# CPG Sales Guide

5 Ways to Identify
Growth Oppotunities
and Prioritize Your Accounts

repsly

# Why "blanket coverage" isn't good enough

For competitive CPG brands, having a strong retail presence is one of the most important parts of growing your business.

Yet so many brands still struggle when it comes to identifying growth opportunities in existing accounts. In fact, as many as 81 percent of companies reported that they're unsatisfied with their ability to execute at retail.

One of the most common reasons is because so many brands take a "blanket approach" to their in-store strategy. What this means is that brands are dispatching their field teams to visit their accounts on a regular cadence that's scheduled quarterly, or even annually, ignoring the dynamic conditions in each individual store in-between visits.

This approach is problematic because rather than planning visits by prioritizing the accounts with the current growth opportunities, reps are sent into stores simply because a certain amount of time has passed since their last visit.

## 81%

**As many as 81 percent of companies reported that they're unsatisfied with their ability to execute at retail[1]**
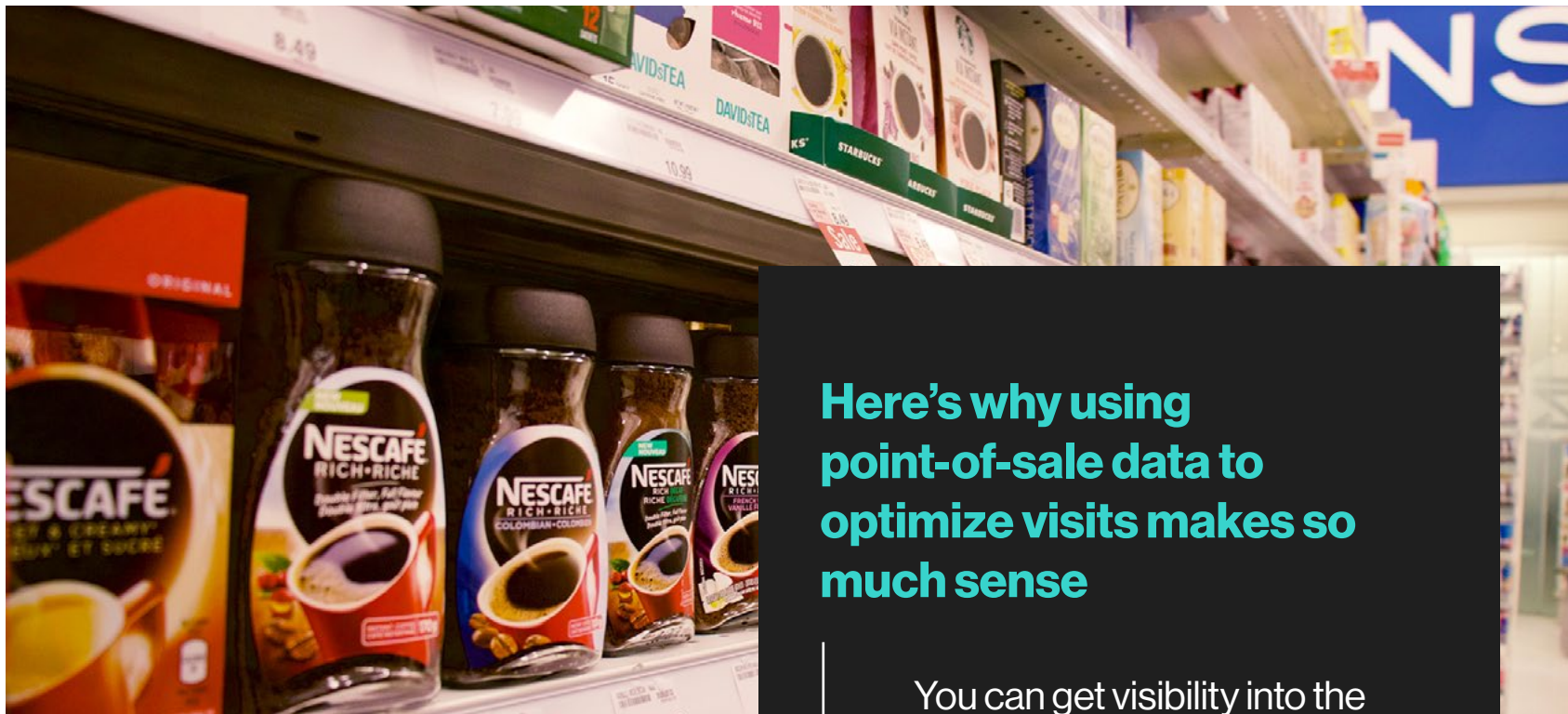
## Here's why using point-of-sale data to optimize visits makes so much sense

- You can get visibility into the latest store conditions

- You can find opportunities at stores that get less in-person attention

- You can save field team resources for the visits that matter most

- You probably already have access to it

While maintaining regularly scheduled visits on reps calendars is still important, brands that actively optimize their retail activities stand to improve retail compliance and in-store execution while finding even more ways to grow their footprint in key accounts. Still, for many brands the question remains, "how do we identify opportunities and prioritize our account visits correctly in the first place?

One way brands can begin to optimize their store visit patterns is by using their retailer or syndicated point-of-sale data as a guide.

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In this eBook, we go over five ways brands can use their POS data to prioritize accounts and find opportunities to grow sales in near real-time.

With the wide accessibility of data we have today, every brand has the potential to become a top performer if they know how to use it wisely.

5 Ways to Identify Growth Opportunities and Prioritize Your Accounts

# Automate Out-of-Stock Reporting

**SALES BY STORE BY SKU**

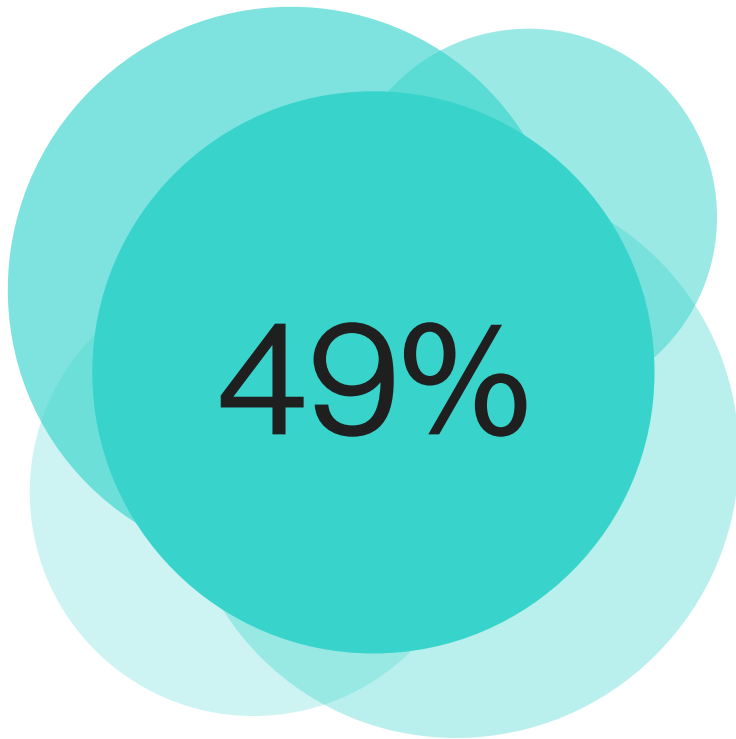| | Beyond Burger | Macaroni & Cheese Dinner | Organic Coconut Water |
|---|---|---|---|
| Whole Foods 2231 | $742.01 | $742.01 | $742.01 |
| Whole Foods 2245 | $1,256.30 | 0 | $1,256.30 |
| Whole Foods 2279 | $203.45 | $203.45 | $203.45 |
| Whole Foods 2302 | 0 | $2,222.98 | $203.45 |
| Whole Foods 2311 | $3,339.78 | $3,339.78 | 0 |

When it comes to selling at retail, empty shelves are the enemy.

Avoiding out-of-stocks at all costs should be near the top of your list of priorities. Not only do OOS cause lost sales, but they can also negatively impact your relationship with retailers and the image of your brand.

One study found that a whopping 49% of customers will choose a competitor's product when faced with an OOS of their preferred product, which gives your competition a chance to rob you of even the most loyal customers.

# 49%

**49% of customers will opt for a competitor's product when their preferred product is out-of-stock²**

So what is the best way to combat OOS? First and foremost, you need to make sure your team is reporting on stock levels every time they head to the store. This includes not only on-shelf stock levels, but also backroom stock levels and upcoming replenishment orders to give you the full picture.

An even more effective way to minimize OOS occurrences is by automating your OOS reporting. While having your reps check stock levels on each store visit is important, automating OOS reporting through POS data analysis is a much stronger strategy. Through the use of POS data, brands no longer have to be physically in the store in order to monitor in-store conditions. Automated OOS reporting allows you to constantly evaluate stock levels and dispatch reps to stores that are running low on stock as needed.

Rather than waiting on your reps to make a scheduled visit and then discovering an OOS, you will empower your team to proactively uncover low stock levels in certain stores and prioritize those locations when dispatching your reps to the field.

# Use Sales Data to Detect Distribution Voids



DAYS SINCE LAST SCAN

Select product

Beyond Burger

Walmart 2003 — 20
Walmart 3245 — 17
Walmart 3099 — 14
Walmart 1221 — 11
Walmart 2029 — 9
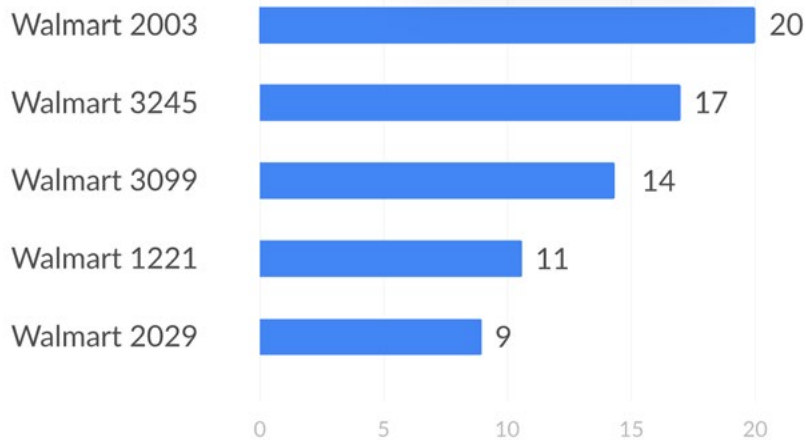
Keeping products on the shelf is only half of the battle. Keeping the right products on the shelf can be just as crucial to reaching sales goals.

But catching distribution voids can be even harder than catching OOS, and it is much more difficult to correct them once they go overlooked.

For example, if a rep makes a visit to a store and sees the shelf fully stocked with four of your products, they may not notice that a fifth product is missing from the display. When products sell out, sometimes competitors move in to take the empty slot on the shelf, or retail managers simply fill the space with other SKUs from the back room. In any case, when they go to place a replenishment order, there is a good chance that the missing fifth product will not be reordered.

These distribution voids can drag down typically high performing stores because your best sellers may not be on the shelf for weeks.

Top CPG teams use point-of-sale data to automate their distribution audits and optimize their product assortments. By utilizing point of sale data from their retailers, distributors, or syndicated sources data, brands don't have to wait for their reps to physically be in a store to uncover distribution voids.

Instead, they can use the data to do these audits remotely, cross-reference SKU-level sales with the list of products approved for distribution, and take action far sooner when a void is identified than if they were manually monitoring their product assortment.

**"Our reps use point-of-sale data to prioritize stores with out-of-stocks. By automating those reports, they get visibility into stores they wouldn't otherwise visit, helping us improve coverage where it matters most."**

Director, Field Sales & Merchandising

Leading Snack Food Manufacturer

# Reveal Potential Display Errors Through POS Reporting

It's an unfortunate yet common story: a brand launches a new promotion they've been planning for months, only to find out that the display materials in a key account were set up improperly, or in the wrong location, or with the wrong product.

For many brands, uncovering this compliance error could take weeks, meaning weeks of lost potential sales and the increased risk of actually losing money on their promotion.

If that scenario sounds familiar to you, you're not alone. Shockingly, 90 percent of companies say their promotions aren't executed to plan, often through no direct fault of their own.

## 60%

**60% of promotional displays are set up incorrectly — or not at all — by retail staff[3]**
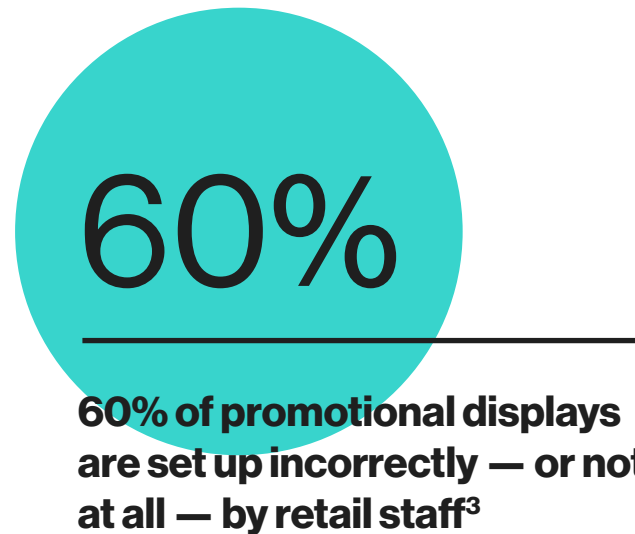
You're also not alone if you are searching high and low for a better way to conduct display execution reporting and catch these issues as early on as possible. That's where monitoring POS data closely once again comes in handy.

Where as many brands rely solely on store visits to check in on display execution, advanced brands with strong reporting capabilities know that you don't need to be in the store to find out about display noncompliance.

When it comes to discovering display errors, POS data can be a great indicator of which stores are fine and which might need an emergency visit. If there's a sales lift in all stores running a promotion except one, you can dispatch reps quickly to investigate and correct the problem before days or even weeks go by.

# 90%

**Shockingly, 90 percent of companies say their promotions aren't executed to plan[4]**

# Target Underperforming Stores by Monitoring Sales Trends

While scoring shelf space in a new store is a major win, another huge growth opportunity can be found in the stores you are already selling in.

Remember, the work doesn't stop just because your products are on the shelf; you'll have to keep up the hard work to make sure you're getting the most out of your SKUs everywhere you are sold. For that reason, monitoring store-level sales trends to identify underperforming stores can help you capitalize on these opportunities.
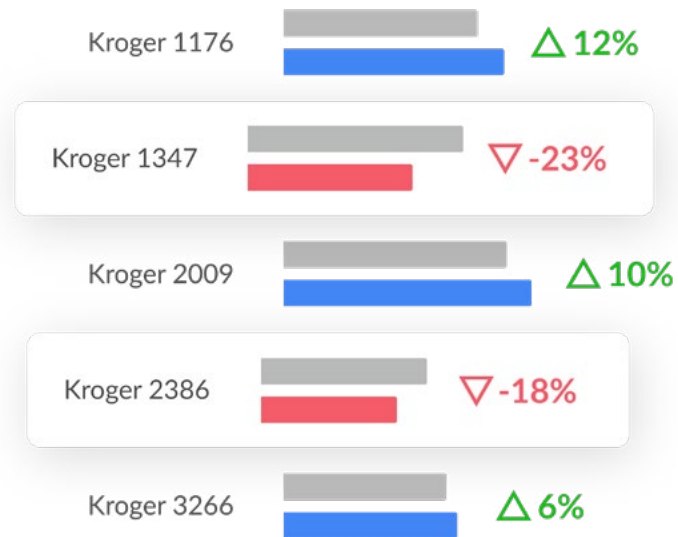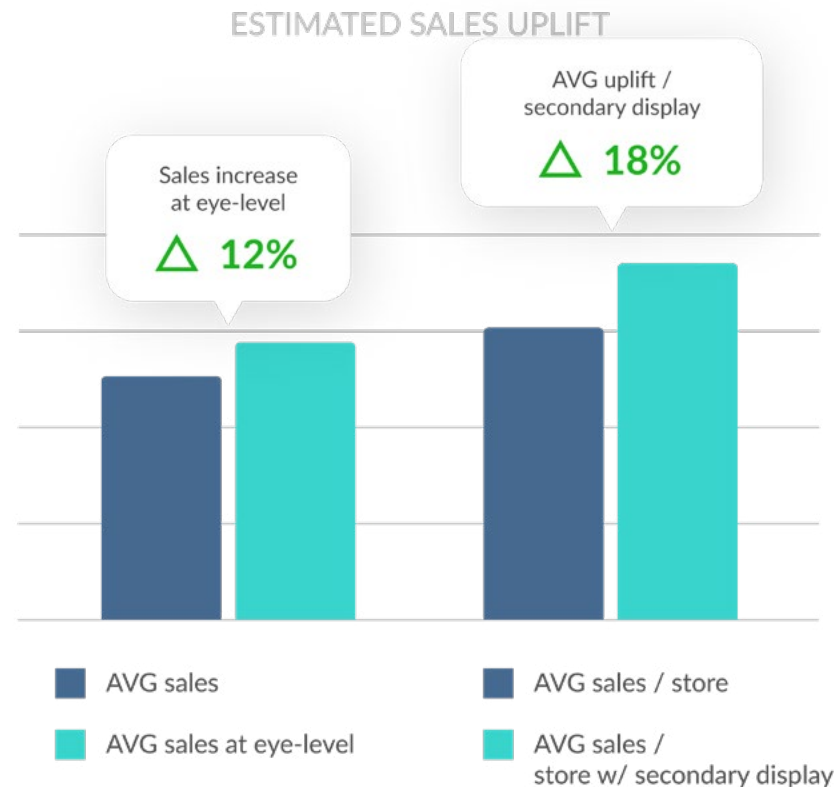
> **By closely tracking sales week over week and also comparing against same store sales last year, you might find places where the shelf has changed or a competitor has taken your facings, and send your team into the field to investigate or correct the planogram to its proper setup.**



Kroger 1176 △ 12%

Kroger 1347 ▽ -23%

Kroger 2009 △ 10%

Kroger 2386 ▽ -18%

Kroger 3266 △ 6%

# Identify and Prioritize Heavy-Hitting Merchandising Programs

Looking at sales data and activity data together can not only help you identify low performing stores, but also can help you expand your footprint in your top performers and every store in between.

By reporting on retail sales alongside field team activity, brands can drill down and understand the why behind sales performance and finally uncover how certain merchandising wins or sales activities impact sales. At scale, this kind of reporting can reveal which programs have the biggest impact, helping field teams focus on the most important aspects of merchandising in their accounts.

ESTIMATED SALES UPLIFT

AVG uplift / secondary display
△ 18%

Sales increase at eye-level
△ 12%

- AVG sales
- AVG sales at eye-level
- AVG sales / store
- AVG sales / store w/ secondary display

What's more important: securing an endcap or selling at eye-level? What kind of impact do our shelf-talkers have on sales? How much do missing displays cost us?

Brands that can report on sales data alongside their team activity data can answer questions like these, and more.

# 68%

**68% of brands don't have the technology they need to optimize their execution at the shelf[5]**
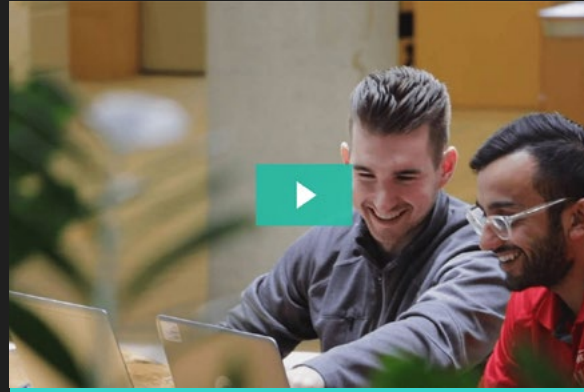
# Want to Learn More?

Check out these resources for more ways to improve your field team's retail execution effectiveness!
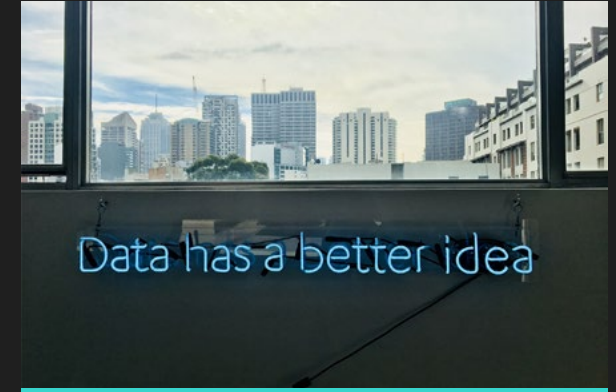
## Introducing: Retail Sales Reporting

Learn how to use your retailer or syndicated point-of-sale data to optimize your team's retail execution activity in the field and drive sales results.

## Retail Execution Spotlight: Kraft Heinz

Watch how Kraft Heinz' National Account team achieves in-store excellence at scale.

## The 3 Types of RetEx Data That Drive High Performing Field Teams

Learn which metrics and data sources are driving the most successful retail execution teams in CPG.

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