How well do you know NIQ distribution metrics?

Challenge activity

NIQ

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Objective

In this challenge, you'll answer questions to see how well you consider relationships between distribution-related metrics when evaluating your distribution performance. Use the last page to check your answers.

Review the tips below to avoid common analytical missteps.

How do the metrics relate to each other?

What are possible conclusions you can make based on the connections below?

- If your numeric distribution is *lower* than your weighted distribution, what can you infer?
- If your numeric distribution is *higher* than your weighted distribution, what can you infer?
- If your product has a *low weighted* distribution compared to your competitors, but a *higher rate of sale*, what can you infer?
- If your product has a *higher weighted distribution* and a *lower rate of sale* compared to your competitor, what can you infer?

Tips

- Never add distribution across markets or periods to avoid inappropriate comparisons like double-counting.
- Use caution when using distribution metrics if aggregating markets, periods or products as these metrics are mostly considered non-additive.
- Compare numeric, and weighted distributions to assess the quality of your distribution.
- Use Total Distribution Points (TDPs) to determine if your products are getting their fair share of availability.
- Combine weighted distribution data with Rate of Sale data to identify listing opportunities.

Need guidance?

Contact your NIQ Client Services representative for additional support.

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Check your answers

Taking a closer look at the relationship between weighted & numeric distribution:

The relationship between physical, weighted and numeric distribution can be a clear indicator of distribution quality. Knowing what the relationships mean can guide proactive planning.

- **If your numeric distribution is *lower* than your weighted distribution:**
  - Your products are in fewer stores, but those stores have a bigger market potential.
  - Your proactive plan should include investigating if it's worth expanding to additional stores to reach the remaining market, while maintaining distribution in current stores.

- **If your numeric distribution is *higher* than your weighted distribution:**
  - Your products are in a lot of stores, but those stores have a lower market potential.
  - Your proactive plan should include investigating why your products aren't listed in stores with a bigger market potential.

- **If your product has a *low weighted distribution* compared to your competitors, but a *higher rate of sale*:**
  - Your products are selling faster than your competition, but you're in less important stores.
  - Your proactive plan should include convincing other stores your product is worth selling to increase your distribution.

- **If your product has a *high weighted distribution* compared to your competitors, but a *lower rate of sale*:**
  - Your competitors' products are selling faster than yours.
  - Your proactive plan should include investigating the cause, since your product is at risk of being removed from stores.