

Saatchi & Saatchi buys store marketing group

By Gary Silverman in New York

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The growing importance of in-store marketing has prompted Saatchi & Saatchi, an advertising agency, to buy a company that helps Wal-Mart and other retailers develop new ways of attracting the attention of shoppers.

Saatchi said ThompsonMurray, the acquired company, would form the core of a new network called Saatchi & Saatchi X, which would devise strategies to "turn shoppers into buyers".

The network will also function as a "centre of excellence" for Publicis, the French marketing services company that owns Saatchi. The purchase price was not disclosed.

Companies are placing more emphasis on marketing campaigns in stores for two reasons. One is that traditional television advertising is losing impact as viewers abandon network fare. The other is that the growth of chains such as Wal-Mart is leading advertisers to view stores as a marketing medium.

"Television at home is still the most important medium to build a brand," said Andy Murray, ThompsonMurray's chief executive. "The second most important medium is the store."

Mr Murray pointed out that Wal-Mart, which attracts 120m shoppers a week, is an "aggregator of eyeballs" on the scale of a television network.

A former Procter & Gamble executive who worked on the team that dealt with Wal-Mart, Mr Murray founded ThompsonMurray in 1997 to find new ways of appealing to shoppers in stores.

Using "eye-tracking technology", ThompsonMurray has found that shoppers ignore about 50 per cent of what is displayed on store shelves. To get shoppers to notice, Mr Murray said his company works on everything from product design to promotions.

"No one had been minding the store," he said. "We were the first agency network that has taken on the store."

The Saatchi & Saatchi X network will try to link ThompsonMurray's in-store strategies to the traditional advertising work of Saatchi.

Mr Murray will be chief executive of Saatchi & Saatchi X. Kevin Roberts, chief executive of Saatchi & Saatchi, will serve as chairman of Saatchi & Saatchi X.