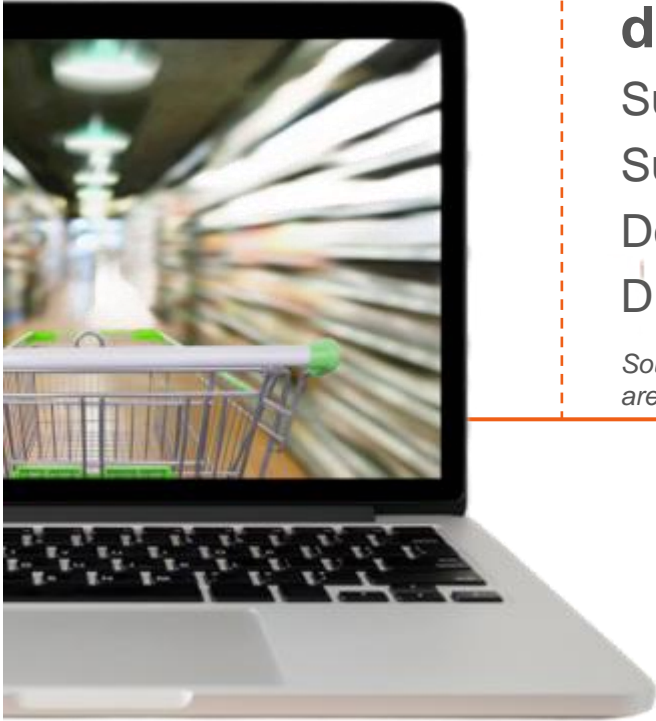# Conquering the retail shelf

New omnichannel strategies that win

The way consumers shop is changing, and retailers must keep up

Current challenges to winning on the shelf

2009–2022

Square footage decreased

Supercenters	↓5%
Supermarkets	↓3.5%
Dollar stores	↓0.4%
Drug stores	↓13.3%

Source: Nielsen Consumer LLC, TDLinx, U.S. counts are for open stores during month of December

last year

Out-of-stock issues cost $48B to the U.S. retail industry last year
(52 weeks PE Sept 2, 2023)

E-commerce sales in Q3 of 2023 accounted for **15.6% of total U.S. sales**

Q3 2023

https://www.census.gov/retail/ecommerce.html

NIQ

Winning on the shelf:
Adapting to evolving retail landscapes

"The massive assortment that defined e-commerce a decade ago is largely no longer what can be found online today.

Considering this narrowing of assortment – and the general trend of shrinking retail space, it is of utmost importance to ensure that the handful of chosen products on the shelf are performing well."

Read more.

Lauren Fernandes
Global Director, NIQ Thought Leadership

How consumer data solves challenges at the shelf

There is an exponentially growing number of items, stores, channels, and consumer transactions that need to be coded from online and in-store sales, across retailers.

This is data that doesn't come out-of-the-box cleaned, aligned, deduplicated, and integrated into how CPG companies operate. It's critical to ensure accuracy while maintaining a real-time view in this dynamic, fast-changing omnichannel environment.

NIQ

Overcoming obstacles to on-shelf success

How better data can solve modern challenges

The impact of out of stocks
Companies can't manage what they can't see

> Without accurate, real-time data, out-of-stocks drastically impact everything from on-shelf optimization to the effectiveness of media campaigns.

Out of date omnichannel strategies
Get granular to revolutionize personalization

> Follow shopper behavior and understand evolving consumer habits to develop data-backed plans and tailor-made retail strategies that are as unique as your customers.

Solving assortment challenges
Balance e-commerce and in-store solutions

> Invest in the right tools and data to gain precise and accurate measurement across online and offline channels, keying in on how consumers shop.
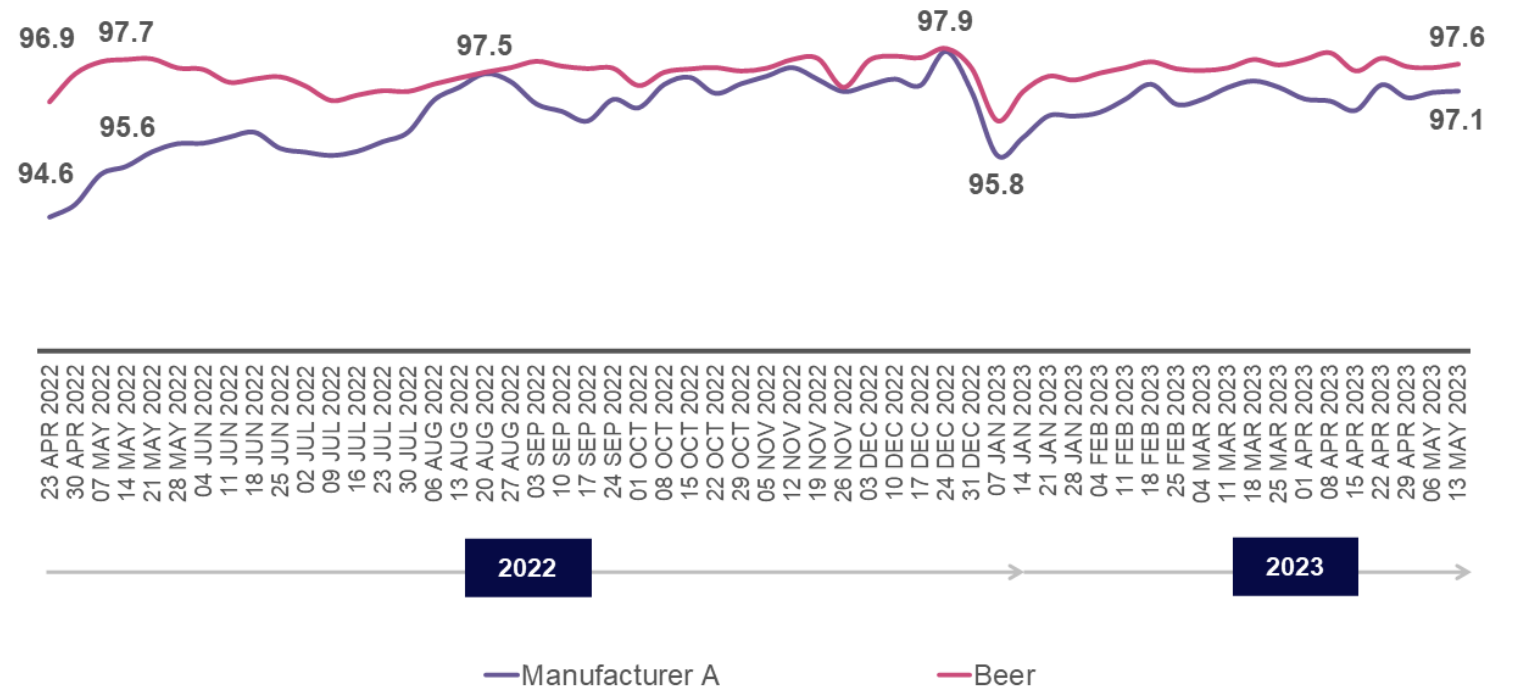
The *Full View* at your Fingertips

Let's take a look at an example of how NIQ data helped a beer manufacturer drastically increase sales by reducing out of stocks and optimizing their supply chain.

Case Study: Reducing the impact of out of stocks

In April 2022, Manufacturer A was losing $400,000 in sales every week due to product availability problems. NIQ's On-Shelf Availability solution was able to locate the gaps, and through better collaboration with retailers, Manufacturer A was able to minimize their weekly sales losses by 45% as of May 2023.

In the Past Year, A Major Beer Manufacturer Managed to Drastically Increase its OSA While Reducing its Missed Sales, Closing its Gap to Rest of Category

OSA metrics (Missed sales and % OSA rate) – *Manufacturer A* vs Total Beer

Legend: Manufacturer A — Beer
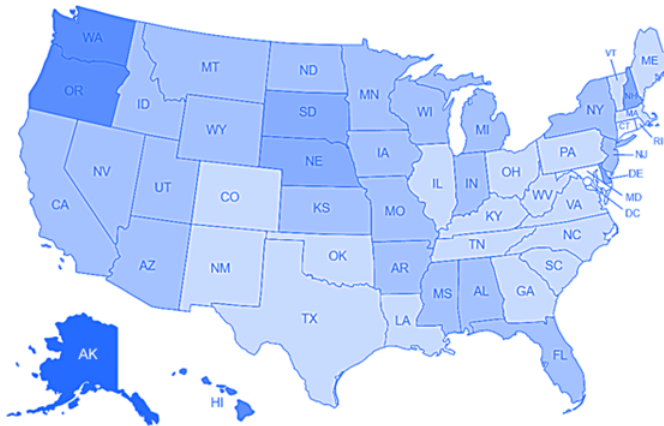
Next steps for Manufacturer A

Because of the depth of knowledge provided by NIQ's On-Shelf Availability Barometer, even after this initial round of savings, Manufacturer A knows that 75% of their remaining missed sales opportunities come from just 4 states (CA, TX, NY, FL).

Moving forward, they will be able to focus their retail strategies and resolve the issues that are unique to those markets, minimizing wasted effort and resources in markets with smaller missed sales figures.
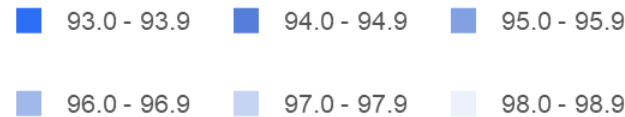

Manufacturer A Has Caught Up to the Beer Category by Identifying Granular Shelf Availability Issues

Top 4 states (CA, TX, NY, FL) represent a 75% of missed sales opportunity

States ranking by % OSA rate for **Manufacturer A**

States ranking by $ Missed sales ($K) for **Manufacturer A**

State	Missed Sales
CA	$2,075
TX	$1,763
NY	$1,319
FL	$1,300
AZ	$600
IL	$542
HI	$499
VA	$317
WA	$316
NV	$219

75% of total missed sales

%OSA Value

- 93.0 - 93.9
- 94.0 - 94.9
- 95.0 - 95.9
- 96.0 - 96.9
- 97.0 - 97.9
- 98.0 - 98.9
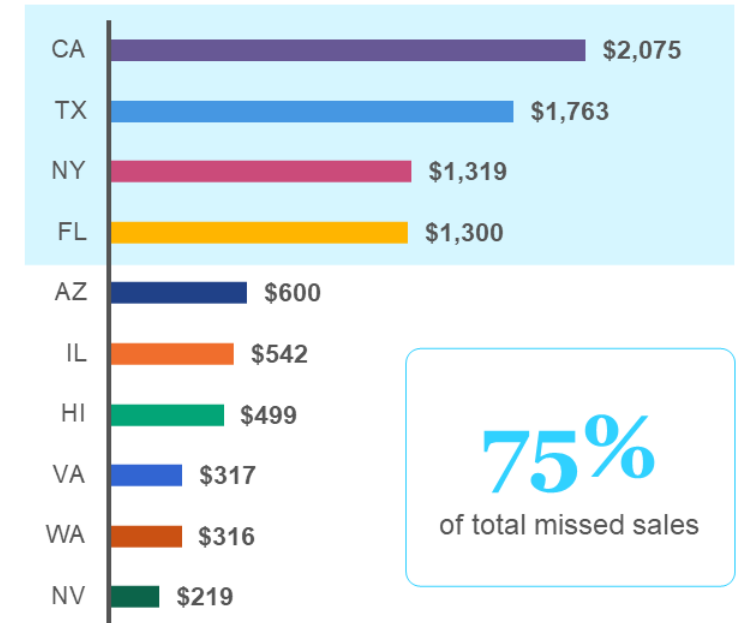
Data source : US OSA Barometer NielsenIQ - Connect 2.0 – Last 52 weeks PE May 13 2023
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Putting it all together

NIQ can help you get a Full View of the market

As we've [explored](#), the path to success on the shelf is incredibly complex and multi-faceted. Retailers and manufacturers who can leverage the right data to successfully execute this multi-faceted approach have a huge opportunity.

To maximize success, an organization's continued growth demands a data partner that keeps manufacturers and retailers in the driver's seat.

Read on to learn more about how the NIQ solutions portfolio can deliver value to key retailer and manufacturer needs.
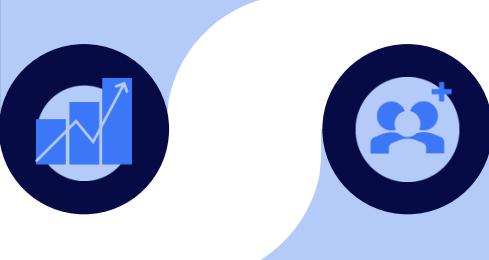
NIQ solutions portfolio

Delivering value to key retailer and manufacturer needs

Market performance measurement

*Track **sales and share** performance and understand drivers across in-store, e-commerce, and omnichannel to identify trends and understand competitive and category performance.*

Consumer and shopper insights

*Understand **consumer and shopper behavior,** demographics, and loyalty with modern, managed consumer panels and custom survey capabilities.*

Revenue growth management

*Maximize profitability, eliminate wasteful trade spend, and ensure the right **price and promotion** strategy with more granular data and precise recommendations.*

Assortment and merchandising

*Simplify planning, drive better performance, and create sustainable growth by improving the way you **characterize, organize, and visualize your shelf.***

Route-to-market

*Evaluate opportunities to increase sales and quantify the impact of potential outputs, media, and in-store actions at the **local level**, based on geographic and demographic composition.*

Marketing, media, and personalized offers

*Create the best shopping experiences for your consumers through **personalization and digitization** while increasing discoverability.*
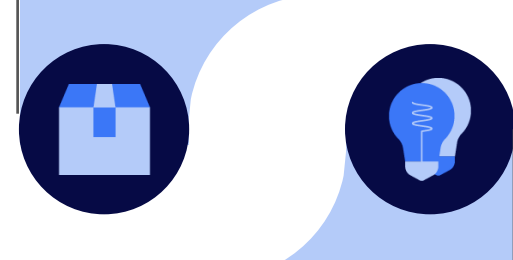
Operations and supply chain

*Maintain sales by quickly identifying **out-of-stock risks** and reducing supply chain disruptions.*

BASES product offer management

*Fuel growth and accelerate time-to-market by **testing, refining, and reinventing** with highly predictive, market-tested consumer insights.*

NIQ

Market performance measurement

Track sales and share performance and understand drivers across in-store, e-commerce, and omnichannel to identify trends and understand competitive and category performance.

Key Use Cases:

- Measure sales & share
- Track casuals & trends
- Assess local performance
- View global performance

Features

- **SKU, category, manufacturer, retailer, and brand-level details**
- **Wide retailer representation**
- **Broad online, offline, and omni coverage**
- **Product attribution**

Products

Products	Description
RMS (Retail Index, ScanTrack, Market Track)	Retail Measurement Service to understand sales changes across UPCs, categories, brands and competitors
Omnisales	One, deduplicated measure of sales and share performance in-store and online
E-commerce	Measure competitive performance and market opportunity online
Amazon Sales and Share	Accurate tracking of shifts in Amazon trends and performance across brands and categories
E-commerce Analytics	Location-based e-commerce analytics to assure product availability, optimize distribution and improve search results
NIQ Product Insight	Measure the market through the lens of claim, certification and ingredient product characteristics
Target Track	Sales measurement by ethnic segments for the US market
Global Solutions (GTX, GTC, Global Snapshot)	Harmonized data to compare cross-market performance and identify expansion opportunities
ACView	All Commodity Volume market share based on total store sales
NIQ Product Explorer	Search and discover products to understand the full view of claims, formulation and certifications

NIQ

Consumer and shopper insights

Understand consumer and shopper behavior, demographics, and loyalty with modern, managed consumer panels and custom survey capabilities.

Key Use Cases:

- Understand shopper demographics
- Survey consumers
- Capture online and consumption behavior
- Build consumer and shopper segmentation
- Manage brand health

Features

• **UPC-level granularity**	• **Static, longitudinal, representative panel**
• **Clear alignment between product definitions and retailer data**	• **Intuitive dashboards that guide you to answers with ease**

Products

Products	Description
Homescan	Track, diagnose and analyze consumer behavior from more than 250,000 households across 25 countries
Omnishopper	Comprehensive and granular insights into shopper behavior, demographics, brand penetration, shifting and leakage
Surveys and Segmentation	Homescan, Omnibus and Trigger Surveys, Omnichannel Shopper Fundamentals, Category Shopping Fundamentals, Store Choice Drivers - to understand how shoppers connect with your category
Digital Shopper Analytics	Measure the digital shopper's journey by navigation patterns, time spent on websites, as well as apps and purchase information
Consumption Moments	Reveal the true motivations behind customer consumption behavior to guide product innovation and marketing strategy
Segmentation Science	Identify and target the right consumers with segmentation built on the individual, what matters to them and their behavior patterns
Winning Brands	A suite of modules that addresses all brand research needs -- from simple tracking to in-depth brand reviews -- to provide the relevant market insights to drive sustainable growth

Revenue growth management

Maximize profitability, eliminate wasteful trade spend, and ensure the right price and promotion strategy with more granular data and precise recommendations.

Key Use Cases:

- Optimize pricing strategy and execution
- Improve promotion performance

Features

- **Cloud-based, always-on analytics**
- **Real-time strategy review and adjustment**
- **Identifies optimal everyday ad promotional price points**
- **Powered by artificial intelligence**

Products	Description
Revenue Optimizer	Optimize brand portfolio pricing, pack/price architecture, and promotions
Business Drivers	Analytics embedded into RMS and Discover to identify performance drivers and recommended actions
Opportunities	Automated, pre-simulated price and promotion recommendations
Custom Price and Promotion	High end trade and price analytics based on disaggregated datasets at the store-week level
Everyday Analytics	Accessible price and promotion analytics to clients by providing on the flight analyses to support pricing and promotion decisions
Enriched Events	Analytical models that offer in-depth understanding of a promotion's event performance
Brand Scorecard	A scoring system to gauge your brand's performance within your category and market
Key Value Items	Determine which items are driving trips
Performance Pricing	Analysis of price point dispersion and the potential impact on sales and profitability
Activate Assortment and Promotion Analytics	Inform collaborative decision making with your suppliers to maximize promotion effectiveness while measuring the impact.

Assortment and merchandising

Simplify planning, drive better performance, and create sustainable growth by improving the way you characterize, organize, and visualize your shelf.

Key Use Cases:

- Optimize assortment
- Improve shelf execution
- Measure the impact of shelf scenarios
- Inform store layout

Features

- **Category and segment visualization**
- **Scalable and integrated solutions from assortment to space planning**
- **Automated planograms and recommendations**
- **Assortment simulation and opportunity finder**

Products	Description
Shelf Architect	An end-to-end assortment and merchandising suite
Spaceman	Space planning software to maximize space and unlock planogram success
Market Structure	Understand the drivers of purchasing behavior in your category over time
Global Innovation Incrementality	Evaluate innovation incrementality to sales
Smart Store	Immersive 3D store simulation
Smart E-Store	Online store simulation tool
Activate Assortment and Promotion Analytics	Inform collaborative decision making with your suppliers to maximize assortment effectiveness while measuring the impact.

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Route-to-market

Evaluate opportunities to increase sales and quantify the impact of potential outputs, media, and in-store actions at the local level, based on geographic and demographic composition.

Key Use Cases:

- Optimize distribution
- Define consumer targeting
- Predict marketing impact
- Inform new store location

Features

- **Modeling of retail sales, demographic, and geospatial data**
- **Live explorations of data with an interactive application**
- **NIQ Patented methodology**
- **Offer both stand-alone solutions and options integrated into client ecosystems**

Products — *Description*

Products	Description
Precision Areas	Precise targeting to optimize local execution
Spectra	Identify consumer targets for marketing execution and retail channel development
Forecasting	Predictive modelling of demand for categories, segments and brands
Store Execution Solutions	On-the-fly store segmentations to highlight opportunities and assess performance
TDLinx	Retail and on-premise location information for a store-level view of performance
MicroTargeting	Leverage insights into smaller regions with isolated local trade areas to prioritize in-store investments and assortment planning

Marketing, media, and personalized offers

Create the best shopping experiences for your consumers through personalization and digitization while increasing discoverability.

Key Use Cases:

- Personalize marketing programs
- Define shopper segments to target
- Enhance product content and discovery
- Track marketing effectiveness

Features

- **Build personas and create audiences across thousands of attributes**
- **Identify opportunities and inform innovation**
- **Present the most relevant content to each customer**
- **Score content in real time**

Products

Products	Description
Activate Personalized Offer Management	Align with suppliers on target audiences and segmentation to deliver personalized offers across all channels to build customer loyalty.
Activate Category and Customer Analytics	Define customer-centric, data-driven strategies with your suppliers to connect with customers and harness the power of your customer data
Activate Retail Media Intelligence	Drive new revenue streams, plan and execute campaigns, and measure performance with suppliers for to increase return on ad spend
E-commerce Search Insights	Discover what consumers are searching form and identify top ranking search trends
Brandbank Product Content Solutions	Robust content to support shoppers' omnichannel experience, improve discoverability, and enable informed purchasing decisions

NIQ

Operations and supply chain

Maintain sales by quickly identifying out-of-stock risks and reducing supply chain disruptions.

Key Use Cases:

- Assure on-shelf availability
- Optimize inventory and supply chain
- Track supplier compliance
- Inform demand planning and forecasting

Features

- **Accurate predictive capabilities**
- **Timely, actionable insights**
- **Demand management and forecasting**
- **Automated communications**

Products	Description
OSA Activation	Collaboration between retailers and manufacturers to improve product availability through effective store level execution
OSA Barometer	Identify out-of-stock risks and reduce supply chain disruptions
Activate Supply Chain Analytics	Partner with suppliers to mitigate risks, assure on-shelf availability, optimize costs, maximize revenue, and manage service level compliance

BASES product offer management

Fuel growth and accelerate time-to-market by testing, refining, and reinventing with highly predictive, market-tested consumer insights.

Key Use Cases:

- Identify and evaluate innovation opportunities
- Optimize the product experience
- Innovate your marketing
- Define successful advertising
- Design impactful packaging
- Measure innovation performance

Features

- **Neuro and behavioral science track both explicit and implicit aspects of consumer decision-making**
- **Advanced predictive analytics and machine learning**
- **Backed by more than 200 patents**

Products	Description
BASES Architect	Uncover category white space opportunities and unfulfilled consumer needs
BASES Quick Use	Consumers interact and test your new product in their homes and provide you with crucial insight in as little as 15 days
BASES Quick Screen	Identify your most promising new product ideas upfront
BASES Quick Predict	Understand your concept's probability of success and financial potential
BASES Evaluation Forecast Pack	Simplify sizing of potential innovations
BASES Execution Forecast Pack	Forecast and pre-launch simulation
BASES Renovator	Measure the impact of potential changes to your brand on both your own business and the competition.
BASES Pack 360	Identify your most promising new product ideas upfront
BASES Line and Price Optimizer	Identify the best varieties, prices and pack sizes to maximize your innovation and portfolio's potential
BASES Innovation Measurement	Automate the manual process of measuring and analyzing the innovation landscape
BASES Architect	Uncover category white space opportunities and unfulfilled consumer needs so you can develop winning strategies to grow your brand

We deliver the Full View™, the world's most complete and clear understanding of consumer buying behavior that reveals new pathways to growth.

NIQ