



Out-of-shelf Monitoring for retail

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Out-of-shelf: A costly problem in retail

- **Out-of-shelf** is a top concern for grocery shoppers
- Research suggests **only 90%* shelf availability** on average in grocery retail
- The retail networks are largely **blind**

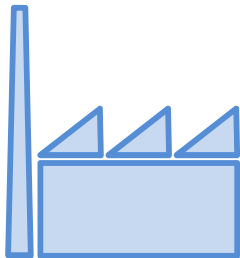
The **damage** is significant



For the **customer**: **Unsatisfied need**, lost time, frustration



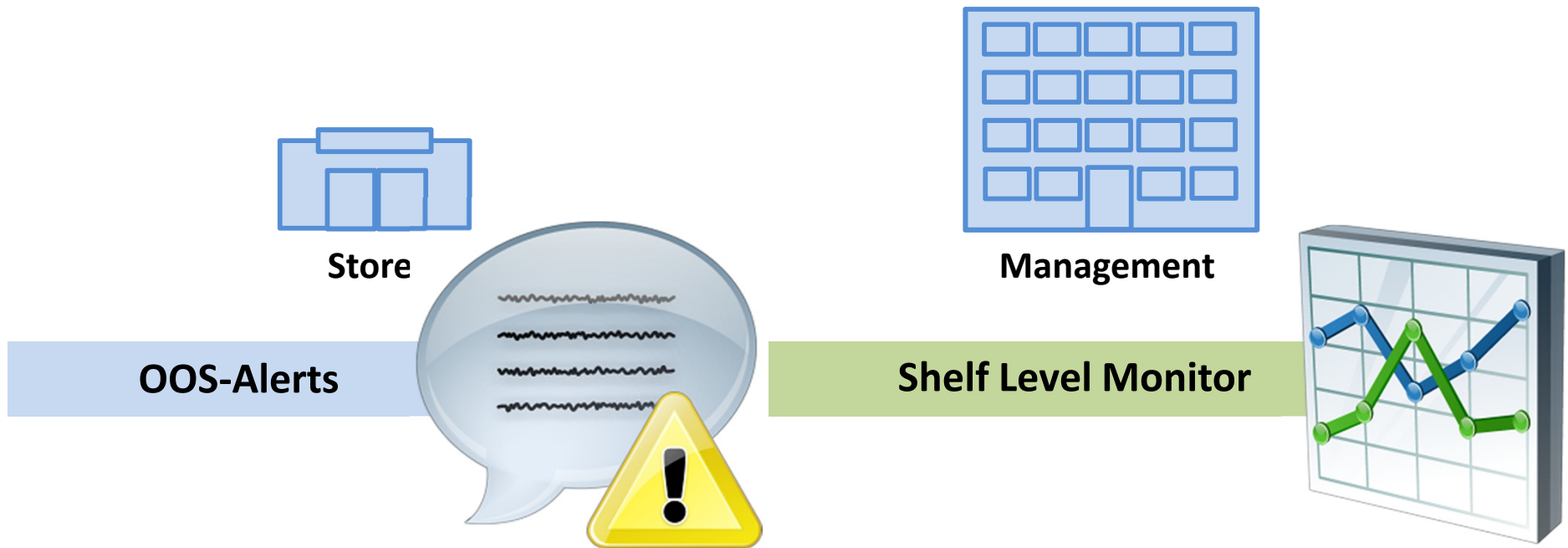
For the **retailer**: **Lost sales** » lost customer satisfaction » lost customer loyalty » lost customer



For the **manufacturers/brands**: Lost revenue, client moving to competition

(*) Quelle: Etudes ECR France, 2010 ; Roland Berger, 2003

shelfcheck LOKAD daily out-of-shelf alerts and monitoring



» **Operative store level** system

» Automatic **identification of OOS**

» Daily prioritized **alerts**

» 'Near **real-time**'

» **Support** of store staff

» **Management information** system

» **Network-wide monitoring** and transparency of shelf level availability

» Quantification of **revenue and profit loss**

» **Benchmarking** of stores, drill-downs

Lokad shelfcheck Features

- ✓ **Reliable identification** of out-of-shelf (OOS) situations
- ✓ **Near real time alerts**
- ✓ **Broad coverage** of product portfolio – not only ‘high rotation’
- ✓ **Scalability** for thousands of stores
- ✓ **Cost efficiency** – immediate, massive ROI
- ✓ **Prioritization** of OOS alerts – no ‘flooding’ of store staff
- ✓ **Economic modeling** as basis of alert prioritization and management information
- ✓ **Self-diagnosis and calibration**
- ✓ **Risk free, fast PoC** – no lengthy projects, investments or high cost

Minimal resource investment and risk

We **full automate** the out-of-shelf analysis

1. ..we retrieve your historic sales data..
2. ..calculate the analysis on our cloud technology..
3. ..and feed the results back into your system or provide reports.



Full automation allows '**near real time**' analysis



Minimal resource investment and cost

- » no investment
- » no hiring & training
- » no lengthy implementation
- » no risk

Your data security is assured through '**obfuscation**'

The data can be transmitted to without any identifiers , which makes it completely anonymous.



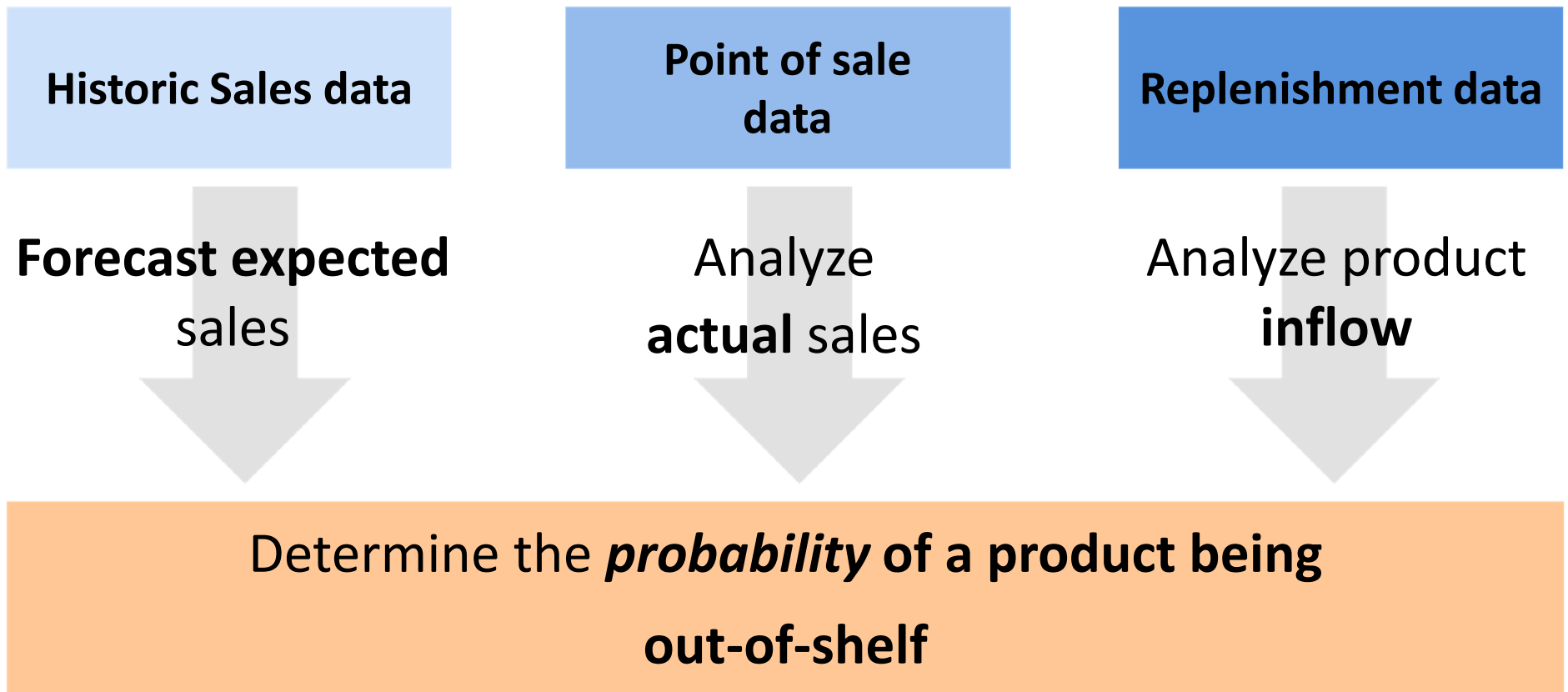
Competitive analysis: Better performance...

Competitors	SHELFHECK
Coverage limited to high rotation	Broader coverage
Burden of definition of rules with retailer	Fully automated , self learning end-to-end system
No prioritization of alerts , 'swamping' with alerts	Prioritization of alerts , focus on most profitable action
Limited scalability	'Unlimited' scalability to thousands of stores
Pure alert systems, not functional as mgmt. Information system	Dedicated mgmt. Information system for network wide transparency
No monitoring of performance and profitability of the system	Precise measurement of performance and profitability of the system
Very low development agility, very long feedback loops	High agility, feedback loops of hours
High cost of system and TCO	\$15/€10 - \$300/€200 per store and month

... at the lowest price

- Pricing: **\$15/€10 - \$300/€200 per store and month** (depending on size of the store).
- **No additional cost** (no hardware, no software, no labor, no training, no complexity).
- **Direct, transparent communication** of cost. No surprises!

An indirect measurement method based on Lokad's powerful forecasting platform



Testing shelfcheck is simple and risk free

- » Scope: Up to 5 Super- and hypermarkets
- » Implementation: Data transfer in SQL or flat file
- » Data security: Fully assured through obfuscation
- » Mgmt. attention: Minimal
- » Output: **Continuous, prioritized alerts**
Quantification of damage covered by alerts
Full historic analysis of OOS-situations
- » Timeframe: **12 weeks**



Thank you!



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