Global Snack Company Reduces OOS and Improves OSA at Large US Retailer

Summary

This manufacturer's brands are distributed in multiple retail channels including discount, drug, mass and grocery. This company strives to maintain product availability for their brands at all retail channels and uses Direct Store Delivery (DSD) as their main distribution model at certain grocery retailers.

Participants

This manufacturer is one of the world's largest snacks companies with over 100,000 employees, selling products in over 165 countries around the world. This company is a market share leader in the Cookies, Crackers and Confections categories globally.

This retailer is one of the country's largest food retailers with four regional divisions and one of the nation's leading e-commerce grocery shopping/delivery service. They have over 700 stores and employ more than 115,000 associates in a number of states.

Situation

This manufacturer was tasked with reducing out-of-stocks and improving On-Shelf-Availability (OSA) on DSD items without a perpetual inventory count at this leading US retailer.
Solution

This leading manufacturer and major US retailer aligned to use Retail Solutions, Inc. (RSi) and POS and planogram (POG) data to identify authorized voids and develop a functional DSD alerting system. Leveraging RSi’s alerting algorithms, this manufacturer is now able to identify all items on a store’s POG but lack of demand suggests are out-of-stock. The manufacturer sends an alert directly to the in-store sales rep’s tablet to validate the out-of-stock and re-order stock. As a result, the Sales Rep corrects the void on-shelf, reducing lost sales and helping improve POG integrity.

Results

Alerts are sent weekly to the manufacturer’s store reps while RSi continues to improve the process and receive very positive feedback from both the retail teams and the region leadership teams. The manufacturer has increased the alert volume through internal automation and thus increased recaptured sales for this leading US retailer and improved shopper satisfaction and in-store experience.

Feedback

“RSi provides insights that create opportunities to truly collaborate with our vendor partners to problem-solve, reach goals and measure the effectiveness of our efforts while creating a superior shopping experience for our customers. RSi also supplies the manufacturer with store-item specific alerts on issues that were previously invisible to them without requiring excessive data management for either the retailer or the manufacturer.”

— Continuous Improvement Manager, Large US Grocery Retailer

“The RSi Store Alerting program provides actionable alerts on potential out-of-stock and distribution voids that our field teams can quickly correct. This keeps our products available to our customers and keeps store shelves full, which is a win for everyone involved.”

— Senior Manager Customer Service and Logistics, Leading Global Snack Manufacturer

“RSi works hand in hand with vendors and retailers to provide insights and unearth solutions that help meet business objectives and support sales. The retailer/manufacturer/RSi partnership is an excellent example of the value of collaboration and how leveraging the data can drive meaningful change and improve sales.”

— Tom Elliot, RSi Retail Channel Director