

FINDING MORE SPACE IN THE CASE

A growing number of retailers are getting 20% more facings and 30% more dollar volume from existing display space.

Is it possible to get 20% more facings and 30% more dollar volume from your existing frozen display cases — without adding extra doors?

PUSH TRAYS PUSH GAINS

In recent trials, several retailers have achieved those numbers and more using Trion Industries' WonderBar merchandising systems. The systems make it practical to add a sixth shelf to a five-shelf case. In a 30-door lineup with four facings per shelf, that means 120 more facings — enough to add new items, give more facings to hot sellers or cut in some private label without doing battle with a key vendor.

The urgent need to find more space is driven by several factors. First, there's the explosion of new, better-for-you and clean-label products. These on-trend items resonate well with consumers and are driving significant increases. But retailers are slow to give them sufficient room when it means taking space away from tried-and-true SKUs that also pay to play with slotting fees and promo funds.

For vendors, algorithms and schematics presentations go only so far in convincing buyers to take facings away from competitors. And smaller manufacturers of clean-label items have a hard time getting on the shelf in the first place. The push for more retail space comes from both the "healthy" segment as well as from manufacturers of heretofore "mainstream" items that risk losing facings or being de-listed.

This has driven increasing collaboration between vendors and retailers to squeeze more product variety into existing display cases. That's been good news for Wilkes-Barre, Pa.-based Trion. It is seeing strong growth in adoptions of its WonderBar merchandising system, which installs in display cases without tools and pushes product

forward so shelves are always faced up. The adjustable trays can be lifted out to speed planogram changes and re-merchandising. Because the trays are rear-loading, they provide continuous first-in first-out product rotation.

There's another factor in play here as well. "Frozen food vendors and retailers alike are concerned about the erosion of sales to fresh perimeter departments," says Brad Cox, Trion's director of sales and marketing. "So they are eager to have more variety to attract a wide range of shoppers to the frozen aisle."

The self-merchandising push-rack systems also provide a better billboard effect in the cases, helping them compete with visually-appealing perimeter departments. (How many times have you seen frozen pizza and pillow-pack vegetables merchandised on their sides? Or entrée packages that have fallen flat and in disarray? Not so with push-rack.)

Pat Ruddy, Trion's national accounts manager, says payback on the systems comes within three to six months — generally at about four months. That ROI is based on operational labor savings, the additional SKUs that can be merchandised and improved presentation that triggers more sales.

Labor savings can be substantial and are often the key factor in considering the system, Cox adds. "Re-stocking is much faster, and facing up isn't even necessary. Otherwise, whatever store associate is in the doghouse at a given time will be told to go face up the shelves four or five times a day. That's a lot of labor, and a lot of time those doors are open," he notes.

Not included in this ROI formula are energy savings, which can be substantial. Doors are not open as long, since shoppers make their selections more quickly. This, coupled with the elimination of daily facing maintenance, should produce more than 10% greater efficiency in cooler BTU output, Ruddy explains.

SHRINK IS EXPENSIVE

Having dedicated racks for each facing also prevents the fanning out of products in the rear of the case. Product is easily misplaced and forgotten, and then it gets freezer burn. This undermines consumer confidence in the retailer. So shrink is

expensive for everybody.

"We work with the CPG vendors to find the best ways to merchandise product and take it to retailers," according to Ruddy. "About 95% of the retailers who use the WonderBar system in one category wind up using it in more. We've been designing grocery merchandising solutions for 51 years and pride ourselves in being an American manufacturer. It makes a difference, and it should." ■



ROI is generally about four months for the self-merchandising push-rack merchandising systems.