



When
hardware and
software
shake hands

SMART SHELF CASE STUDY

in cooperation with





Knowing what works: intelligent shelving

Live data directly from the point of sale

A shelf that generates knowledge? Just a few years ago, this seemed to be a mere vision of the future. Today, neoalto's cloud-based sensor technology, together with POS TUNING's Pushfeed Systems, transforms every shelf into a true treasury of information. The "Smart Shelf" measures, analyses and proactively ensures that the right goods are in the right place at the right time.

How does it work?

The "Smart Shelf" is the connection between the analogue and the digital world. Any shelf can be equipped with the proven POS TUNING Pushfeeds.

The POS-T Pushfeeds use a kind of "piggyback" system to convey data from the neoalto sensors. With **each movement** of goods on the shelf, the performance of the product placement is measured live. This makes it possible to monitor and optimise product availability for shoppers, lost sales, planogram quality and multiple placements **in the store**.

The "Smart Shelf" creates a win-win situation for all parties concerned: shoppers benefit from a perfect product image that provides orientation and an overview.

Employees save themselves all the shelf maintenance, as this is done by the automatic pushfeed system. And retailers - thanks to the data of the "Smart Shelf" - **always** have a sales-oriented planogram and sufficient goods on the shelf.

Project overview

THE BASELINE

4 markets, 446 locations

High frequency placements in different zones in different selling points

Out-of-stocks of over 40% for some articles, resulting in insufficient utilisation of sales potentials

MEASURES:

Comparison of impulse cooling, the store's own coolers check-out placement and primary placement

Determination of the KPI's for OOS, sales and lost sales per article, zone and point of sale

Points of sale and zone optimisation deduced from shopper-friendly planograms

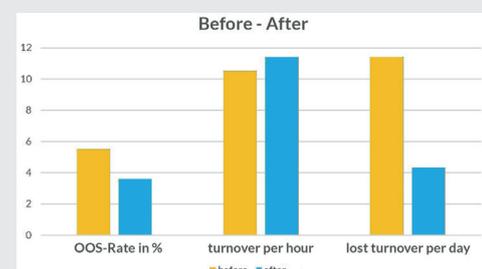
Reconstruction of the placements and renewed, sensory measurement of the KPI's for OOS, sales, lost sales

RESULTS:

33.35% less OOS rate

5.18% more turnover

62.24% less lost turnover



The intelligent shelf

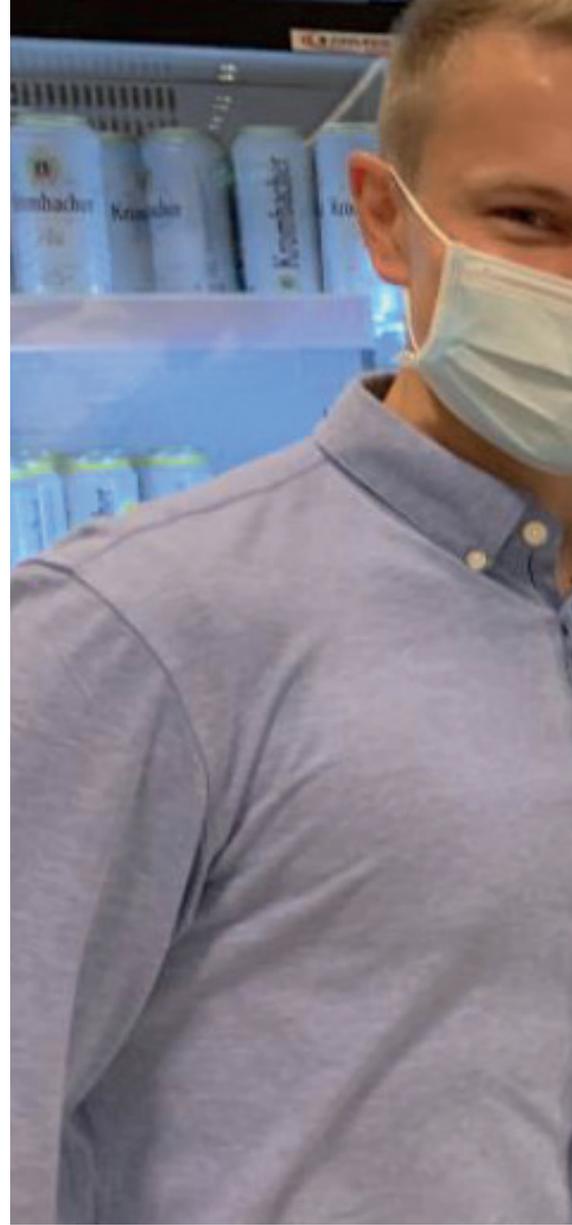
- measures
- analyses
- optimises automatically

Together for more success at the point of sale

The „Smart Shelf“ team introduces itself

Where does the shopper pick up the product? In the refrigerated area, at the checkout or in the usual or primary placement location? Are there differences in sales depending on the zone? And if so, which placement is the best for your product? And what does the optimal planogram look like? And how should the individual zones be filled so that the shopper always finds what he is looking for?...

These and many other questions had to be answered in the project.



- The Coca-Cola Company was founded in 1892
- Since 1929 Coca-Cola has also been sold in Germany
- Coca-Cola Europacific Partners Deutschland GmbH, formerly Coca-Cola soft drinks, is with a sales volume of 3.9 billion litres (2016) the largest German beverage company



- neoalto was founded in 2019 as a spin-off of POS TUNING GmbH
- Company headquarters is in Cologne
- neoalto connects the analogue world of the pushfeed system with the digital world of sensor technology
- Digital inventory management, optimisation of sales areas and intelligent theft protection are the main focuses of the company



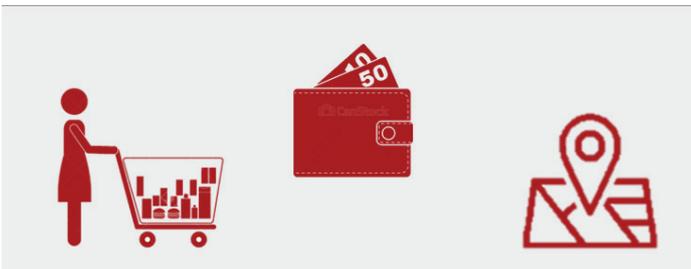
- For more than 20 years, the software and consulting company has enabled its clients to achieve greater efficiency and increased turnover in management
- Hoffrogge translates market requirements into solutions. The focus is on scalability, efficiency and user experience.
- Hoffrogge is Germany's leading specialist for site-specific individual optimisation of space, assortment and placement



- POS TUNING was founded in 1998 as a "one-man business" in a garage in Bad Salzufen
- The mission is: Make. Shopping. Simply. Better.
- In addition to pushfeed systems, POS TUNING develops and produces solutions for efficient processes in the retail trade
- POS TUNING delivers to over 120 countries worldwide
- Production takes place exclusively in Germany

Efficient consumer response

The project partners contribute their core competencies for the shopper benefit



The goal of "Efficient Consumer Response" is the optimal as well as cost-effective and fast implementation of customer wishes through the cooperation of partners along the value chain. This includes the standardisation and electronic transmission of data between business partners. Techniques and standards are used to support the process, optimising the value chain according to content, time and cost criteria. The ECR process recommendations are not only about value chains from the manufacturer to the retailer. The focus is also on the processes at the actual point of sale.



HOFFROGGE

Planogram-Software



POSTUNING[®]
a Voßhenrich company

Pushfeed System



What we already know...

Chilled drinks are the hit!



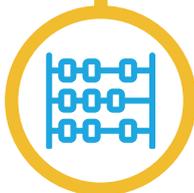
86% of shoppers say they buy chilled drinks.
61% buy at least once a month or more often.
-> **Observe high frequency**



61% of purchases take place spontaneously at the POS.
20% plan brand/variety before purchase decision.
-> **Planning the right assortment**



80% of shoppers prefer small packs.
20% tend to buy large packs ≥ 1.0 litre.
-> **Place the right pack**



77% consume chilled drinks directly on site.
20% of drinks are later consumed unrefrigerated.
-> **Avoid out-of-shelf positioning**

And what else we were wondering about...

What potential is still to be found in beverage cooling?

Up to now, sales and turnover analyses could only be realised on the basis of checkout data. An observation of the shopper reaching for the product was previously only associated with time-consuming, personnel-intensive and, above all, temporary observations. Thanks to the neoalto sensor technology, those involved in the project were able to analyse exactly who takes which products, when and where.

With the neoalto system, placements in the market can now be compared with each other. The question of whether multiple placements cannibalise each other can now be answered clearly. Just like the question of whether the shopper expects a different offer at different locations (e.g. regular placement versus checkout).

With this knowledge, it is not only possible to create location-specific assortment recommendations, but you can also specifically address the needs of the shopper, down to the placement at the point of sale and then meet such requirements while they are shopping.



In which time periods and on which articles do out-of-shelf situations occur more frequently?

What is the performance of new products that have just come onto the market?

Are there occasion-related demand characteristics that have an impact on optimal shelf allocation?

How do shoppers decide between regular shelf location and refrigerated secondary placement?

The “Smart Shelf” delivers live data

And turns goods movement into valuable information



Coca-Cola regular shelf location for disposable drinks (non-refrigerated)

Coca-Cola secondary placement in the checkout area (chilled)





With each removal the pushfeed pushes the remaining products to the front of the goods carrier.

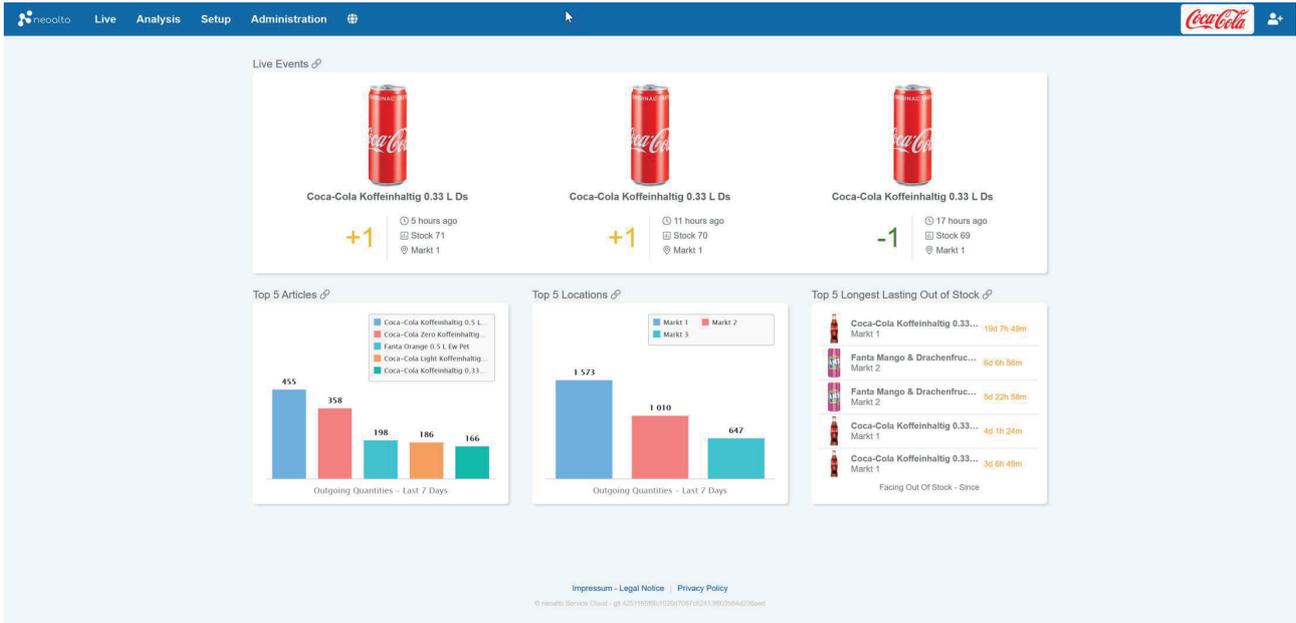
The stock beacon reports every movement of goods to the neoalto cloud.

Live tracking in the neoalto service cloud

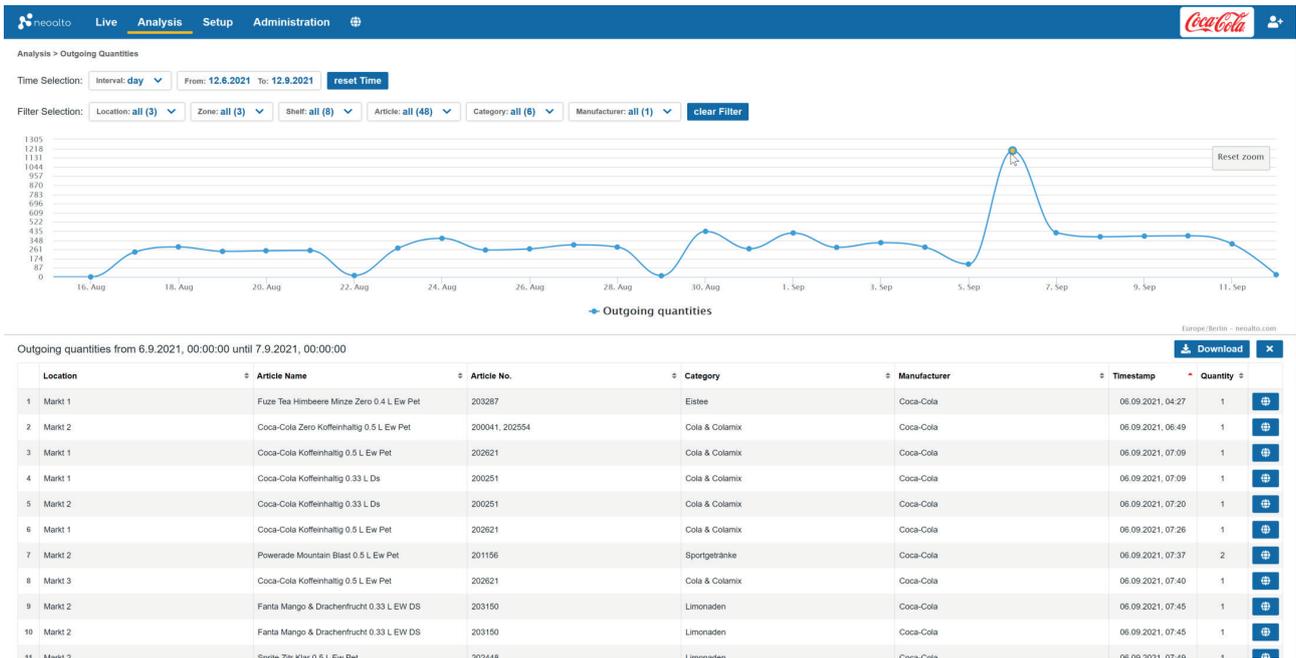


A look at the system

Live data from the point of sale

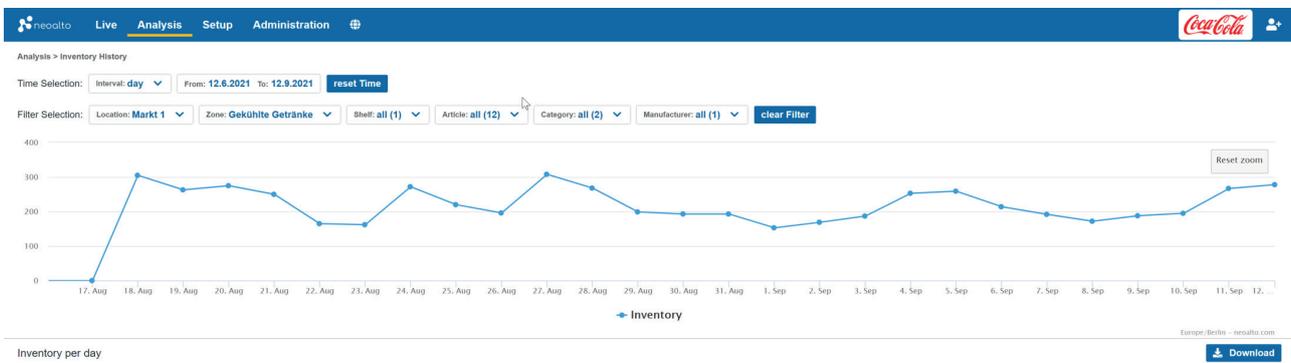


Exit data across all sites



From the analysis of data in the cloud through transfer of data to third-party systems right up to automated action including escalation mechanism, the neoalto cloud ensures perfect availability of goods at all times. The parameters for the management are continuously controlled and readjusted by the platform. Actual goods removal from the individual placements constitute the basis for the creation of sales-oriented planograms. And automatic ordering through the cloud frees employees from tedious tasks. And if something is missing, the “Smart Shelf” automatically contacts the responsible employees.

Out-of-Shelf Analysis



Shopper
Profits smart
View

From insights to action

Rule-based planogramming on the basis of live data from the “Smart Shelf”

Strategy

Execution

1

Map out local shopper demand

2

Show sales per shelf

3

Consider the seasons/events

4

Evaluate new products quickly

5

Create and install optimal planograms



“One size fits all” was yesterday

Planograms based on live shelf data enable the optimal exploitation of potential

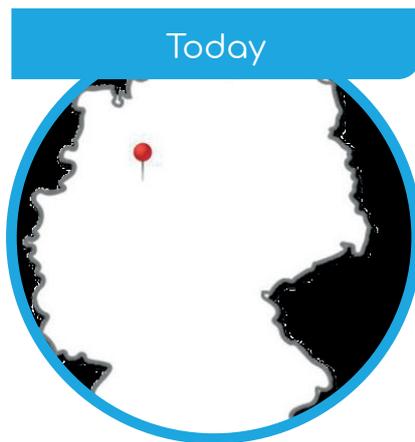


Yesterday

one size fits all

Turnover per region

● Missing sales through out-of-shelf situation

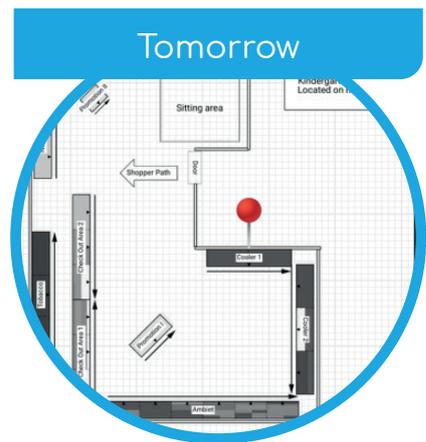


Today

store-individual

Turnover per location

● Planogram optimisation per shop

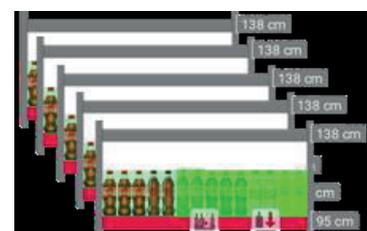
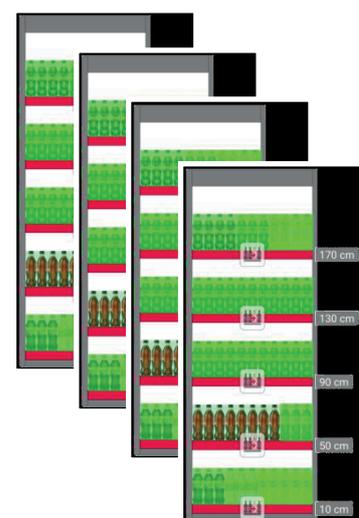


Tomorrow

store-individual per shelf

Turnover per shelf

● Optimal exploitation of the potential for each placement in the shop



Smart Shelf!

- optimum availability of goods
- sales-optimised planograms
- optimal sales force management
- perfect sales support
- live data directly from the point of sale
- happy shoppers



Would you like to know more?

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