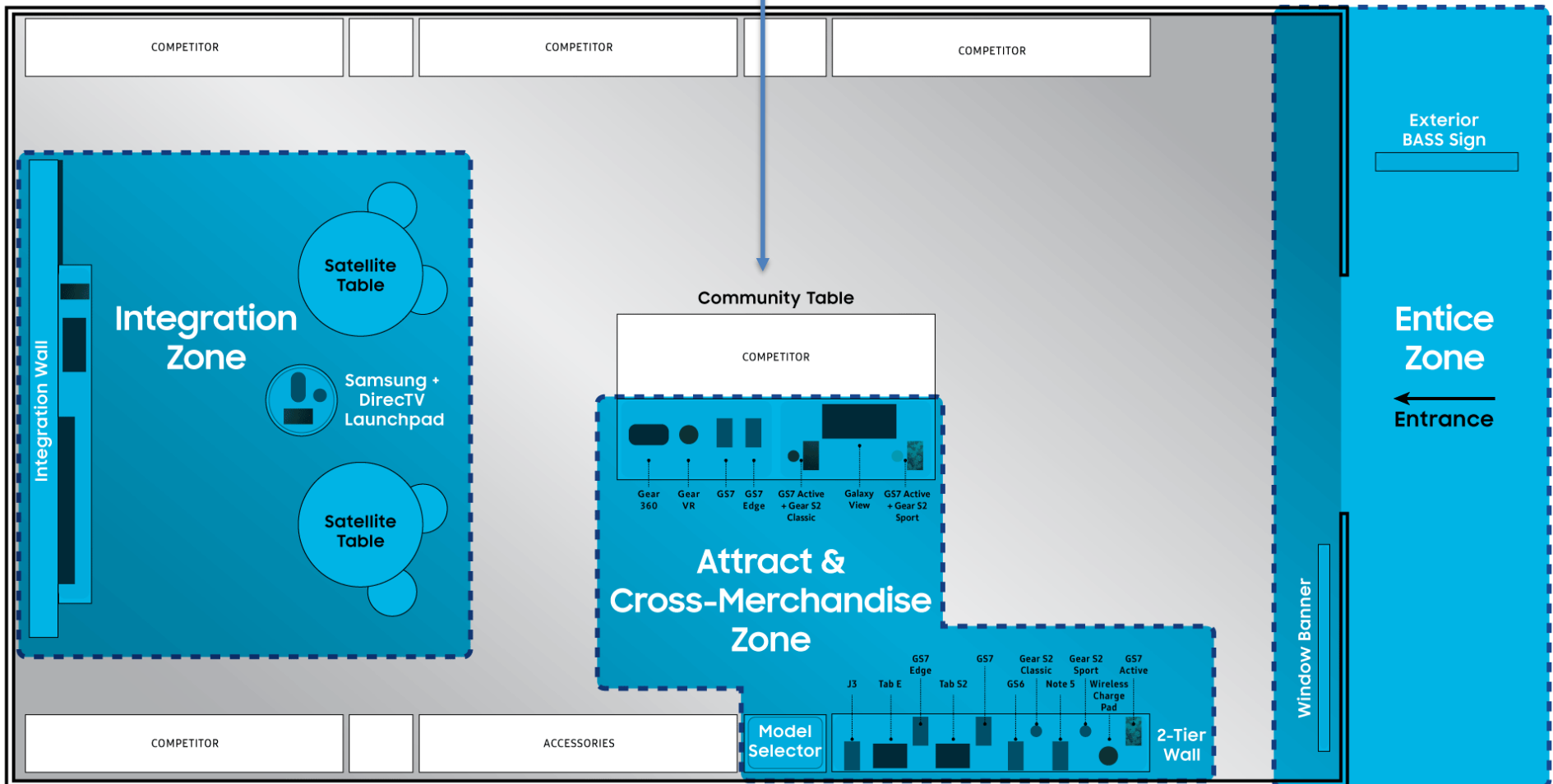


Establishing Store Zones



Cross-Merchandise Zone

Create an easy, adjacent and cohesive way for customers to engage with the full brand assortment and consider add-ons. Maximize impact of brand impressions to increase customer brand recall.

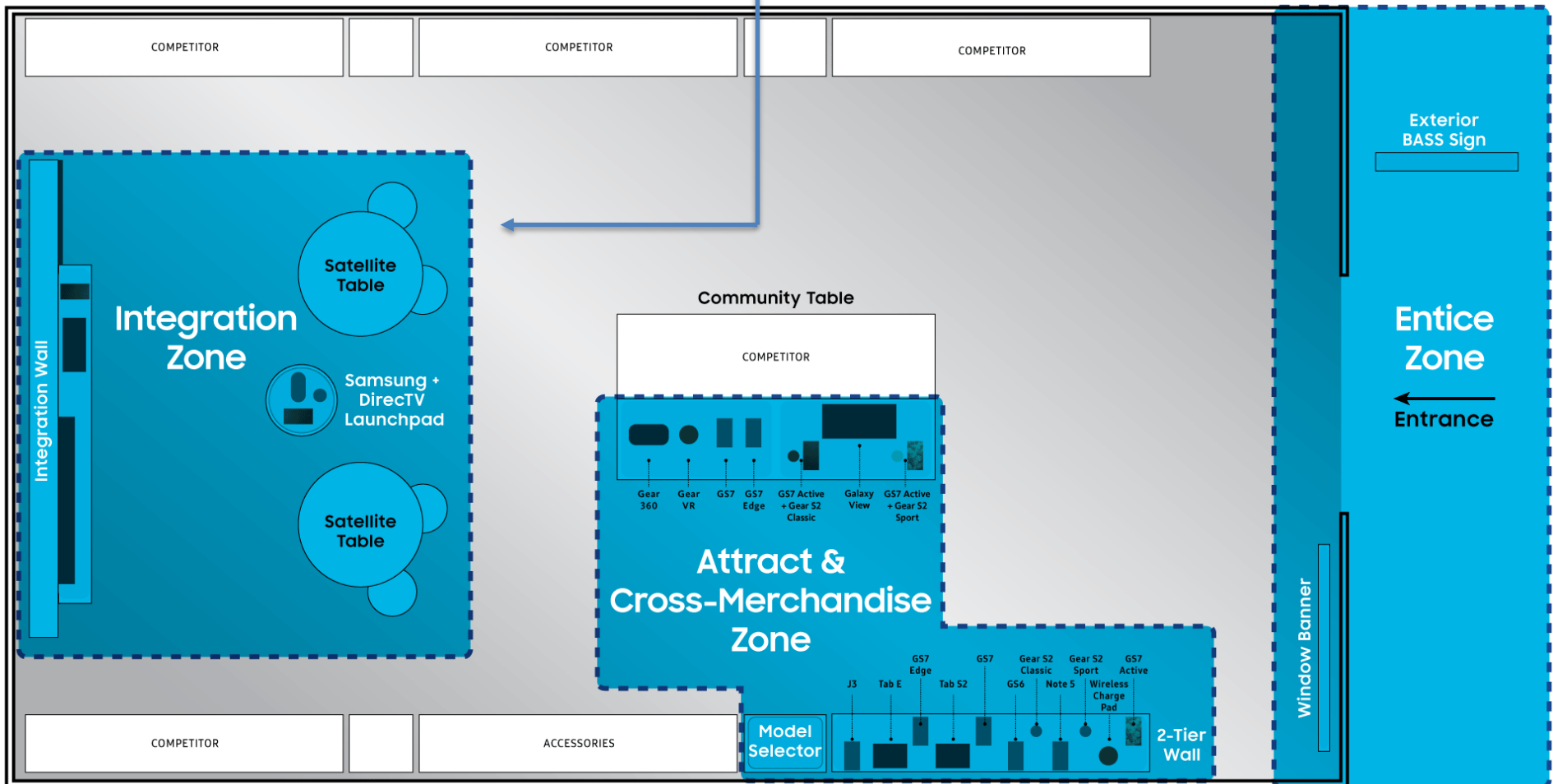


Establishing Store Zones



Integration Zone

The visual anchor of the space introduces customers to a sensory journey. Highlighting customer to test, try and engage. Seating encourages customers to linger.

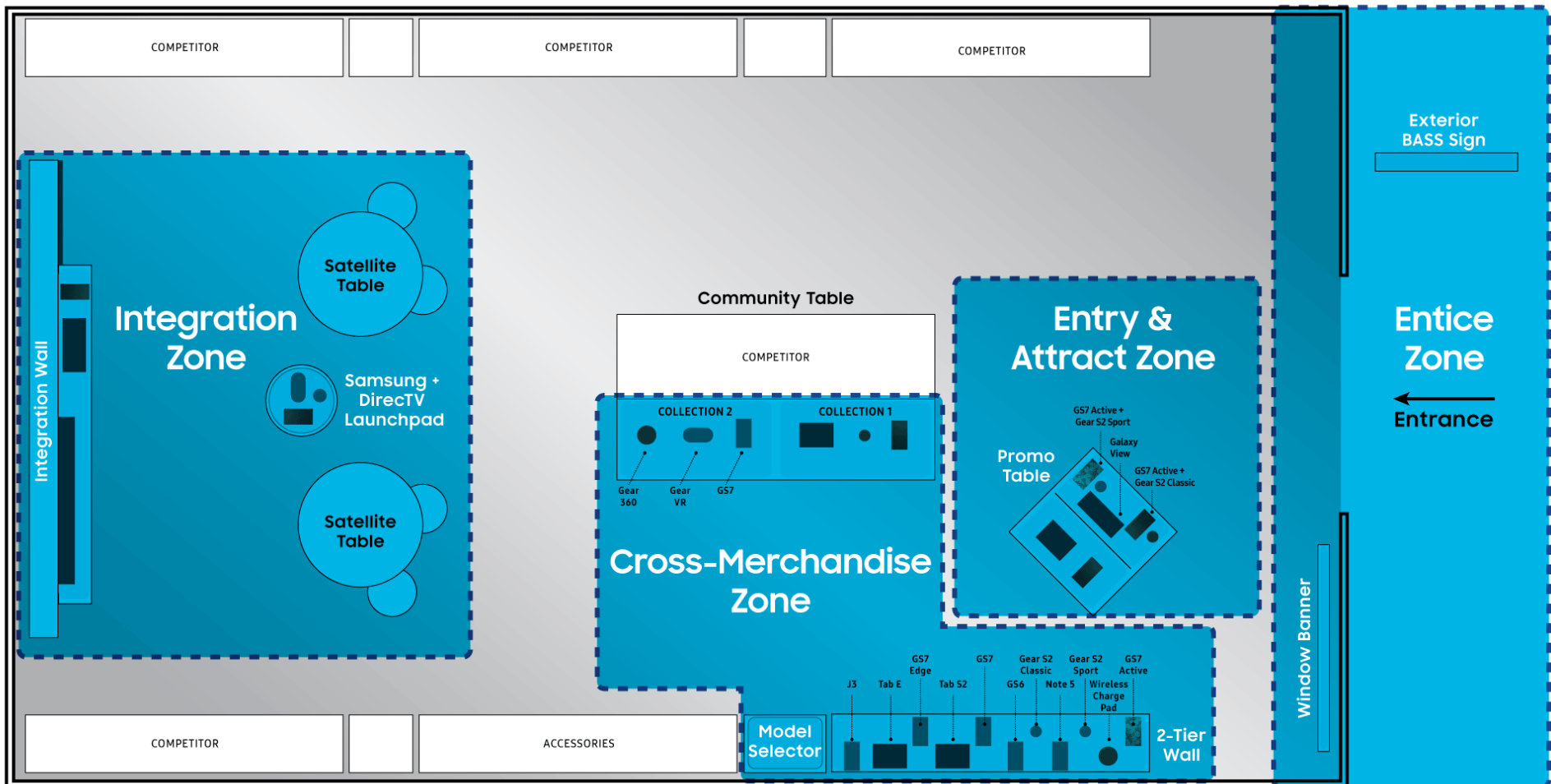


Establishing Store Zones

Phase 1
Phase 2-3

Entice Zone

Disrupt & inspire the customer with a new promise and memorable imagery.

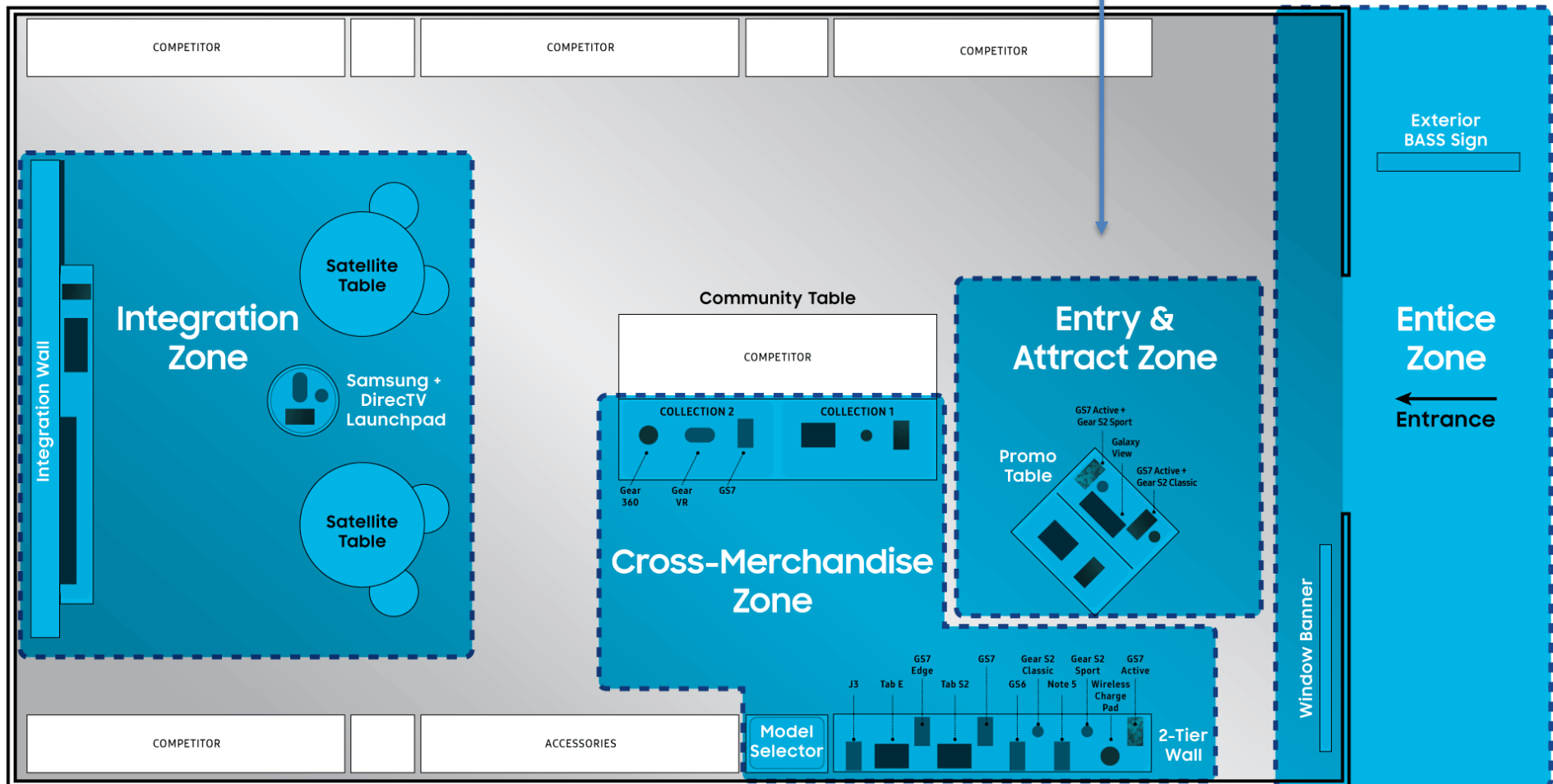


Establishing Store Zones

Phase 1
Phase 2-3

Entry & Attract Zone

Customer Anticipation connects with visual nods to drive navigation. Influence the customer's first impression at the entry, every time.

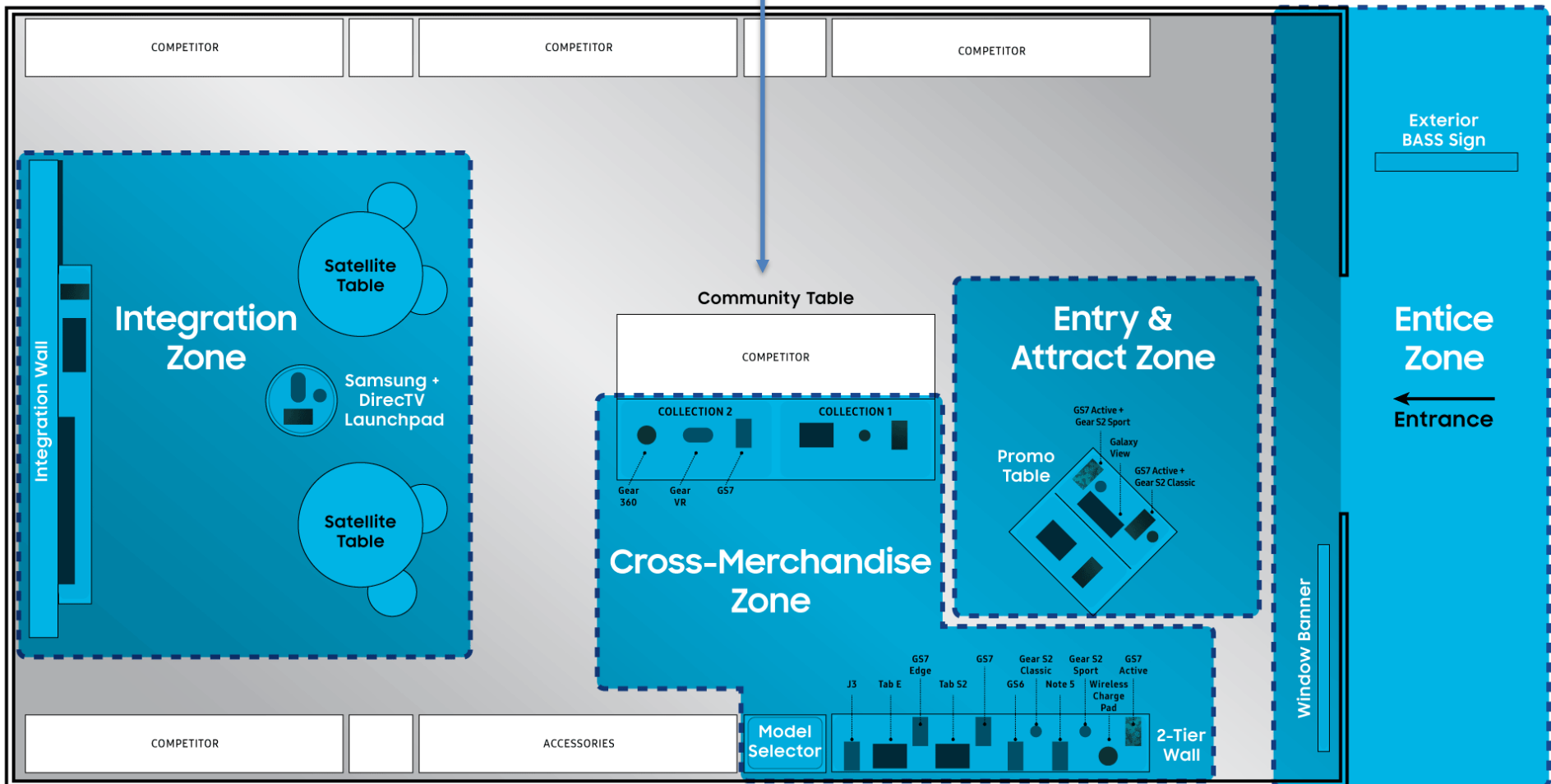


Establishing Store Zones

Phase 1
Phase 2-3

Cross-Merchandise Zone

Create an easy, adjacent and cohesive way for customers to engage with the full brand assortment and consider add-ons. Maximize impact of brand impressions to increase customer brand recall.

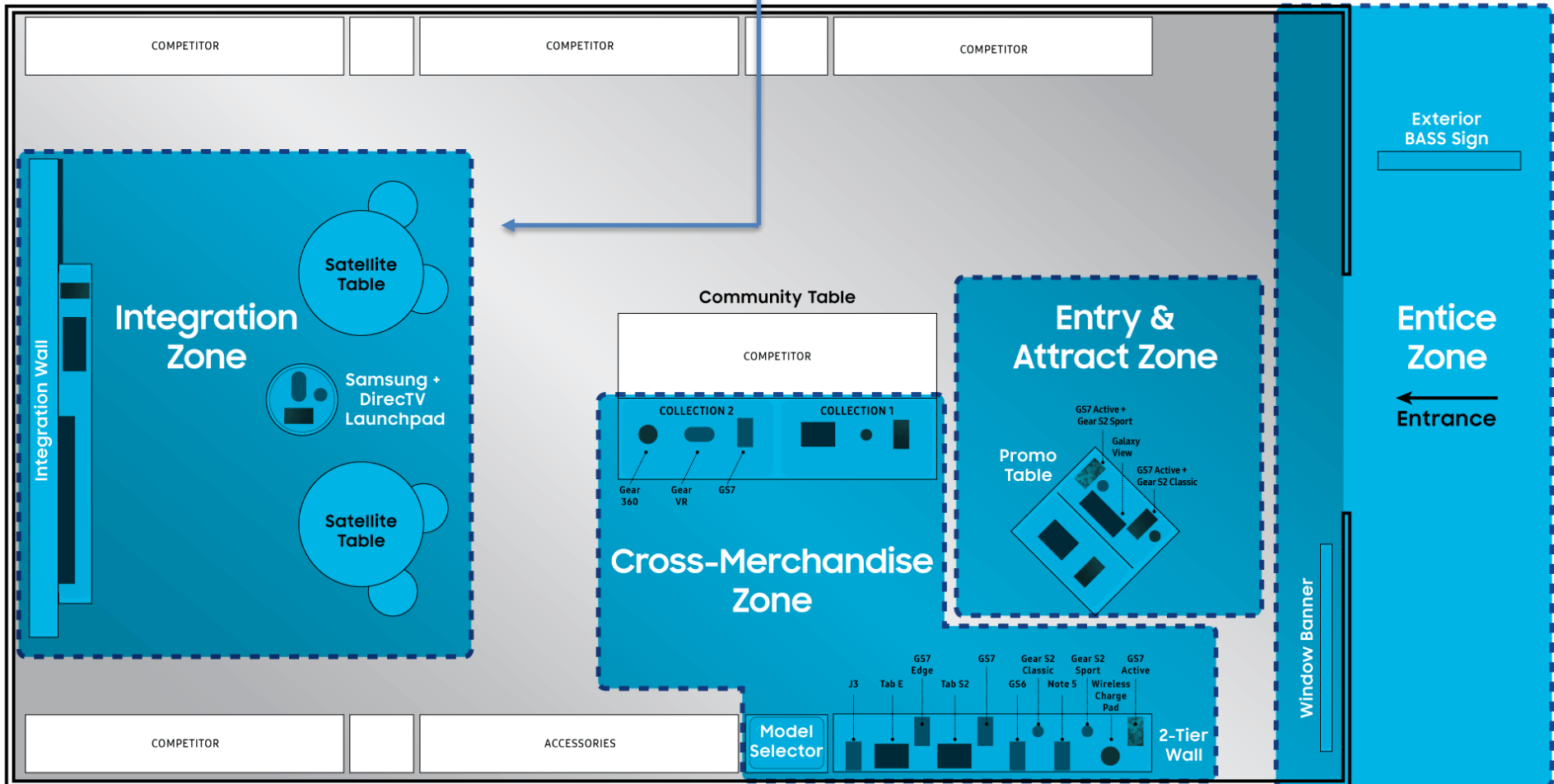


Establishing Store Zones

Phase 1
Phase 2-3

Integration Zone

The visual anchor of the space introduces customers to a sensory journey. Highlighting customer to test, try and engage. Seating encourages customers to linger.



Establishing Customer Journeys

Phase
1

- **Attract** (The Smart Phone Shopper)
- **Optimize** (The Galaxy Owner and Ecosystem Shopper)
- **Integrate** (The DirecTV Shopper)

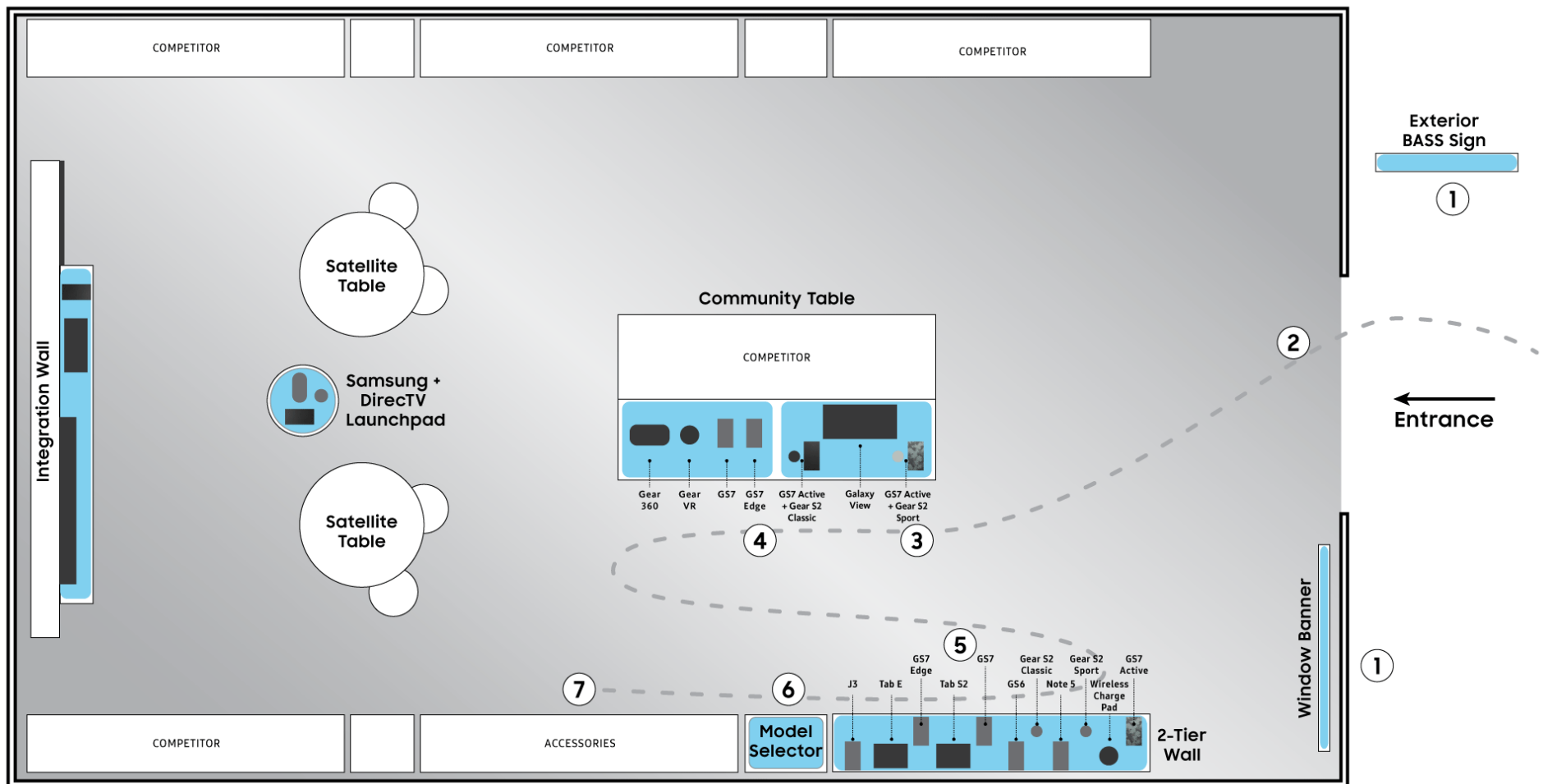
Phase
2-3

- **Attract** (The Smart Phone Shopper)
- **Optimize** (The Galaxy Owner and Ecosystem Shopper)
- **Integrate** (The DirecTV Shopper)

Attract (The Smart Phone Shopper)



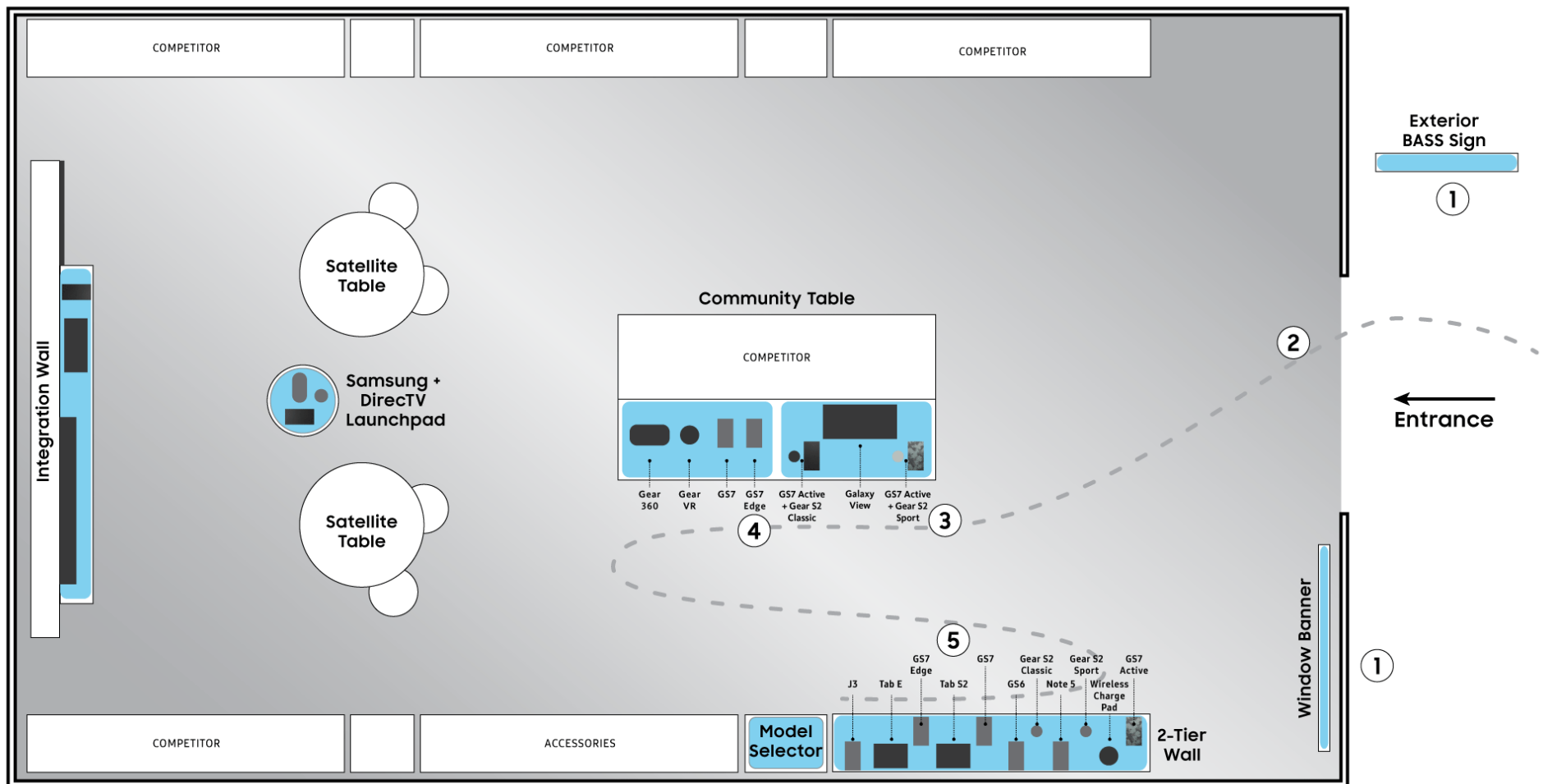
1. BASS sign and Window sign attract and entice the phone-seeking customer.
2. Navigation moment occurs in the Entry Zone. Location and orientation of Community Table attracts customer and aligns content with Bass & Window sign.
3. 3. Community Table allows sales associates to meet customers and build a dialogue. The customer's anticipation promise from the Entice Zone is fulfilled.
4. 4. Adjacent brand products and experiences are logically arranged by group and contiguously located.
5. Let customers touch and compare models easily.
6. Give alternative comparison methods
7. Present accessories after hardware is chosen.



Optimize (The Galaxy Owner & Ecosystem Explorer)



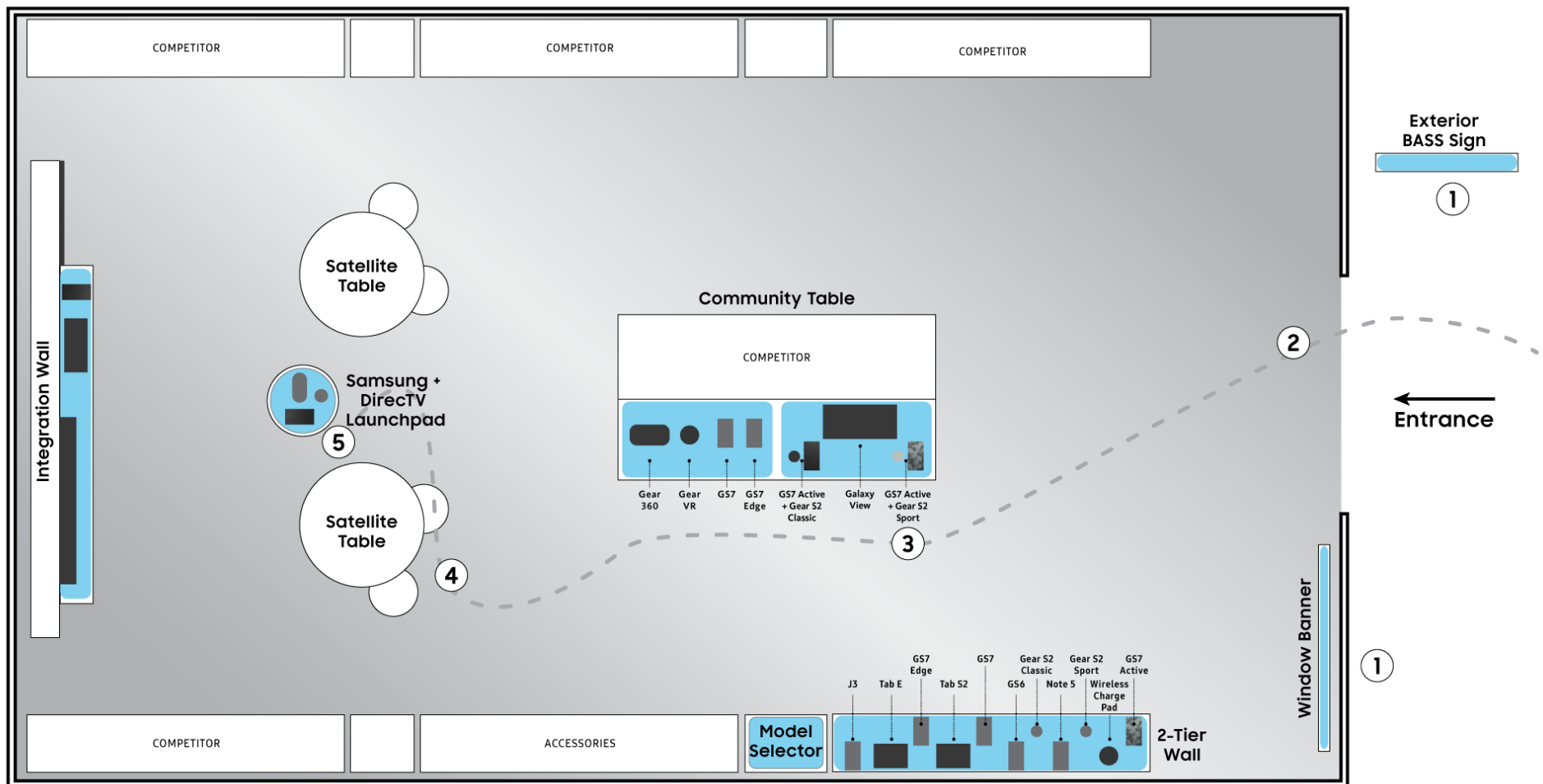
1. Bass sign and Window sign attract and entice the phone-seeking customer.
2. Navigation moment occurs in the Entry Zone. Brand signage and awareness drives navigation to Samsung area.
3. En route to the 2-Tier Wall, customers encounter the Community Table. The customer is intrigued by experience and approaches.
4. Focused stories retain customer's attention and build confidence about brand.
5. All Samsung products are presented together on the 2-Tier Wall to build brand dominance and to retain customer's focus.



Integrate (The DirecTV Shopper)



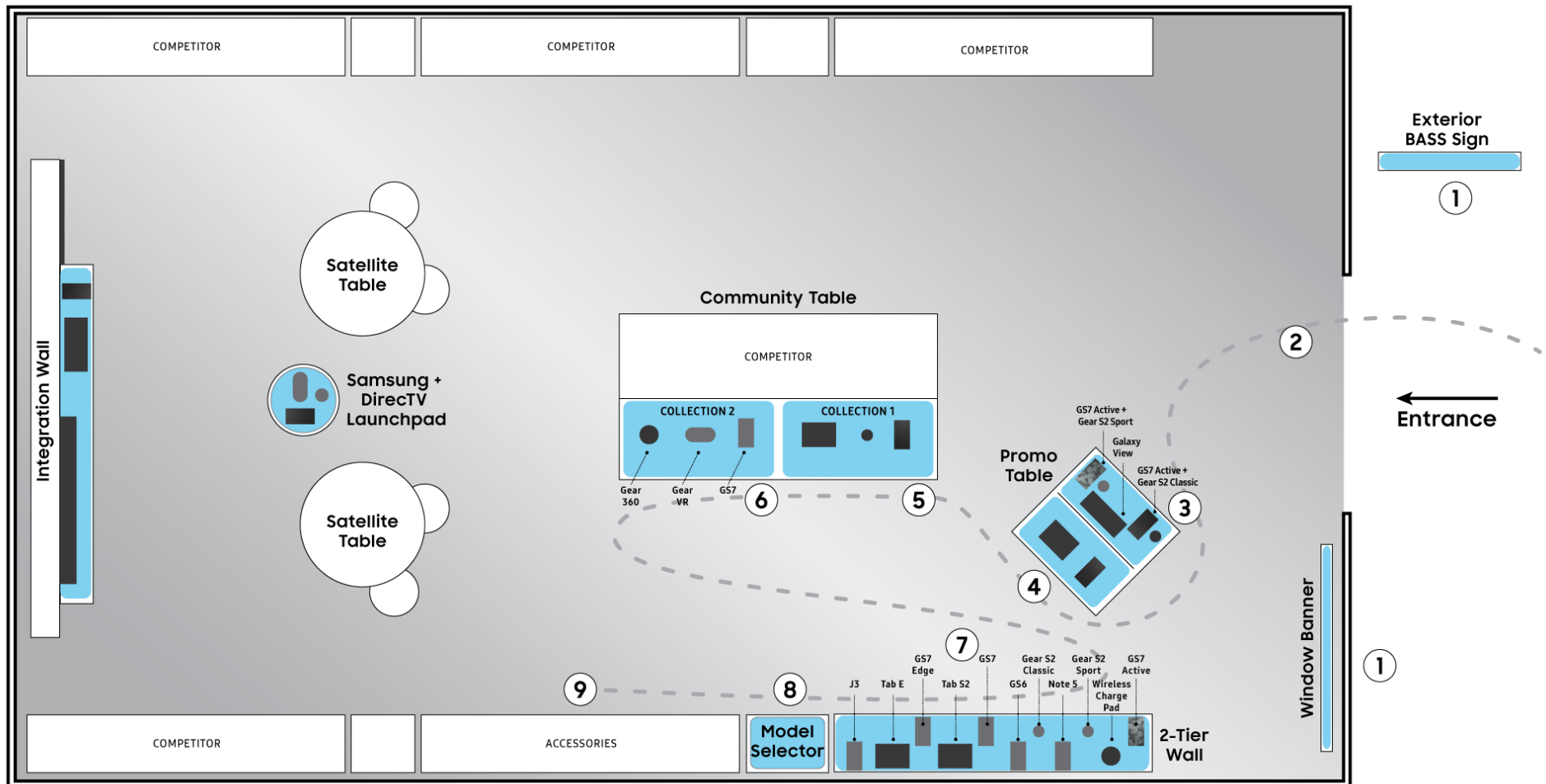
1. Bass sign and Window sign attract and entice the phone-seeking customer.
2. Navigation moment occurs in the Entry Zone. Direct line of sight, visual dominance of display and on-going interactions at Integration wall drive customers' curiosity and interest.
3. En route to Integration wall area, customers encounter the latest products and promotions located at the Community Table. Focused stories retain customer's attention and build confidence about brand.
4. Customers observe activities and acclimate to the space
5. Customers engage with small products at Launch Pad to deepen their engagement. Entertainment and participation is thrilling and fun. Emotional impact is maximized.



Attract (The Smart Phone Shopper)



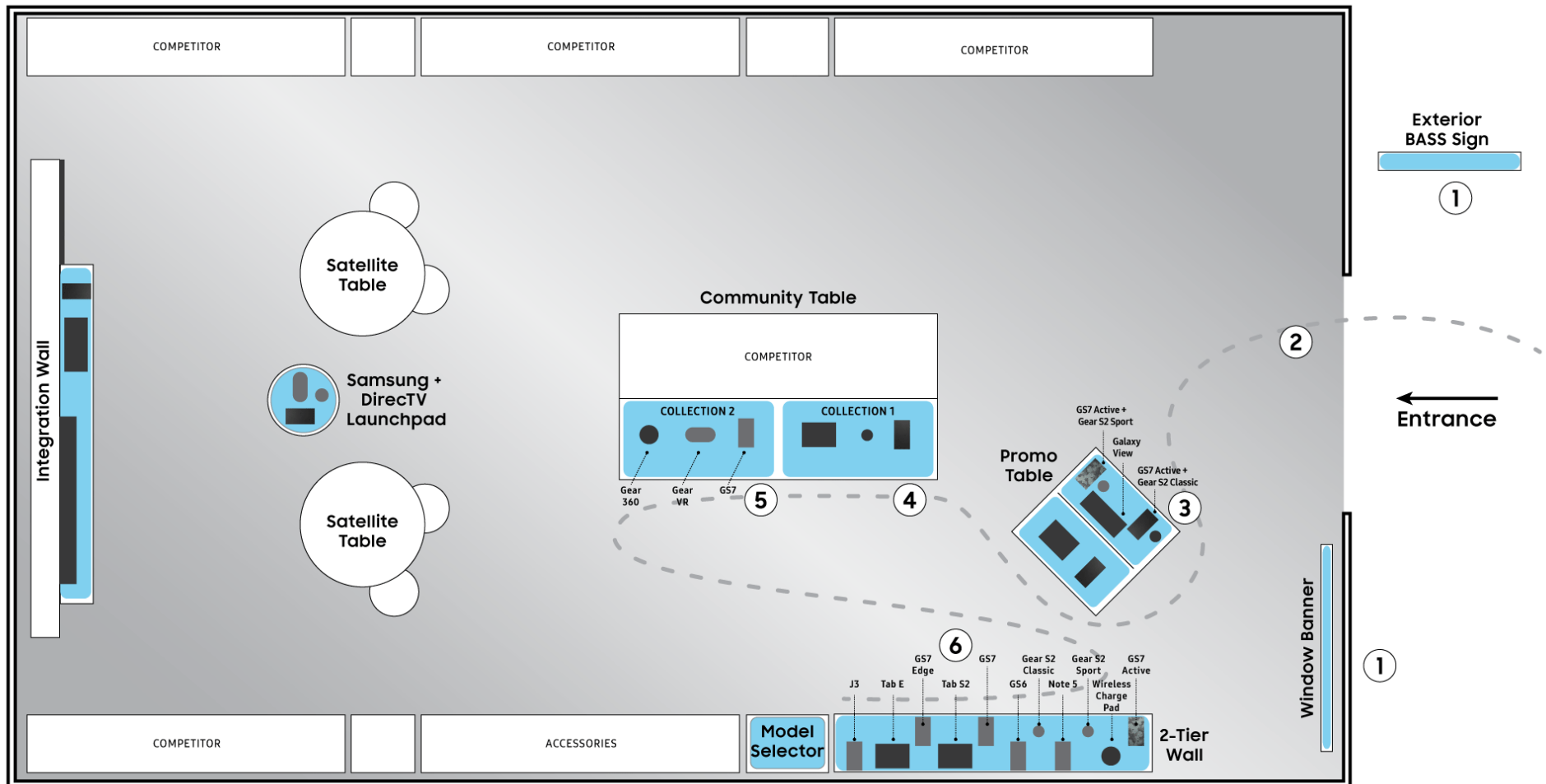
1. BASS sign and Window sign attract and entice the phone-seeking customer.
2. Navigation moment occurs in the Entry Zone. Location and orientation of Promo table attracts customer and aligns content with Bass & Window sign.
3. Promo Table allows sales associates to meet customers and build a dialogue. The customer's anticipation promise from the Entice Zone is fulfilled.
4. Secondary Promotions are centralized for convenience and to retain customer's emotional engagement.
5. Focused stories retain customer's attention and build confidence about brand.
6. Adjacent brand products and experiences are logically arranged by group and contiguously located.
7. Let customers touch and compare models easily.
8. Give alternative comparison methods
9. Present accessories after hardware is chosen.



Optimize (The Galaxy Owner & Ecosystem Explorer)



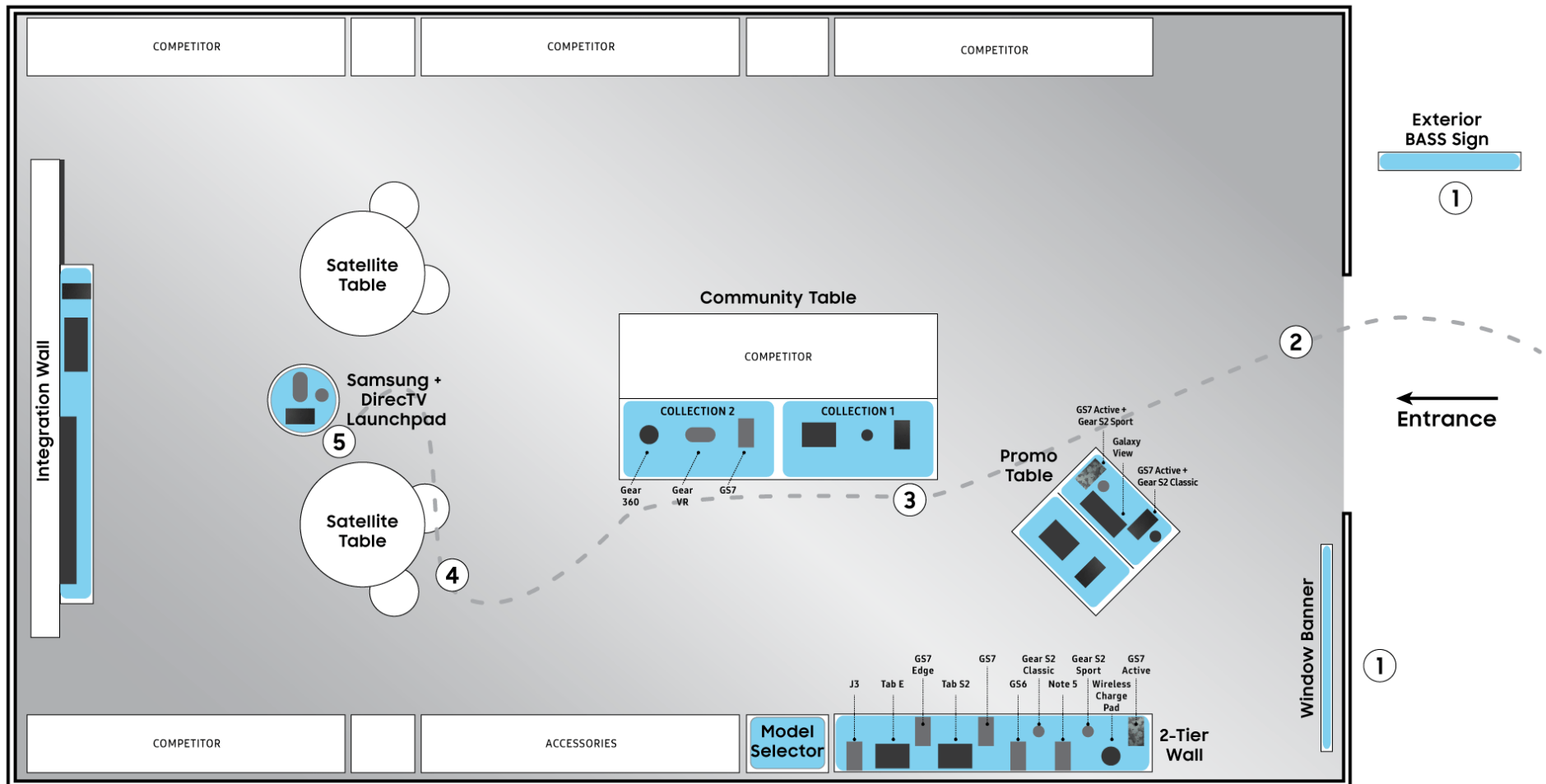
1. Bass sign and Window sign attract and entice the phone-seeking customer.
2. Navigation moment occurs in the Entry Zone. Brand signage and awareness drives navigation to Samsung area.
3. En route to the 2-Tier Wall, customers encounter the promo table. The customer is intrigued by experience and approaches the Community Table for further experiences.
4. Adjacent brand experiences known as “collections” are logically arranged by group and contiguously located.
5. Focused stories retain customer’s attention and build confidence about brand.
6. All Samsung products are presented together to build brand dominance and to retain customer’s focus.



Integrate (The DirecTV Shopper)



1. Bass sign and Window sign attract and entice the phone-seeking customer.
2. Navigation moment occurs in the Entry Zone. Direct line of sight, visual dominance of display and on-going interactions at Integration wall drive customers' curiosity and interest.
3. En route to Integration wall area, customers encounter the experiences known as "collections" arranged by group and contiguously located at the Community Table. Focused stories retain customer's attention and build confidence about brand.
4. Customers observe activities and acclimate to the space
5. Customers engage with small products at Launch Pad to deepen their engagement. Entertainment and participation is thrilling and fun. Emotional impact is maximized.



6 Track Results

Drive Sales Lift

Metric 1

Overall Samsung Sales Comparison

June 15, 2016 – May 31, 2017

Metric Leader: David Choi

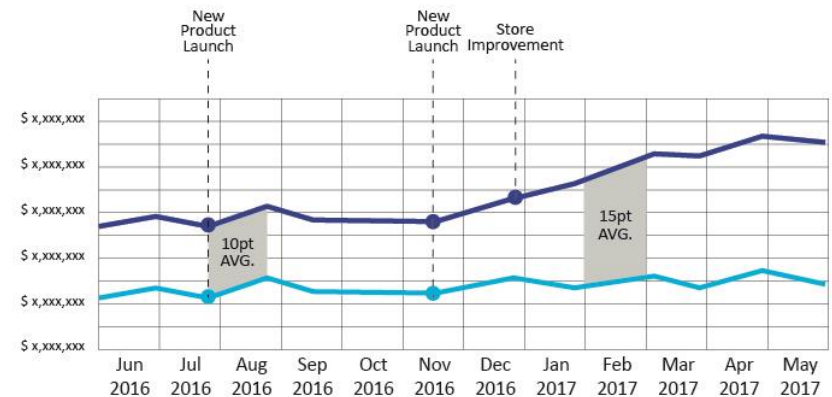
Compare overall Samsung sales year to year.

Questions

- Does the sales delta between test stores and control stores increase as merchandising resets occur?

For illustrative purposes only

Overall Samsung Sales Test Stores vs. Control Stores



Test Stores

- Promo Table
- Direct adjacency between Promo Table, 2-Tier Wall, and Samsung Community Table display

Control Stores

- No Promo Table
- No direct adjacency between 2-Tier Wall and Samsung Community Table display

Drive Sales Lift

Metric 2

New Product Sales Comparison

June 10 – August 19, 2016

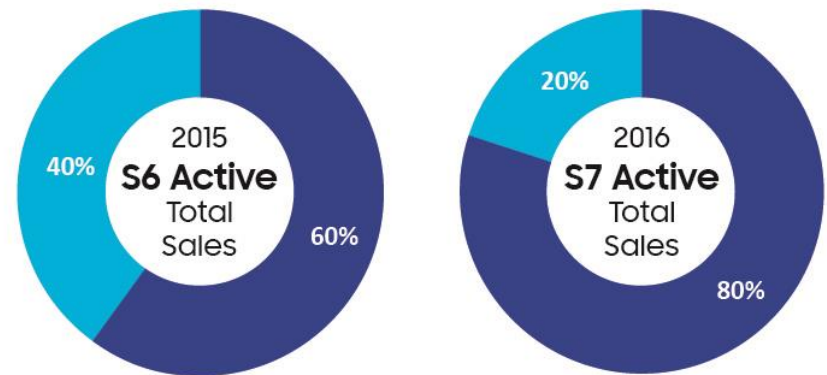
Metric Leader: David Choi

Compare sales of the 2016 S7 Active launch versus the 2015 S6 Active launch.

Question

- Do test stores perform incrementally better than control stores in 2016 versus 2015?

For illustrative purposes only
New Product Total Sales
Test Stores vs. Control Stores



- Test Stores**
 - Promo Table (installs starting 8/15/2016)
 - Direct adjacency between Promo Table, 2-Tier Wall, and Samsung Community Table display
- Control Stores**
 - No Promo Table
 - No direct adjacency between 2-Tier Wall and Samsung Community Table display

Increase Promotion Awareness

Metric 3

Promotion Awareness

June 15, 2016 – May 31, 2017

Metric Leader: Ryan Fournier

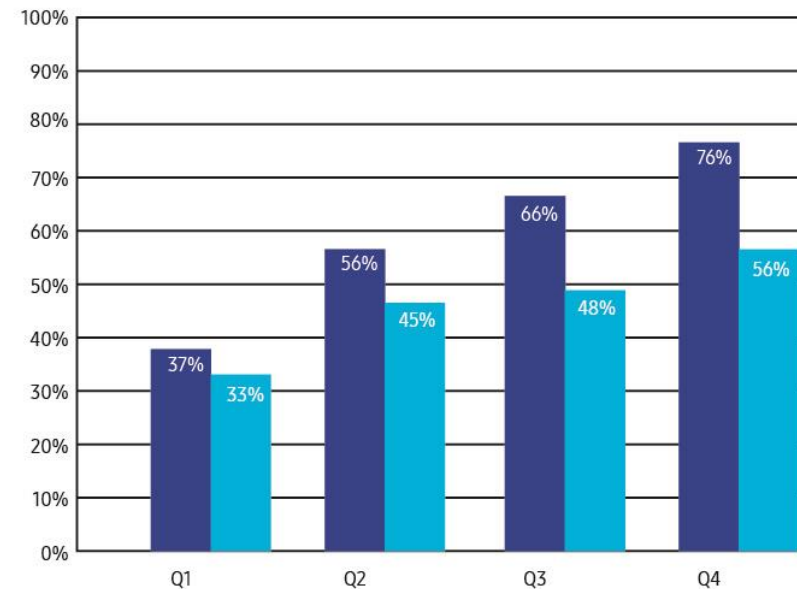
Gather quarterly customer intercept interviews in both test and control stores. Inquire about promotion awareness and engagement of sales associates.

Questions

- Is promotion awareness higher in test stores versus control stores? Do merchandising changes found in the test stores contribute positively to the effectiveness of promotional awareness?

For illustrative purposes only

Promotion Awareness



- Test Stores**
 - Promo Table
 - Direct adjacency between Promo Table, 2-Tier Wall, and Samsung Community Table display
- Control Stores**
 - No Promo Table
 - No direct adjacency between 2-Tier Wall and Samsung Community Table display

Improve Brand Engagement

Metric 4

Merchandising Compliance

June 13, 2016: Survey launches in formats 1,2, and 3

July 1, 2016: Survey launches in format 4

July 15, 2016: Audit to validate findings with Channel Sales

Metric Leader: Ryan Fournier

Consistency is fundamental to brand building. Ensuring merchandising compliance will deliver public-facing brand consistency which will drive sales results. The data gathered through the merchandising audit can be used as a statistical overlay when analyzing sales lift and promotion awareness.

Store Formats

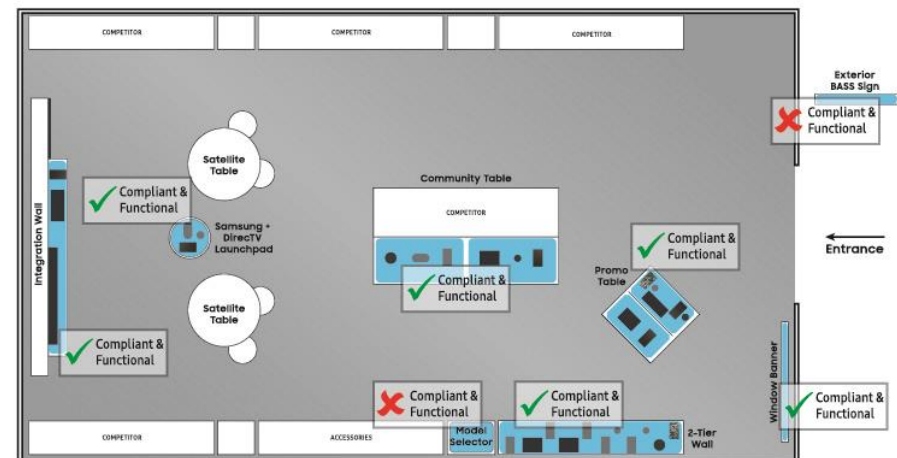
- COR/Agent stores without Community Table
- COR/Agent stores without Community Table
- Store of the Future
- Stores with 2-tier wall display

Questions

- How do the various store formats correlate to their consistency of merchandising compliance?
- Does more consistent merchandising compliance correlate to higher Samsung sales performance within each respective store format type?

For illustrative purposes only

Merchandising Compliance



Improve Brand Engagement

Metric 5

Marketing Scorecard

June 15, 2016 – May 31, 2017

Metric Leader: DeToya Burrell

Document and track all new Samsung brand placements within the AT&T portfolio of stores by using the Marketing Scorecard. Assign points quarterly for each brand element.

Questions

- Have the additional Samsung points of presence contributed to additional customer consideration or purchase?
- Is there consistency of Samsung POP execution between the various AT&T store formats to support Samsung brand cohesiveness?

Q2 AT&T Marketing Scorecard

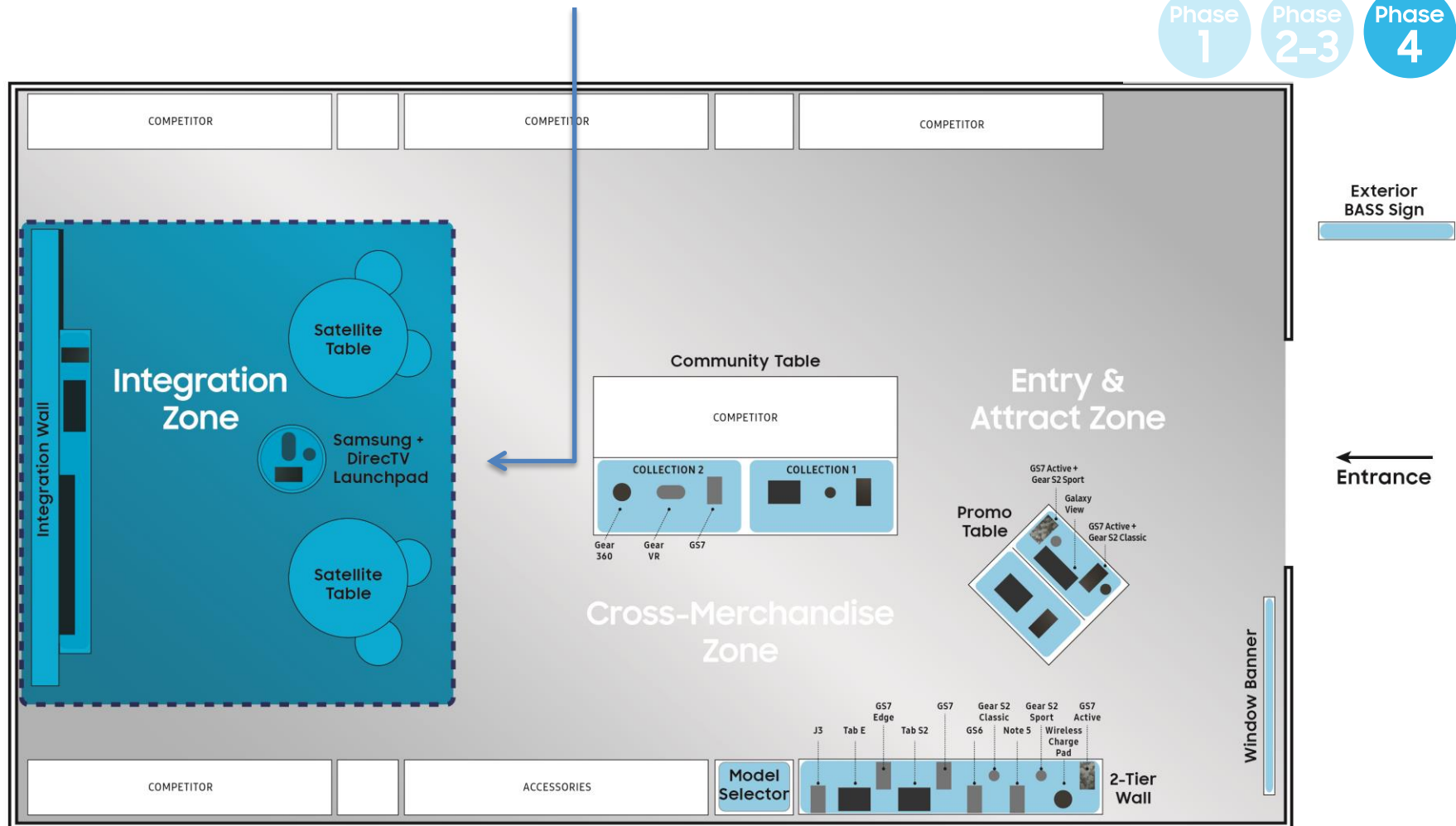


DELIVERABLE	2Q	BONUS/GAP
Merchandising Displays		
Wall Graphic		
Community Table		
Smartphone Wall 1		
DTV Display Wall		
Wall Space with Shelving		Design in progress
Peg Space With Accessories		Design in progress
Four Sided Pedestal		Design in progress

7 Next Steps

Integration Zone (Samsung + DirecTV)

- **Attract** customers through central location and visual focal point.
- **Invite** customers to interact with the display by utilizing the Samsung provided products such as the G7, S2 and VR goggles.
- **Explain** the emotional and practical benefits of the unique Samsung + DirecTV offer.
- **Provide** customers a place to pause, observe, consider and purchase with café tables and seating.

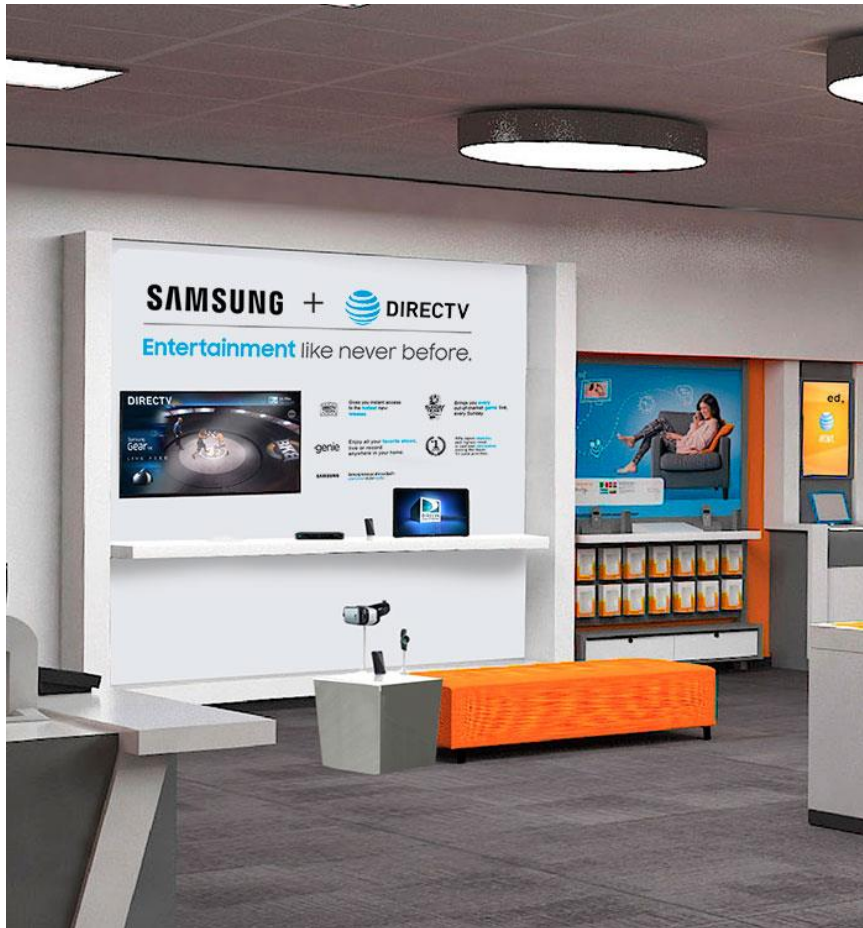


Integration Zone (Samsung + DirecTV)

- **Attract** customers through pithy headline and dazzling DirecTV content displayed on Samsung monitor.
- **Explain** the emotional and practical benefits of the unique Samsung + DirecTV offer.
- **Reassure** the customer through DirecTV's consistent delivery performance and superior customer satisfaction results.
- **Invite** customers to interact with the display by utilizing the Samsung provided products such as the G7, S2 and VR goggles.
- **Provide** customers a place to pause, observe, consider and purchase with the café tables and seating.



Integration Zone (Samsung + DirecTV)



Integration Wall: Graphics

SAMSUNG + DIRECTV

Entertainment like never before.



SUNDAY TICKET

Brings you **every** out-of-market **game** live, each Sunday.

DIRECTV CINEMA

Gives you instant access to the **hottest** new **releases**.

genie

Enjoy all of your **favorite shows**, live or recorded, anywhere in your home.

SAMSUNG

Samsung devices put all of your DIRECTV **entertainment** at your **fingertips**.



99% signal **reliability**, and highest-rated in customer **satisfaction** among the major TV cable providers.

Timeline

- 6/10/2016 – 8/15/2016
Study reports from Metrics' results
- 6/10/2016 – 8/15/2016
Phase 1 Installation: Interim 2-tier fixture installed with re-merchandising consolidation
- 8/15/2016 - 9/30/2016
Phase 2 Installation: 350 Promo Tables (4x4) arrive in select AT&T stores
- 9/30/2016
Phase 3 Installation: Permanent 2-tier fixtures replace interim fixtures; Remaining Promo Tables (4x4) arrive in select AT&T stores
- 11/1/2016
Phase 4 Installation: Reinvented DirecTV experience



Conclusion

The partnership between Samsung and AT&T presents customers with unique products, compelling promotions and lifestyle-driven product collections. These offers come to life in the retail setting successfully by:

- **Adhering** to the Playbook Design Principals.
- **Understanding** the Store Zones and the Customer Journeys
- **Creating** Samsung-dedicated merchandising fixtures
- **Merchandising** Samsung products cohesively and with direct adjacencies
- **Executing** the merchandising standards consistently

Consistency contributes to increasing promotional awareness, improving brand engagement and driving positive sales lift.

Appendix

AT&T Visual Merchandising Elements

The following pages show the various AT&T merchandising elements and their respective in-store locations as referenced throughout this Playbook. The purpose of these pages is to visually represent these elements, clarify their common uses and to explain their strategic intent.

BASS Sign

PURPOSE

The BASS Sign is meant to disrupt and delight customer's sightlines. It provides a quick hook to drive customer consideration for store entry.

LOCATION

Perpendicular to the entry point, and aligned with sightlines of approaching vehicular and pedestrian traffic.



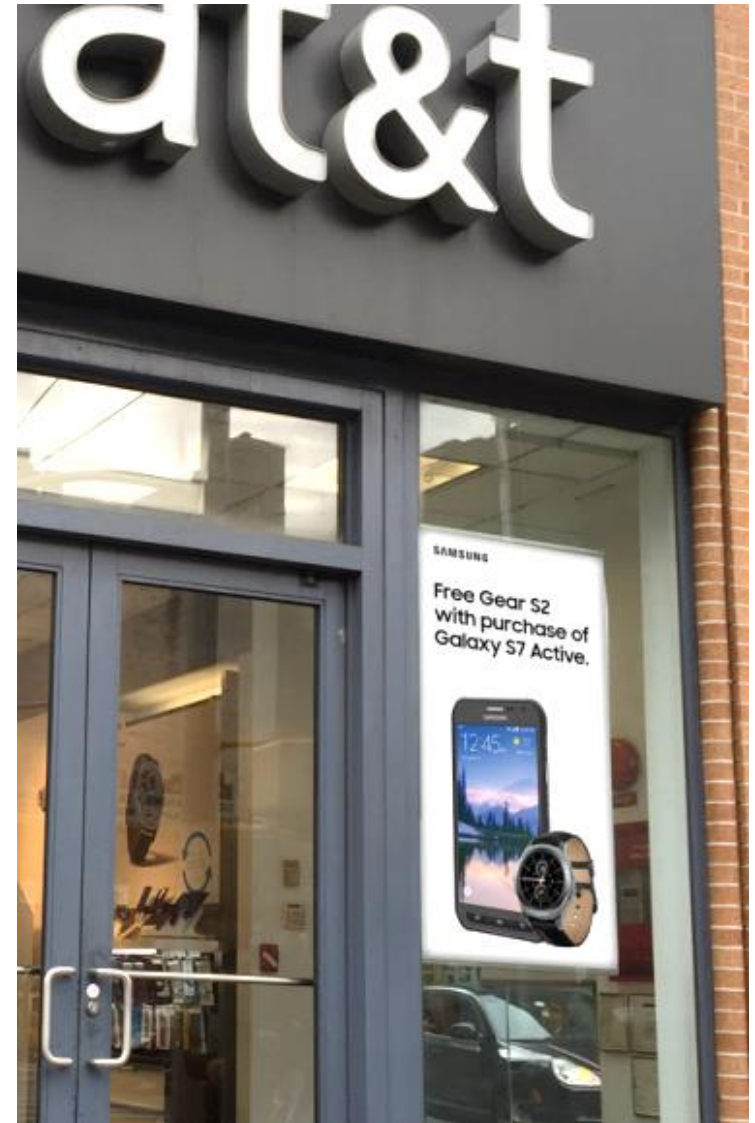
Window Banner

PURPOSE

The Window Banner is meant to attract the non-destination driven customer, and inform the destination-driven customer.

LOCATION

Placed in the window location closest to the customer point-of-entry, and located on the Samsung side of the store.



Promo Table (4x4)

PURPOSE

This dedicated Samsung table aligns its form, materiality, and details from the 2-Tier Wall fixture to be unmistakably “Samsung”. It is dedicated to displaying the AT&T + Samsung exclusive promotions in a consistent location and method.

LOCATION

Angled to face the customers’ entry point, the table is always located adjacent to the Community Table and in front of the 2-Tier Wall. This position captures customers’ attention and drives footfall and Samsung brand awareness.



Community Table

PURPOSE

This AT&T table brings a central activity area to the stores. It presents the latest and greatest offerings from multiple brands and provides an interactive-encouraging place to test and try.

LOCATION

Centrally located in the overall store, it creates a not-to-be-missed landing place for customers to compare brands, test new products, and experience the Samsung Collections.



2-Tier Hero Wall

PURPOSE

This consolidated presentation brings the largest variety of Samsung smartphones and add-ons in one place to hold customers' attention and allow for a wider array of side-by-side comparisons.

LOCATION

As the first wall position closest to the front windows, the large graphic and brand statement commands attention. This location is always adjacent to the Samsung Promo Table and the Samsung Community Table areas to best focus the Samsung customer experiences.



Model Selector

PURPOSE

This interactive screen and printed diagram gives customer alternative means to compare Samsung smart phones.

LOCATION

Always adjacent to the 2 Tier Wall, this proximity compliments the test-and-try aspects of the wall while allowing customers to deeply reference multiple product specs and benefits.



Interior Signage

PURPOSE

Samsung's interior signage builds brand awareness and creates navigational direction for customers. All imagery and communication aligns with Samsung and AT&T marketing as well as Samsung brand standards.

LOCATION

Product images align with merchandised locations of the products. All other Samsung signage incorporates with the various experience zones, product tables, and on-screen displays.



Collections

PURPOSE

Samsung's Collections starts with the smartphone. Add-ons help enhance customers' engagement with the brand.

LOCATION

Always incorporated into the Community Table, Collections are presented as life-enhancing bundles, promotional values and lifestyle collections. These serve to drive the customers' EcoSystem excitement and Samsung's brand relevance.

GO

GS7 + GS2 + Level + S Pay + FW Charging

MOVE

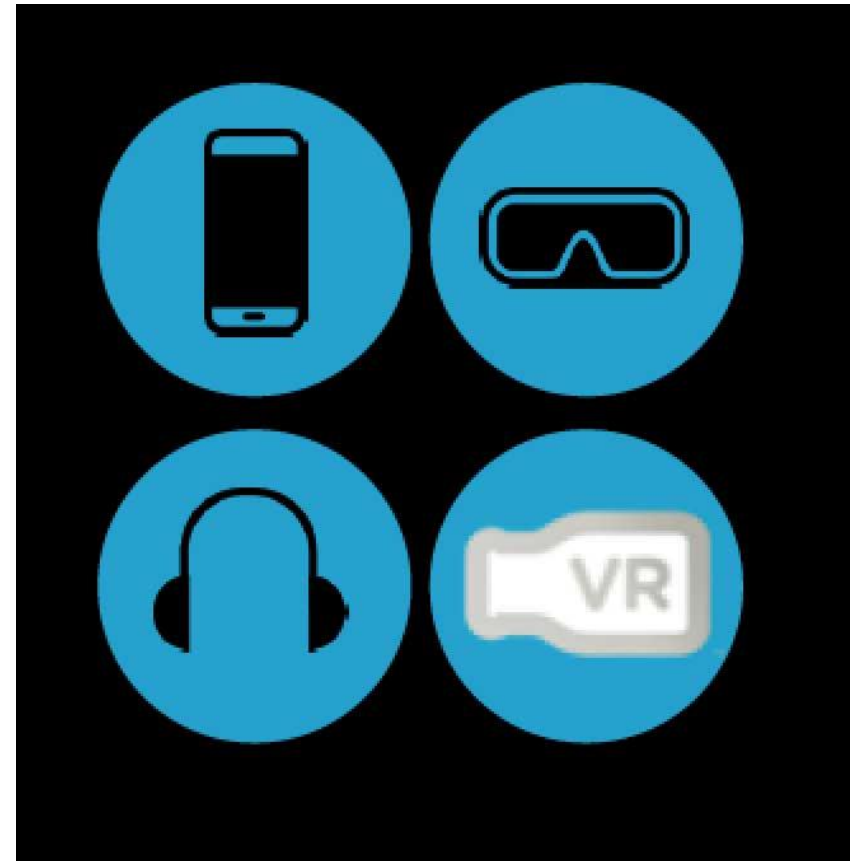
GS7 + Volt + Triathlon + S Health

EXPLORE

GS7 + VR2 + Level u Pro + Milk VR

CREATE

GS7 + 360 + VR2 _ Level U Pro



SAMSUNG

Thank you