

Defending Shelf Space in the Grocery Dept

As assortments (number of UPCs selling) continue to shrink, coming to your retailer partners with assortment strategies for optimization becomes even more crucial.

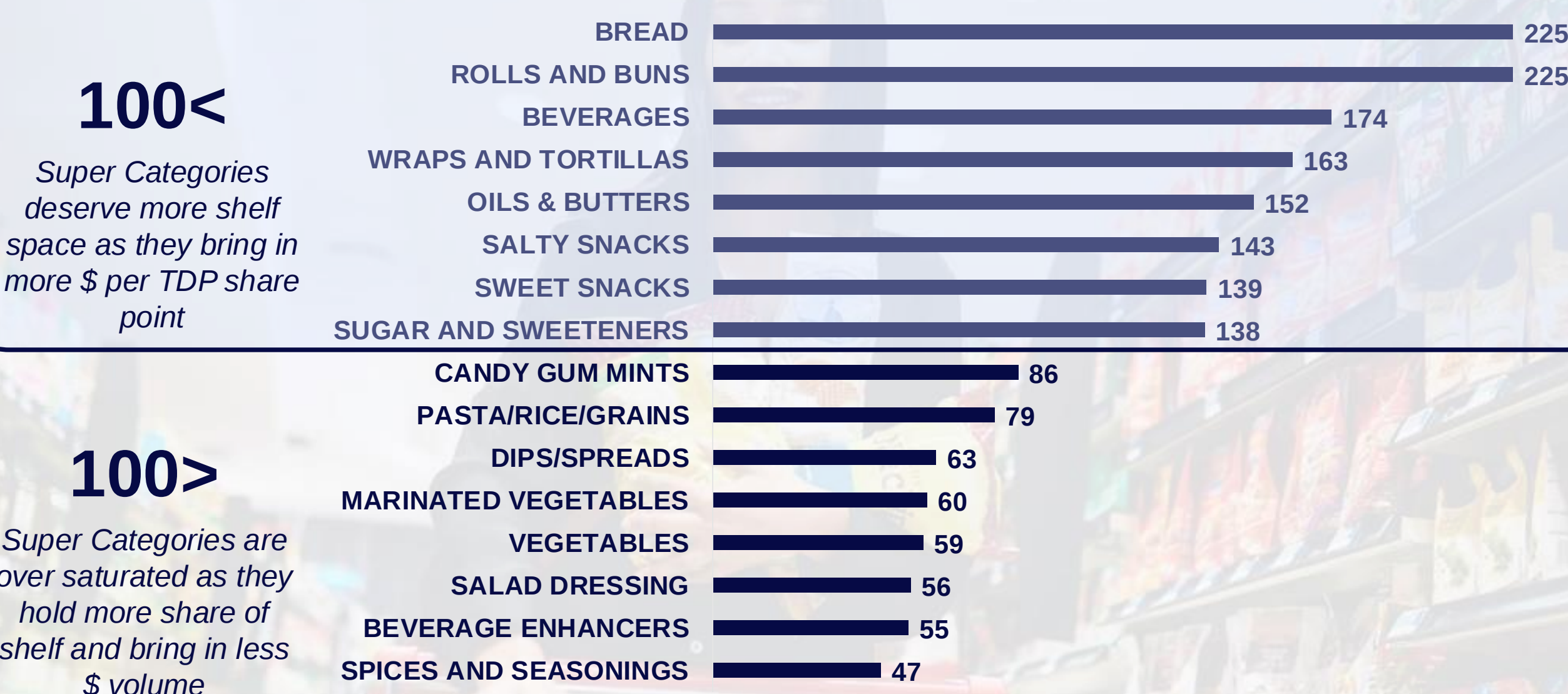
Grocery units are down
-0.3%
in L52W in Total Omni Channel.

The number of Grocery UPCs selling in brick & mortar stores fell
-3.9%
in L52

80%+
Of volume is driven by product being on shelf

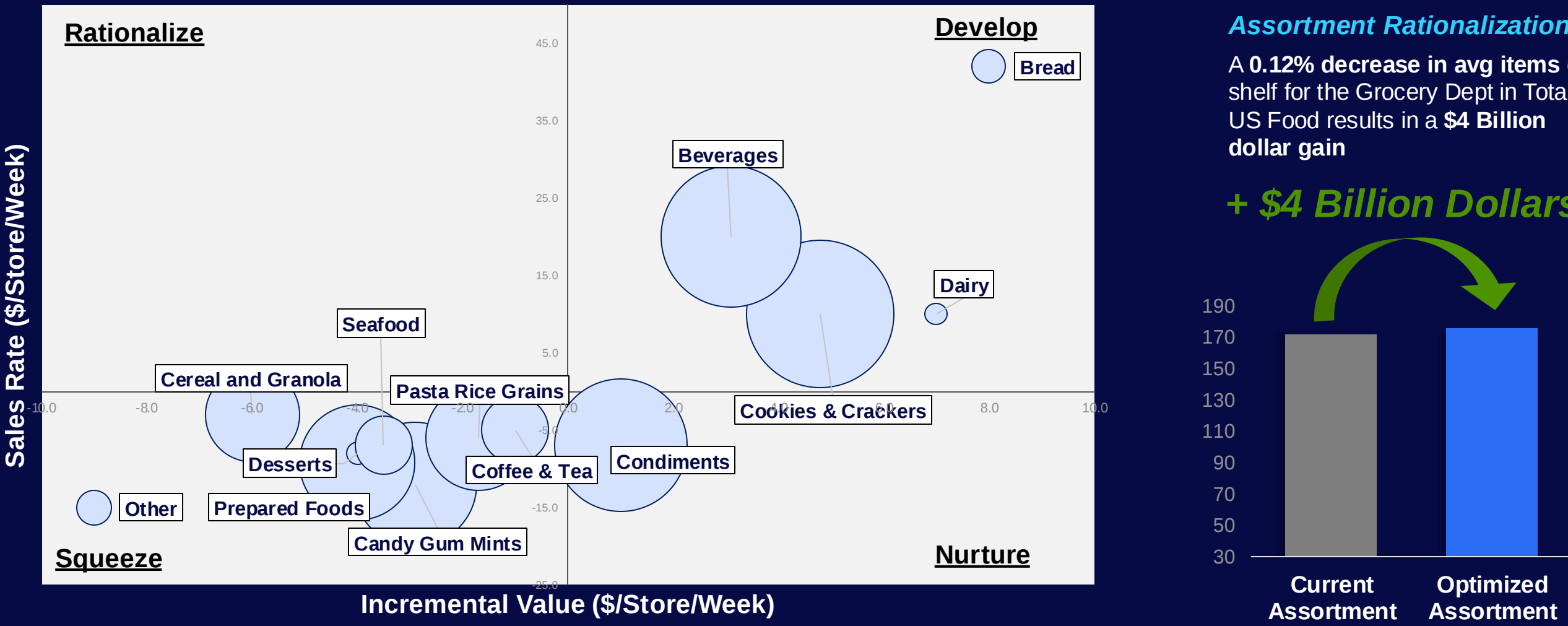
Step 1: Understand which items deserve more space on shelf

Some Grocery super categories pull more dollar weight than others



Step 2: Drive incremental sales by expanding or restricting items in the Grocery aisle

Within Food channel, Bread and Breakfast items can be developed; Condiments can be squeezed



Key Takeaways

- Assortments are shrinking, making space at the shelf increasingly competitive to gain and defend. Understand your category's current performance to ensure you are getting your fair share of shelf space. Identify opportunities for optimizing assortment; which categories should be restricted or expanded?
- Next, identify the biggest opportunities for incremental sales and capitalize on a win-win for your brand and your retailer partners by identifying assortment optimizations down to the item level. Specify where optimizations will be most impactful and how strategies should be implemented by channel/retailer.
- Differentiate your brand with trending claims to unpack the why behind your brand's incrementality and showcase your unique value. Consider which products contribute the 80% to a category's performance and which claims are growing, as the bottom 20% of products will be analyzed for deletion. When innovating, make sure you are covering the shopper's needs and shopping mission with your items on the shelf to help strengthen your category role and strategy.

Reach out to your NIQ representative to hear more about our Assortment solutions and understand opportunities for optimization in your category!



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