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THE POWER OF PLANOGRAMS

If you saw a \$20 bill on the street, you'd most likely pick it up. Of course you would – easy money like that is hard to pass up. Unfortunately, that scenario doesn't happen as often as we'd like it to, most likely because we can't control when money will fall in front of us. But never fear retailer, there are other ways you can make extra money with minimal effort. One such way is by implementing or refreshing your store's planogram – it's as simple as maximizing what you already have to increase your profits and better your customer's experience.

The Benefits of a Blueprint

A planogram is a diagram or blueprint of the fixtures and products in your store that shows how and where your products are displayed on your shelves. A well thought-out planogram allows you to:

* Improve Your Assortment

By rethinking how your products are presented to your customers, you can remove the products that are not selling well and replace them with category drivers.

* Improve Inventory Control And Reduce Out-Of-Stocks

Your best selling products can fly off the shelves so fast it's difficult to keep them in stock. Plus, you end up spending much of your time restocking. By opening up more shelf space to these high velocity products and reducing the amount of space allocated to under performing items, you'll free up your time and better manage your stock.

* Be An Innovator

Planogram refreshers are an excellent way to introduce new products to your customers. If you do it the right way, you can also reap the benefits of offering your shoppers new items prior to any manufacturer media campaigns. By the time the campaigns start, you'll be well ahead of the game.

Refreshing or creating store planograms will not only allow you to capture all of these benefits, you'll also retain customers and build baskets. In fact, I've seen planogram implementations that have resulted in greater than 20% growth in sales year after year.

Keep in mind, the benefits you gain are related to the category itself and how up-to-date you are with that category – so stay on top of your best sellers.



Where to Start

If it's been a while since you've worked on your planograms or if you've never done one, a bit more effort will be required to get the job done. However, you'll find that each new reset will involve less work. If you need a place to start, look at those sections that contribute the most to your business – energy drinks, soft drinks, water, chocolate and gum.

To implement your planogram quickly, look to your head office or valued supplier to provide you with some of the components you need. Some of these components include:

* An Add/Delete List

Use this list in advance to understand what products you'll need to order and what products you should allow to sell down to facilitate an easier transition.

* Front View Images

When you're ready to move products and fixtures, the front view will give you a quick overview of what your section should ultimately look like.

* Shelf Report

Use this report to ensure the shelves are in the right location prior to adding products to them. Some reports will have a notch number to simplify the task.

* Product on Fixtures Report

This report shows products from left to right starting with the bottom shelf. Make sure to begin planning from the lowest shelf, in case the height of a product is higher than you expected. At the end, double-check what you've built against the front view.

A successfully implemented planogram will provide you with the information you need to identify the best products to stock from each category and improve store layouts and merchandising. In the end, this will all add up to a lot more than an extra \$20 in your pocket.