

Planograms for performance measurement

By Andrew Quinn

The traditional use for planograms (a pictorial representation of shelf layout to illustrate the positioning of products on shelves) is to provide guidance to field staff when placing products on store shelves. Used this way the planograms are sent from head office and reflect either contractually agreed layouts or company ideals to meet visual or market share objectives.

The planogram is a read only document in the hands of the field representative.

But it doesn't have to be.... In environments where the field representative has influence in the product placement within the store, the planogram can be a useful data collection tool for performance management.

Traditionally the cost, complexity and difficulty of remotely deploying planogramming tools have excluded them from the field force.

Not with StayinFront Consumer Goods which changes the planogram from a read only document to a powerful data capture tool.

Consider this example from the beverage industry where planograms are used as a performance tool.

Outside the major market chains there is an opportunity for the representative to influence the positioning of products on shelves and in chillers. This is particularly so in bars and restaurants where visible space is keenly sought for product placement.

Field representatives have always been tasked to gain and hold as much quality space as possible but difficulties in recording have

meant the actual performance has been difficult to measure and such targets were rarely included in field representative performance targets.

The key to solving this problem and moving planograms from a fancy drawing into a serious performance measurement tool lies in the ability of StayinFront Consumer Goods to convert a drawn planogram into a set of reportable measures including:

- o Quality of Space (defined at a shelf level)
- o Number of Facings
- o Held Percentage of Quality Space
- o Held Percentage of Total Space

The planogram allows easy updates of company and competitor product placement.

When the field representative updates the store planogram, new metrics on space and facings are captured and available for analysis to identify trends in company and competitor product placement and share.

StayinFront Analytics 12 is an ideal tool for analysing this data and identifying company and competitor trends in space and quality. Combine this with turnover data to get a closed loop reporting on the effect product placement policies have on sales results.

Sales targets will always be the cornerstone of field representative performance measurement. But the ease with which the new metrics can be collected and reported now allows field representatives' targets to include company and competitor trending of facings and space, which were previously difficult to collect and report.

Shelf Planning for StayinFront Consumer Goods – not just pretty pictures - seriously powerful data collection. ■