

Commercial Excellence Academy

by  Asbiverse Group

— Optimizing Route to Shopper® Capability for Winning in Retail —

www.commercialexcellence.academy

Route to Shopper®

A Strategic Framework for
Integrated Shopper-based Value
Creation in the Home Appliances
Industry

Route to Shopper® Framework for Home Appliances

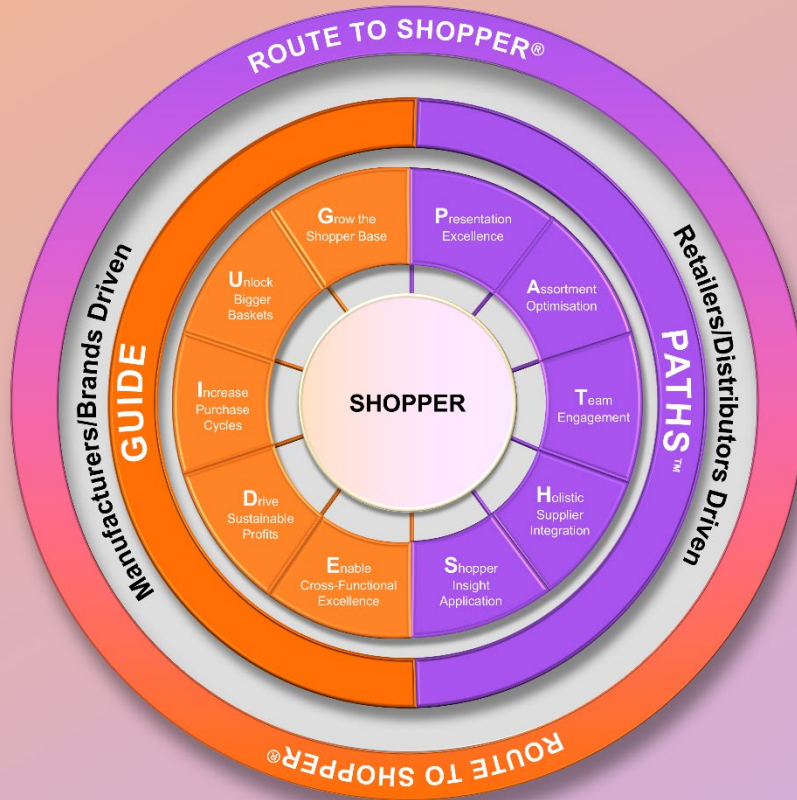
A Strategic Capability for Home Appliances

A Strategic Positioning Document from the Commercial Excellence Academy

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The Route to Shopper® Framework incorporating GUIDE – PATHS™ for Home Appliances Industry



Introduction: Transforming Commercial Excellence in Home Appliances

What does it really take to win a shopper's consideration in a world of endless options?

In the home appliances landscape, the gap between brand promise and shopper experience has never been more critical. As creators of the globally adopted **Route to Shopper®** Framework, we at the Commercial Excellence Academy recognize the unique challenges facing the home appliances sector:

- Intense price pressure in a category where technical specifications often overshadow value perception
- Accelerating digital transformation creating fragmented, complex purchase journeys
- Rising consumer expectations for innovation amidst longer replacement cycles
- Growing sustainability concerns influencing brand perception and purchase decisions

The Route to Shopper® Framework bridges these gaps by aligning commercial strategy with shopper behaviour, transforming how manufacturers and retailers create value in a high-consideration, semi-durable category like home appliances.

Strategic Context

The home appliances sector faces unique commercial challenges that require a sophisticated approach bridging brand promise, purchase behaviour, and retail activation:

- **Commoditization and price-based competition** driving margin erosion across the value chain
- **Technology-forward innovation requirements** that increase development costs without guaranteed adoption
- **Fragmented purchase journeys** where shoppers research online, validate in-store, and may purchase through entirely different channels
- **Low purchase frequency but high purchase anxiety** due to significant investment, installation considerations, and long-term commitment
- **Growing demand for sustainability and energy efficiency** creating new performance expectations beyond traditional features

Shopper Missions in Home Appliances

Understanding mission-based shopping is critical in this category:

- **"Upgrade my home with smart appliances"** – Connected capabilities, ecosystem compatibility, and future-proofing
- **"Find the best-value combo for my first home"** – Budget-conscious but comprehensive appliance needs
- **"Replace a broken appliance fast"** – Time-sensitive, low-research, availability-driven purchases
- **"Gift a premium appliance for a wedding/housewarming"** – Aspirational, package-ready, and status-signalling appliances
- **"Create an energy-efficient home environment"** – Sustainability-focused, long-term value optimization

The Shopper vs. Consumer Distinction

In home appliances, understanding the difference between shoppers and consumers is particularly important:

- **Shopper:** Usually the decision-maker and user (e.g., homeowner), but occasionally a gift-giver or professional (e.g., interior designer, landlord)
- **Consumer:** Typically, the daily user. Their pain points, aspirations, and comfort drive secondary purchase influence
- **Shopper behaviour** is shaped by budget, urgency, perceived reliability, feature sets, service experience, and future-proofing expectations

- Develop solutions for emerging lifestyle trends (home workspaces, health-conscious cooking)
- Address sustainability-focused shopper segments through energy-efficient innovations
- **Alternative Channel Development**
 - Expand into non-traditional channels (home improvement retailers, furniture stores)
 - Create digital-first distribution for emerging consumer electronics crossover products
 - Develop service-bundled offerings through utility companies and home service providers

U: Unlock Bigger Baskets

Strategic Objective: Increase average order value through appliance combos and complementary purchases.

Key Capability Development:

- **Cross-Category Solution Architecture**
 - Create coordinated kitchen suites with design and functional consistency
 - Develop room-specific bundles (laundry room, entertainment area, home office)
 - Design upgrade pathways encouraging complementary purchases over time
- **Occasion-Based Bundling Strategy**
 - Develop "New Home" packages combining essential appliances with installation
 - Create seasonal solutions combining heating, cooling, and air quality products
 - Design special occasion bundles for wedding registries and housewarming gifts
- **Accessory & Ecosystem Expansion**
 - Build attachment strategies for consumables, maintenance products, and accessories
 - Develop compatible peripherals extending primary appliance functionality
 - Create software subscriptions enhancing smart appliance capabilities over time

I: Increase Purchase Cycles

Strategic Objective: Shift from reactive replacement to proactive upgrading through lifecycle management.

Key Capability Development:

- **Usage-Based Replacement Triggers**
 - Implement predictive maintenance alerts signalling optimal replacement timing
 - Create usage milestone celebrations encouraging upgrades at key moments
 - Develop performance degradation indicators highlighting improvement potential
- **Technology Refresh Programs**
 - Design trade-in systems encouraging earlier upgrades to energy-efficient models
 - Create technology migration paths from basic to connected appliances
 - Implement staged innovation roadmaps maintaining upgrade motivation
- **Occasion Expansion Strategy**
 - Develop secondary-use cases extending into new home areas and occasions
 - Create seasonal appliance programs for specialized periodic needs
 - Design complementary function additions expanding usage occasions

D: Drive Sustainable Profits

Strategic Objective: Combine premiumization and efficiency to improve profitability beyond price competition.

Key Capability Development:

- **Benefit-Led Premiumization Framework**
 - Develop time-saving, experience-enhancing premium features with demonstrable value
 - Create resource efficiency positioning (energy, water, space) with measurable ROI
 - Design aesthetic and emotional benefits supporting lifestyle aspirations

- **Service Revenue Development**
 - Build extended care programs with recurring revenue streams
 - Create installation and integration services enhancing margin contribution
 - Develop expertise and advisory services reinforcing value perceptions
- **Cost-to-Serve Optimization**
 - Implement modular design systems reducing component costs while maintaining variety
 - Create omnichannel delivery optimization reducing logistics costs
 - Develop predictive demand planning reducing inventory carrying costs

E: Enable Cross-functional Excellence

Strategic Objective: Align product development, marketing, sales, and service teams around shopper needs.

Key Capability Development:

- **Shopper-Centric Innovation Process**
 - Create mission-based product development briefs connecting features to shopper needs
 - Implement cross-functional shopper immersion programs building empathy
 - Design feature prioritization frameworks based on shopper value perception
- **Integrated Commercial Planning**
 - Develop synchronized calendars aligning innovation, marketing, and commercial activities
 - Create mission-based content platforms spanning product information and marketing
 - Design channel-specific execution frameworks optimized for purchase journey touchpoints
- **Shopper Intelligence Systems**
 - Build integrated databases connecting purchase, usage, and service data
 - Create predictive models anticipating replacement and cross-sell opportunities
 - Develop real-time feedback loops capturing in-market shopper responses

PATHS Framework (Retailer/Distributor Execution)

The **PATHS** framework enables retailers and distributors to create exceptional shopping experiences through coordinated execution strategies.



P: Presentation Excellence

Strategic Objective: Create inspiring, development, informative environments that make exploration easy and immersive.

Key Capability Development:

- **Mission-Based Space Design**
 - Develop layout strategies organizing by need-based zones (compact living, family homes, smart homes)
 - Create lifestyle zones demonstrating appliances in realistic settings
 - Design digital merchandising hierarchies reflecting shopper decision sequences
- **Interactive Demonstration Systems**
 - Implement working displays enabling hands-on experience with key features
 - Create digital simulation tools and virtual try-outs for hands-on experience
 - Design comparison systems translating specifications into meaningful shopper benefits

- **Cross-Channel Experience Consistency**
 - Develop consistent information architecture across physical and digital touchpoints
 - Create seamless transition tools between online research and in-store validation
 - Design integrated rating and review systems building pre-purchase confidence

A: Assortment Optimization

Strategic Objective: Curate the ideal product mix balancing entry, mid, and premium tiers with decision simplicity.

Key Capability Development:

- **Mission-Based Range Architecture**
 - Develop assortment strategies addressing specific shopper missions and need states
 - Create good-better-best structures across brands to serve different shopper needs
 - Design seasonal and promotional flexing based on occasion-specific demand
- **Channel-Specific Range Optimization**
 - Implement differentiated assortments optimized for channel-specific shopper behaviour
 - Create space-to-sales models maximizing productivity in physical environments
 - Design digital-first ranges for pure-play e-commerce environments
- **Localization Framework**
 - Develop regional customization systems reflecting climate and housing variation (hard water appliances, inverter models)
 - Create demographic-driven range adjustments addressing local preferences
 - Design store-specific assortments reflecting catchment and competition

T: Team Engagement

Strategic Objective: Equip store staff for consultative selling and service confidence through high-involvement purchases

H: Holistic Supplier Integration

Strategic Objective: Create synchronized strategies amplifying mutual growth opportunities.

Key Capability Development:

- **Joint Business Planning Framework**
 - Develop category vision with aligned objectives and investment plans
 - Create synchronized promotional calendars and theme-based activations
 - Design shared performance metrics and review methodologies
- **Collaborative Innovation Process**
 - Implement exclusive product development based on shared shopper insights
 - Create co-branded solutions addressing specific shopper missions
 - Design test-and-learn programs evaluating new concepts and approaches
- **Integrated Supply Chain Optimization**
 - Develop inventory models balancing availability with carrying costs
 - Create coordinated forecast systems reducing uncertainty and waste
 - Design efficient fulfilment models enhancing service levels while reducing costs

S: Shopper Insight Application

Strategic Objective: Transform data into actionable strategies enhancing shopper experience and commercial performance.

Key Capability Development:

- **Purchase Journey Mapping**
 - Develop comprehensive visualization of decision stages and touchpoints
 - Create barrier and trigger identification methodologies highlighting intervention points
 - Design conversion optimization approaches addressing journey-specific friction
- **Segment-Specific Experience Design**
 - Implement personalization frameworks addressing distinct shopper approaches

- Create customized decision support tools for different shopper types
- Design targeted communication addressing segment-specific motivations
- **Continuous Learning Systems**
 - Develop test-and-learn methodologies evaluating experience enhancements
 - Create feedback loops capturing shopper response to innovations
 - Design performance measurement connecting shopper metrics to business outcomes

Hypothetical Examples

Example 1: Compact Kitchen Upgrade for Urban Couples

Hypothetical Scenario: A manufacturer and retailer partnership targeting space-conscious urban millennials with limited kitchen space but aspirational cooking interests.

Route to Shopper® Application:

- **G (Grow):** Launch a line of sleek, multi-functional appliances targeted at space-conscious millennials
- **U (Unlock):** Create bundled solutions combining compact refrigerator, space-saving dishwasher, and versatile cooking appliances
- **P (Presentation):** Develop virtual kitchen walkthroughs and AR visualizations in e-commerce platforms
- **T (Team):** Train associates to address urban living constraints and maximizing functionality
- **S (Shopper):** Build decision support tools showing space-saving configurations and usage scenarios

Potential Impact: If implemented, this approach could drive significant growth in the urban millennial segment while establishing higher margins through premium compact solutions.

Example 2: Summer Cooling Essentials Bundle

Hypothetical Scenario: A seasonal strategy addressing comprehensive cooling needs across multiple home environments and price points.

Route to Shopper® Application:

- **U (Unlock):** Create a comprehensive cooling bundle combining air coolers, fans, and inverter ACs
- **I (Increase):** Develop a trade-in program encouraging early replacement of inefficient cooling appliances
- **D (Drive):** Position energy-efficient models with calculable savings over traditional cooling solutions
- **H (Holistic):** Co-create in-store "Beat the Heat" events and marketplace bundles with retail partners
- **A (Assortment):** Optimize cooling appliance range across good-better-best tiers with clear benefit progression

Potential Impact: This approach could hypothetically increase category sales during peak season while shifting the mix toward higher-margin, energy-efficient models.

Example 3: Urgent Replacement Mission

Hypothetical Scenario: Addressing the emergency replacement need state where a critical appliance failure creates time pressure and stress.

Route to Shopper® Application:

- **I (Increase):** Develop ready-to-ship SKUs marketed for "Next-Day Replacement" scenarios
- **P (Presentation):** Create simplified decision pathways highlighting only the most relevant features
- **A (Assortment):** Ensure strong in-stock position for core replacement models across price tiers
- **S (Shopper):** Target keyword-driven search ads and quick-commerce listings for emergency appliance needs
- **T (Team):** Equip associates with streamlined consultation frameworks for distressed purchasers

Potential Impact: This approach could hypothetically reduce abandoned purchases while maintaining margin integrity during emergency replacement situations.

Impact of Route to Shopper® in Home Appliances

Implementing the **Route to Shopper®** Framework in the home appliances sector can transform commercial performance through:

- **Reduced price dependency** through mission-driven value delivery and benefit-led selling
- **Improved conversion rates** across digital and in-store touchpoints by addressing specific shopper friction points
- **Expanded portfolio relevance** across life stages and need states with targeted solutions
- **More effective cross-functional go-to-market planning** aligning product, marketing, and sales efforts
- **Stronger retailer engagement** based on shared shopper understanding and mutually beneficial strategies

AI & Digital Enablement in Home Appliances Execution

The **Route to Shopper®** Framework enables digital transformation and innovation in several key ways:

- **AI-based recommendation engines** to personalize appliance bundles by life stage, lifestyle, and home size
- **Predictive analytics for peak replacement cycles** and weather-driven demand surges (e.g., air conditioners before summer)
- **Visual AI and AR tools** to simulate appliance fit and functionality in users' homes
- **Digital twin models** to optimize path-to-purchase for high-ticket appliances
- **Connected appliance data** providing insights into usage patterns and informing next-generation development

Role of Commercial Excellence Academy

The Commercial Excellence Academy supports home appliance manufacturers and retailers by:

- **Leading cross-functional capability building** using the **Route to Shopper®** Framework
- **Offering plug-and-play templates, workshops, and simulations** tailored for high-ticket durable categories
- **Supporting internal alignment** between product, commercial, and customer teams
- **Helping build mission-specific GTM playbooks** that drive growth while elevating shopper experience
- **Providing ongoing coaching and performance measurement** to ensure sustainable capability adoption

Call to Action

We invite home appliance commercial leaders to:

- **Elevate commercial strategies** beyond discounting and specifications toward mission-based value creation
- **Create purpose-led, insight-backed appliance journeys** that resonate with today's shopper needs
- **Partner with the Commercial Excellence Academy** to embed **Route to Shopper®** capabilities across your organization
- **Future-proof your business** in a competitive, fast-evolving category where shopper understanding creates sustainable advantage

The **Route to Shopper®** Framework offers home appliance leaders a proven path to sustainable growth through shopper-centric capability development.

To begin your transformation journey:

- **Evaluate** current capabilities against the **GUIDE - PATHS™** frameworks
- **Prioritize** development areas based on growth opportunity and competitive position
- **Engage** cross-functional leaders in developing integrated, shopper-centric strategies
- **Implement** structured capability building across commercial functions
- **Measure** performance improvements through both shopper and business metrics

By embedding these capabilities throughout your organization, you'll create sustainable competitive advantage through superior shopper understanding and execution excellence.

Contact

To begin a strategic dialogue on implementing the **Route to Shopper®** Framework in your organization, please contact:

Strategic Partnerships Team

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Route to Shopper® is a registered trademark of The Asbiverse Group

The Commercial Excellence Academy partners with home appliance manufacturers and retailers worldwide, providing capability development services that transform commercial performance through shopper-centric strategies and execution.