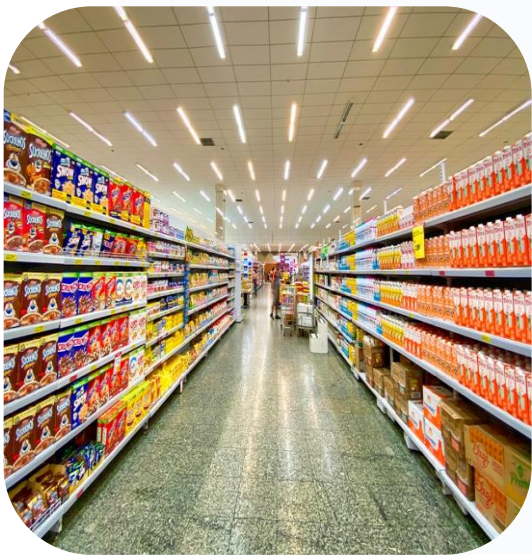Snooper

Use case: Perfect Store Strategy

Based on a Snooper mission, a leading FMCG player uncovered what truly drove its sales performance in the grocery channel and how to optimise their Perfect Store strategy

Context

One of the leading FMCG conglomerate saw a significant variance in its sales performance, with market share at store level being more than 20%pts higher in their top vs. bottom performing stores.

They partnered with Snooper to analyse their brand and associated category at shelf and gain insights around the key drivers of sales performance at store level.

Shoppers were asked to take photos covering their entire category, and Snooper then extracted data from these images to understand the correlation between store performance and planogram KPIs.

Challenge

The effective use of physical space is fundamental to any retailer's and manufacturer's success and your share of shelf, position on shelf, ranging, on-shelf availability and shelf layout can significantly impact sales.

However, the lack of robust data at store level collected in a consumer-centric way often prevents retailers and manufacturers to optimise planograms and drive category growth.

In order to identify key sales drivers and gain insights as to why stores were underperforming, the leading CPG company needed to be able to link granular KPIs collected at store level with sales data. Indeed, given their assortment was meant to be similar in all stores (as it was negotiated at headquarter level with one of the main grocery supermarket chain), there was no clear view on what was driving the high variance in performance at store level.

How Snooper helped

The Snooper community visited grocery stores across Australia and based on the images captured in store, Snooper built a detailed mapping of the in-store environment at SKU level for their brands and all their competitors:

- Ranging, on-shelf availability and position on shelf of top performing SKUs
- Shelf layout, including brand blocking and aisle flow
- Share of Shelf at total category level, and by sub-category
- Macro-space indicators such as number of bays allocated to their categories

Results were compared between top and bottom performing stores to understand the impact of each KPI on sales.

Results

Snooper analytics highlighted that sales performance was highly impacted by macro-space elements, such as number of bays allocated to sub-categories or number of shelves on store fixtures.

These macro-space specificities led to different planogram execution at store level which meant that the CPG company didn't consistently get its fair share of shelf across the retail network or that eye level position wasn't always achieved for their top rotating SKUs. This demonstrated the importance of tracking Perfect Store KPIs at store level rather than based on standardised planogram images that might not reflect the real store environment.

This was the first step in helping the manufacturer re-define their 'Perfect Store Strategy' to drive better shopper experiences and ultimately higher sales. They mobilised their field team to take corrective actions on the prioritised set of KPIs and implemented a recurring tracking of their prioritised Perfect Store KPIs with Snooper.

The CPG leader also leveraged these insights to have fact-based conversations on planogram optimisation with their retail partner.

Implementing the Perfect Store Strategy can lead to up to 20% turnover increase and therefore significantly impacts market shares.
(source: Bain & Co - bain.com/insights/perfecting-sales-execution/)

Share of Shelf

Bottom Stores Top Stores

■ Low ■ Medium ■ High ■ Very High