

The Ultimate Peak Trading Out of Stock Report 2018

The battle for the last 2cm

Introduction to the battle for the last 2cm

Availability is the biggest challenge facing the sell-out potential, growth and penetration of a brand in modern trade. This study reveals the truth faced by manufacturers in their battle with creating marginal gains through on-shelf availability at times of peak trading (lunch, evenings and weekends). We like to call this battle, the last 2cm*.

We asked the opinions of more than 280 industry experts from large multinational FMCG Manufacturers, across 12 categories, in Italy, France, Spain and the UK, for measuring instances of Out of Stock (OOS) during peak trading periods. The survey also reveals their attitudes towards taking corrective action and the impact this can have on generating incremental sales.

After receiving an overwhelming response to this survey, we turned to our crowd of more than 600k on-demand data gatherers to validate the concerns of these industry experts. The crowd were mobilised to check the availability of more than 400 SKUs, across the top doors of 19 supermarket chains across Europe. The study resulted in more than 40,000 individual OOS checks taking place between 4pm on Friday - 8pm on Saturday (the time frame identified by the majority of our industry experts as being peak trading for their SKUs).

4 countries

12 categories

19 Supermarket chains

280 opinions from industry experts

400 peak trading SKUs

40,000 individual peak trading OOS checks

**To understand more about the critical importance of the last 2cm, please visit bemyeye.com/last2cm*

Terminology

Out of Stock (OOS): No units present on shelf where a product label exists

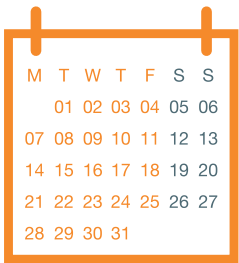
Almost Out of Stock (AOOS): 1-3 units present on-shelf only

Available: More than 3 units

Executive Summary



- **68%** of those surveyed have products subject to acute peak trading (lunch, evenings or weekends)
- **80%** find it challenging to measure peak trading OOS
- **92%** say that instances of OOS affect sales

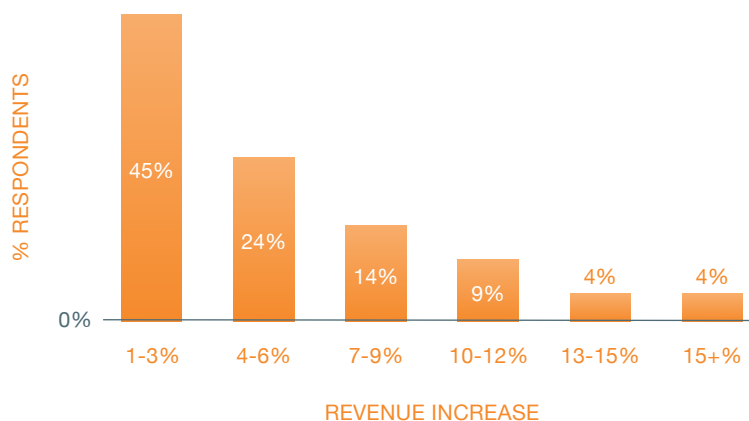


- **83%** identified weekends as their peak trading period
- **3pm-8pm** was the most popular time at **70%**



- **84%** believe that they would be able to improve instances of OOS with retailers if they were given the data to prove it had taken place
- When instances of peak trading OOS are improved by **10%** the expected impact on revenues is big:

If you could reduce your out of stock by 10% what do you think would be the impact on your sales in %?

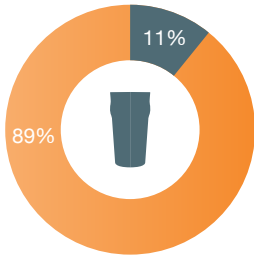


Drinks brands biggest sufferers for Peak Trading OOS according to industry experts

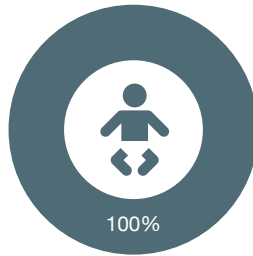
Are your business's core brands/SKUs subject to an increase in demand on specific days and times of the week?

Category Responses

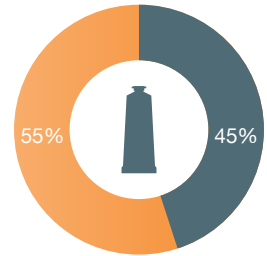
YES NO



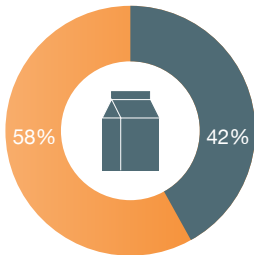
ALCOHOLIC DRINKS



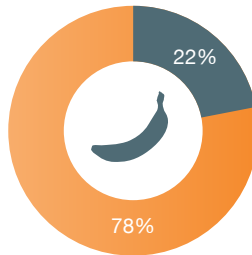
BABY CARE



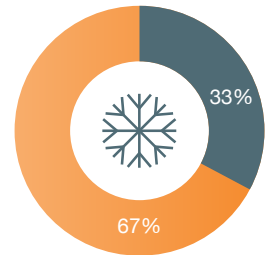
BEAUTY AND HYGIENE



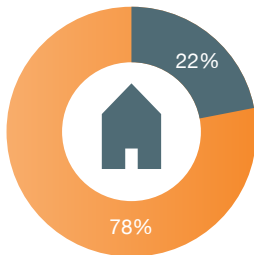
DAIRY



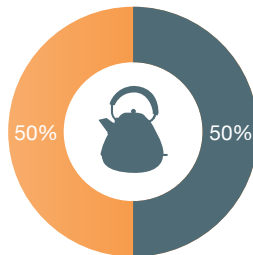
FRESH PRODUCTS



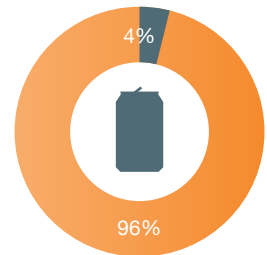
FROZEN FOOD



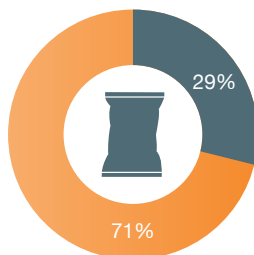
HOMECARE



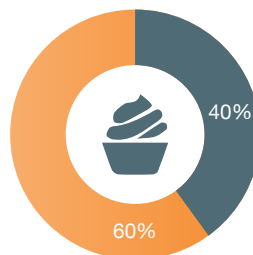
HOT DRINKS



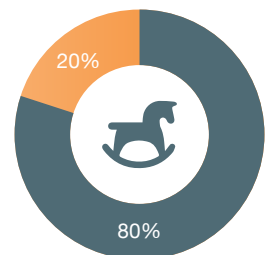
NON-ALCOHOLIC DRINKS



SAVOURY FOOD



SWEET FOOD

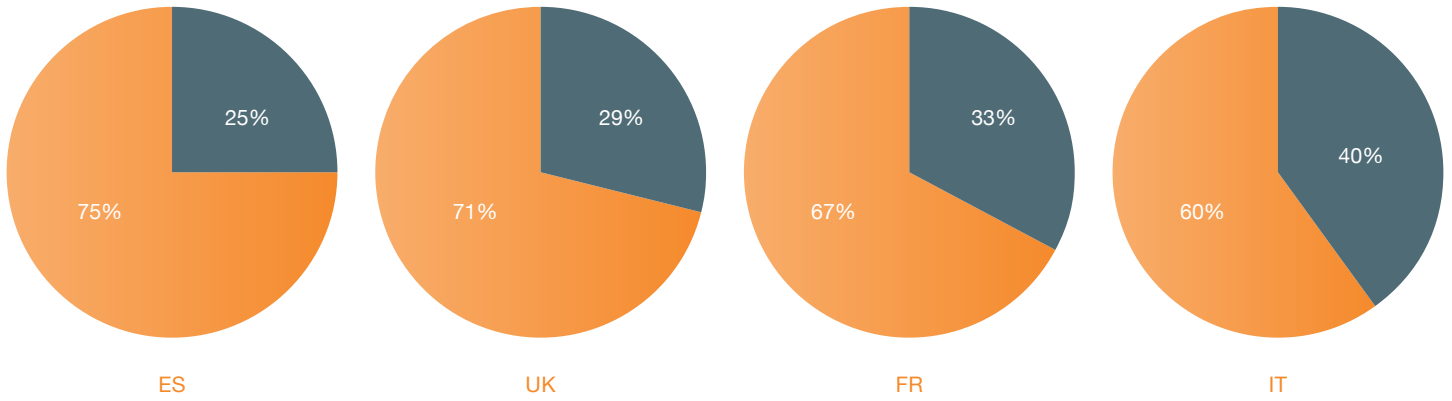


TOYS

Spain and UK most susceptible to Peak Trading OOS

Market Responses

■ YES
 ■ NO



If you could reduce OOS by 10% what would be the impact on sales?

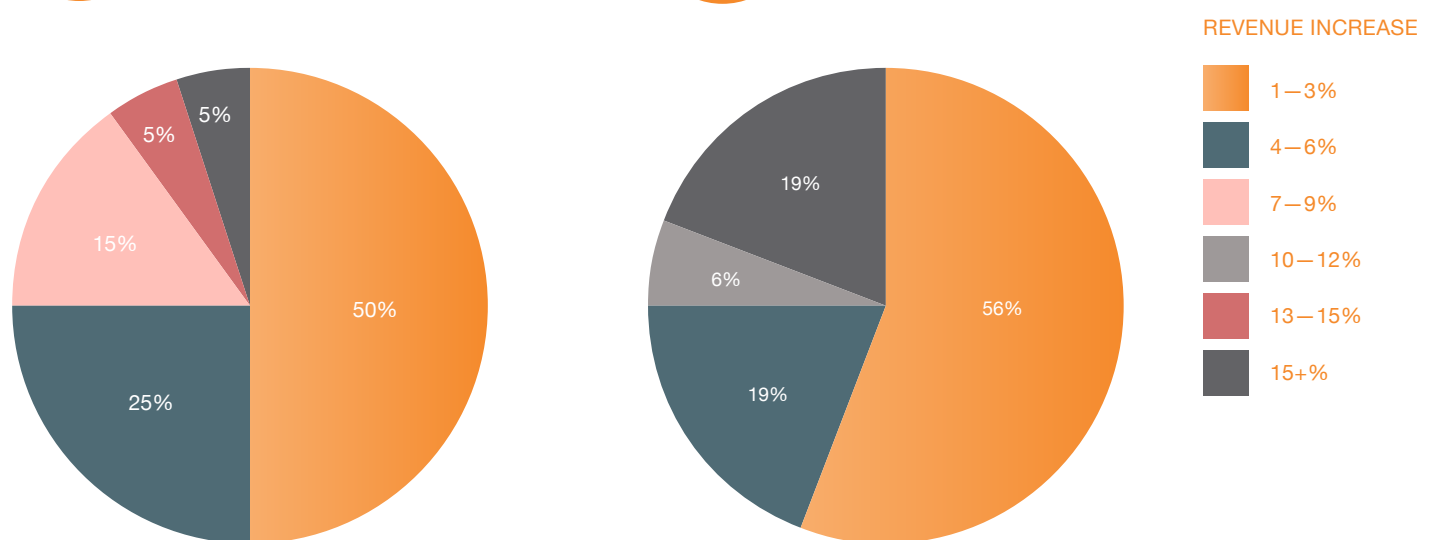
When isolating the top two categories for peak trading, these are the gains that the respondents believe can be made:



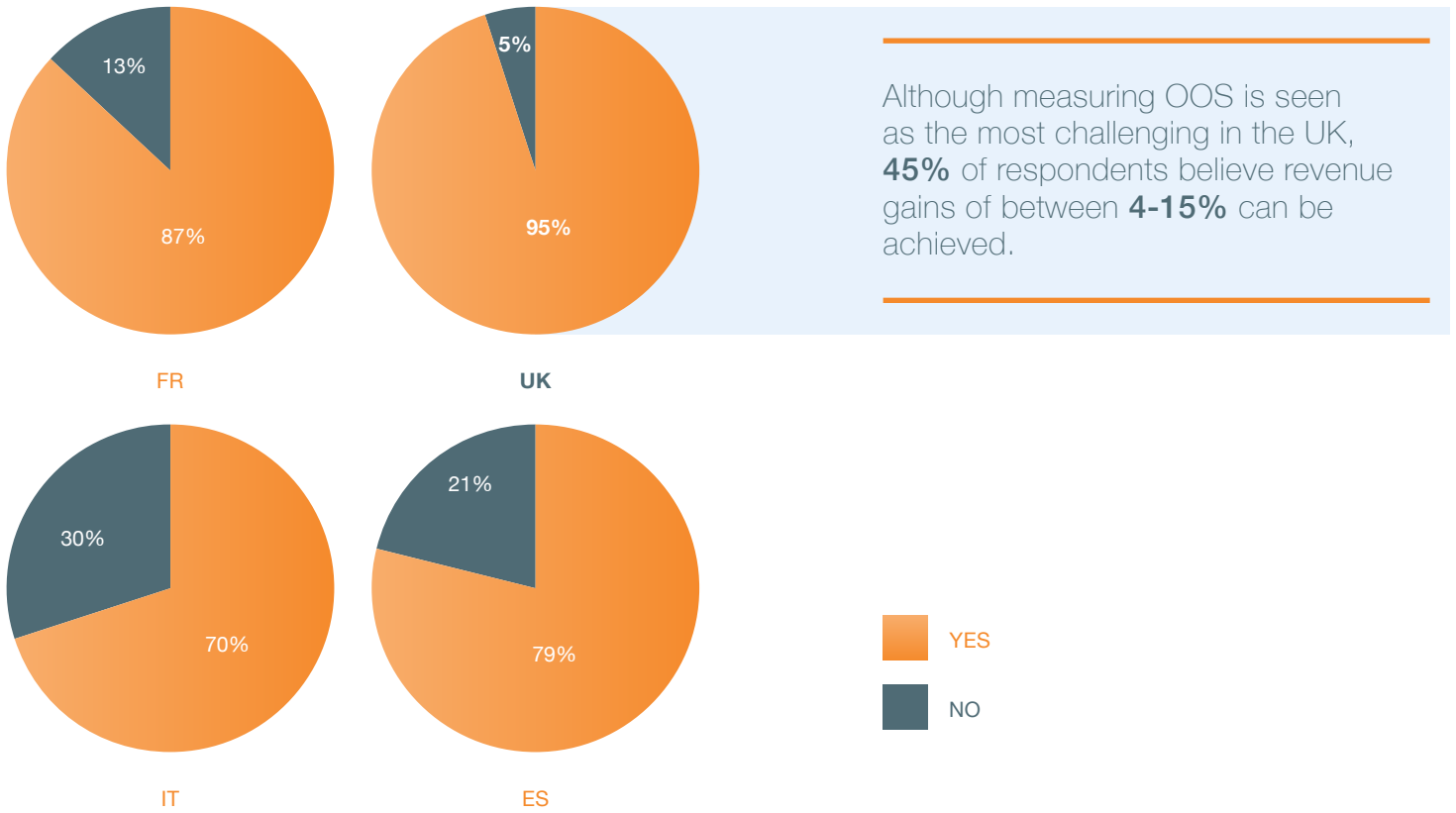
Alcoholic Drinks



Non-Alcoholic Drinks

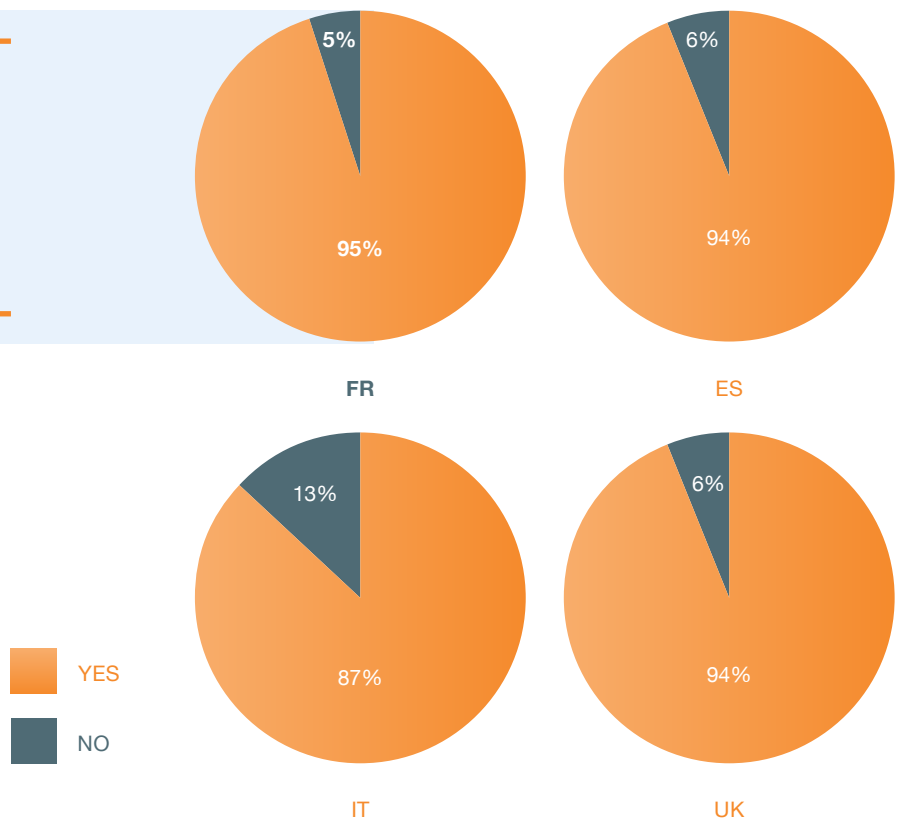


Is Measuring Peak Trading OOS a challenge?

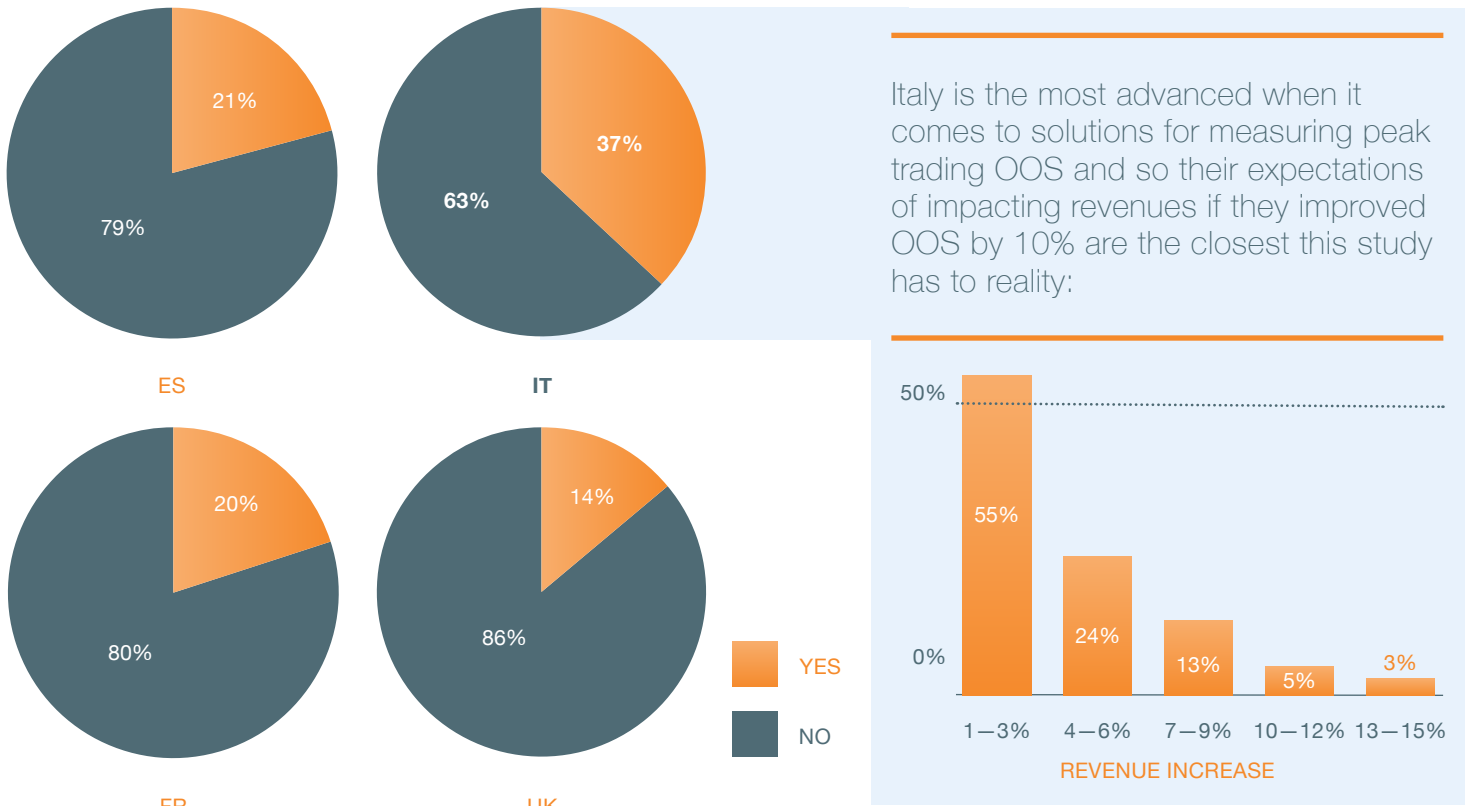


Does Peak Trading OOS Affect Sales?

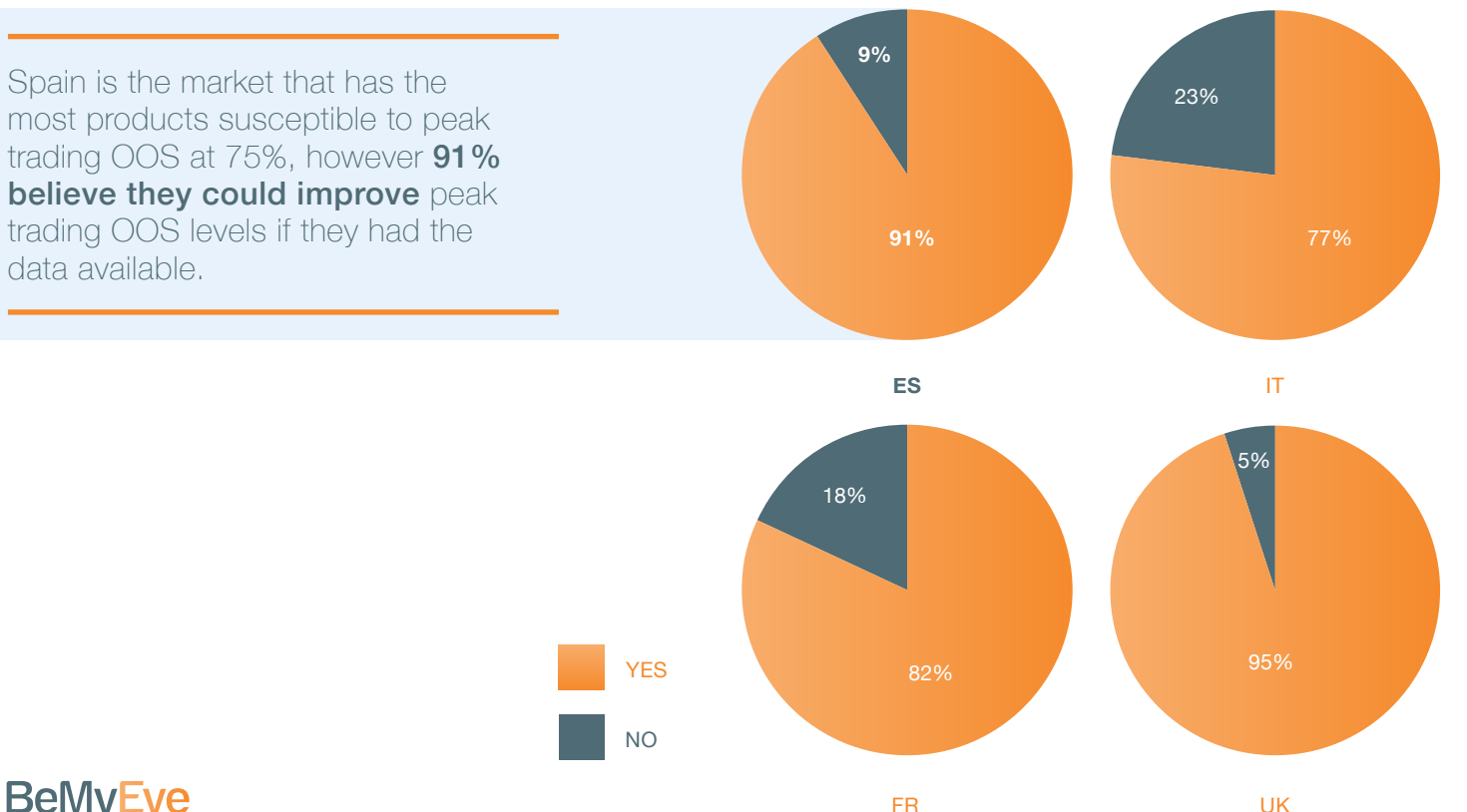
France recorded the highest score out of all markets. If these peak trading OOS figures could be improved by 10%, then **25% of respondents** believe sales could **improve by more than 10%**.



Do you have an adequate solution to measure time-specific OOS?

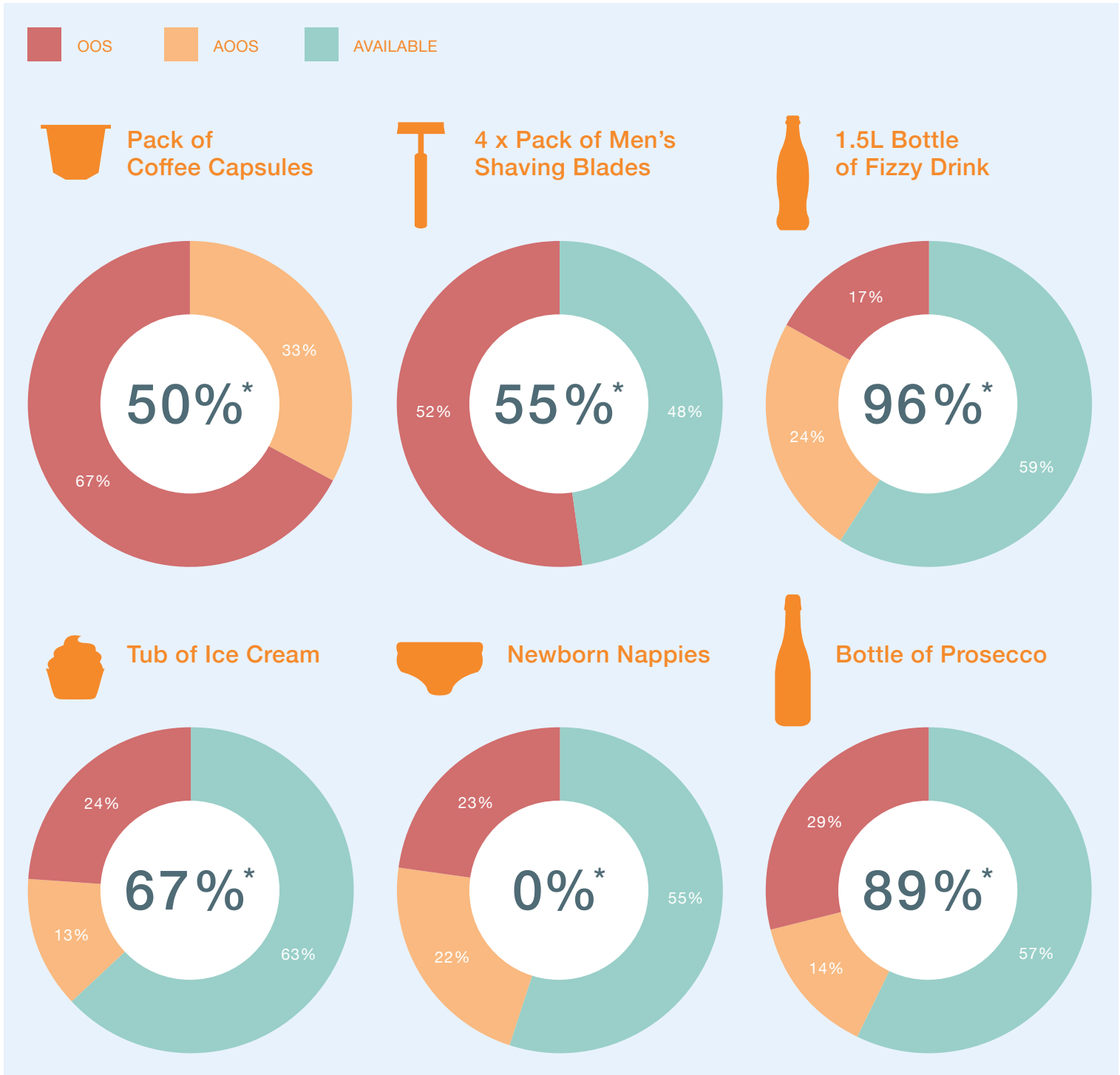


Do you think you can improve your OOS if you had access to the important data you need?



How does the 40,000 peak trading checks compare to the opinions of our industry experts?

SKUs across Europe feel the sting of peak trading OOS and AOOS as the results of the study reveal that no category is safe from failings at the last 2cm:



Soft drinks most problematic in the UK

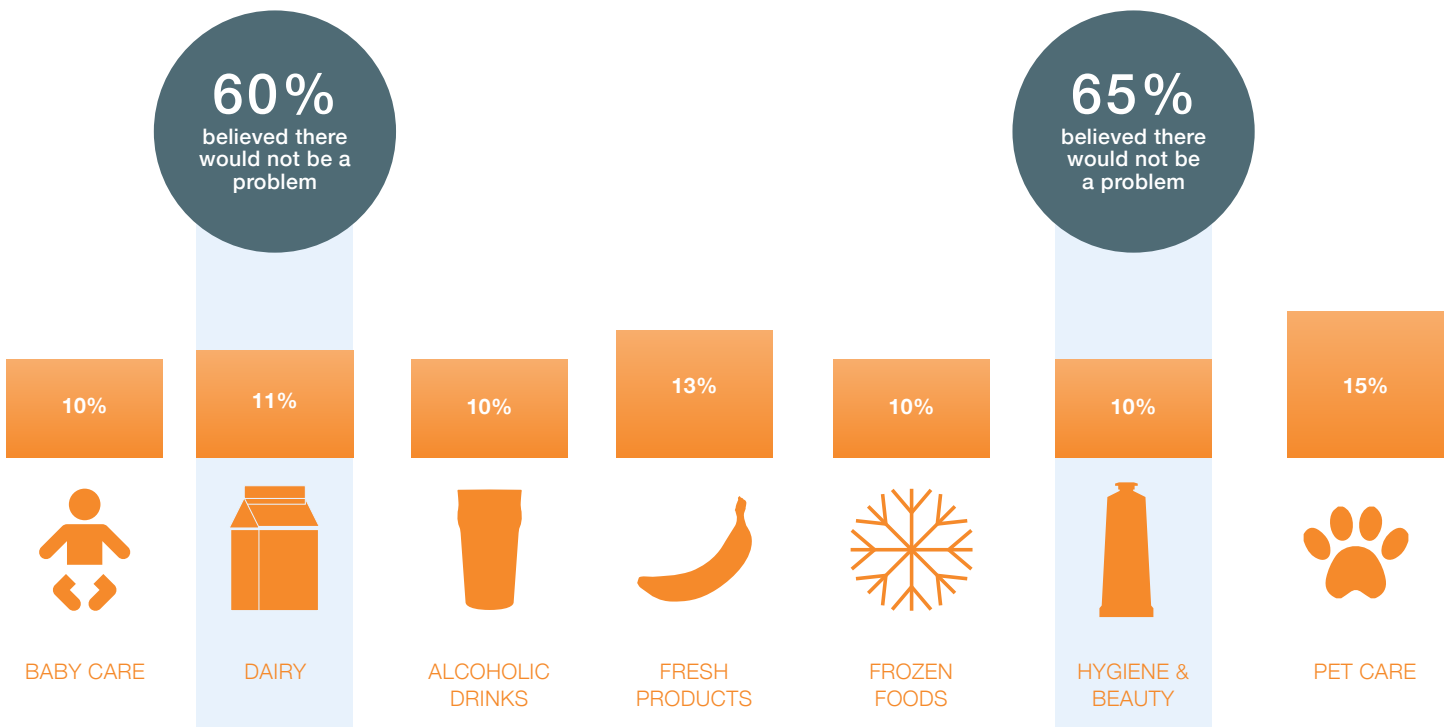


The UK's most problematic category for weekend OOS is soft drinks, recording an OOS average of **12%**, with an individual SKU peaking at 19%.

This is a problem clearly understood by the industry experts in the survey where **96%** agreed that it is an issue.

Respondents believe **revenues could increase by up to 6%** if OOS figures could be reduced by 10%.

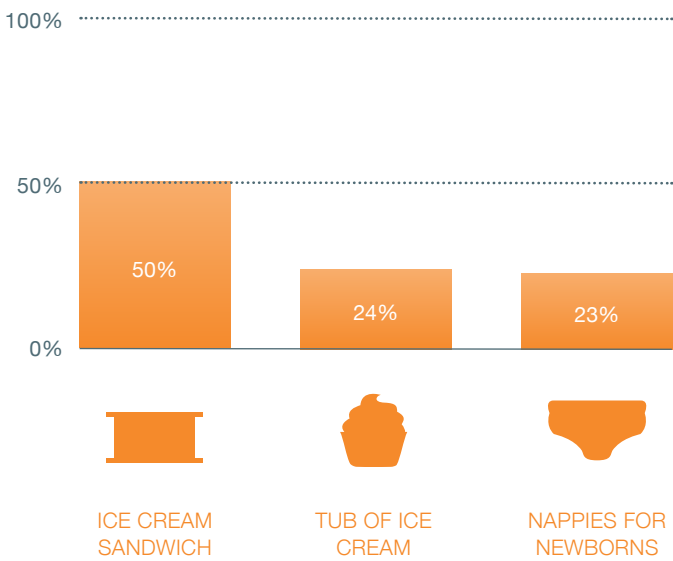
Almost Out of Stock (AOOS) issue peaks in Italy



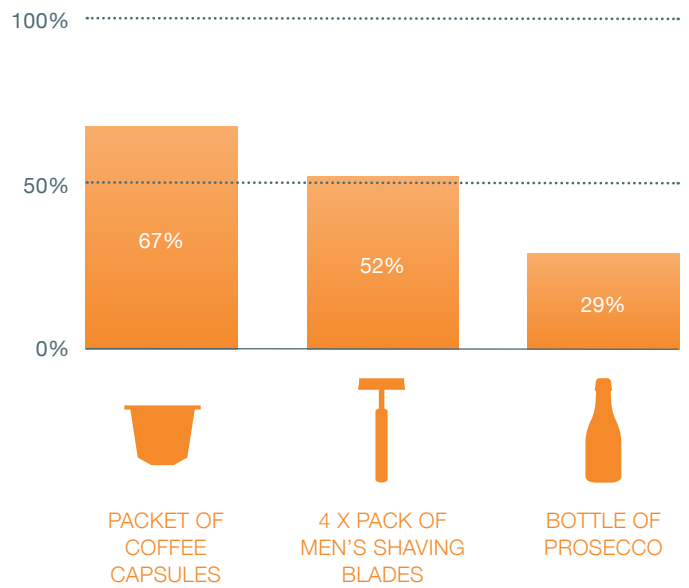
Problematic SKUs span multiple categories across Europe

Worst performing SKUs for OOS by market

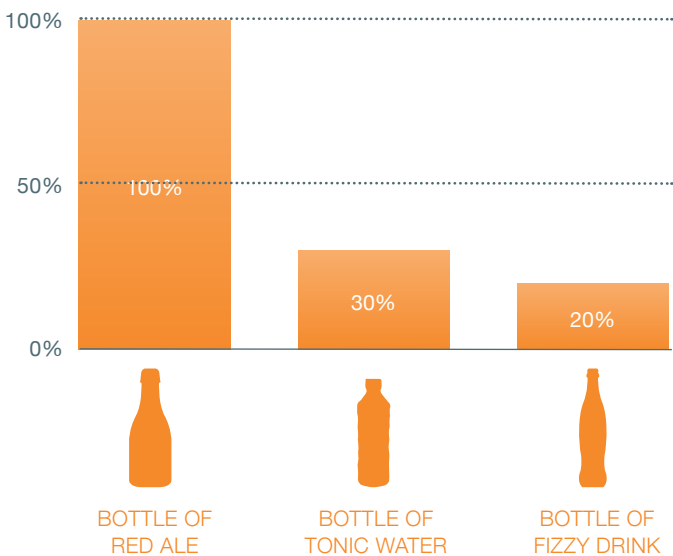
UK



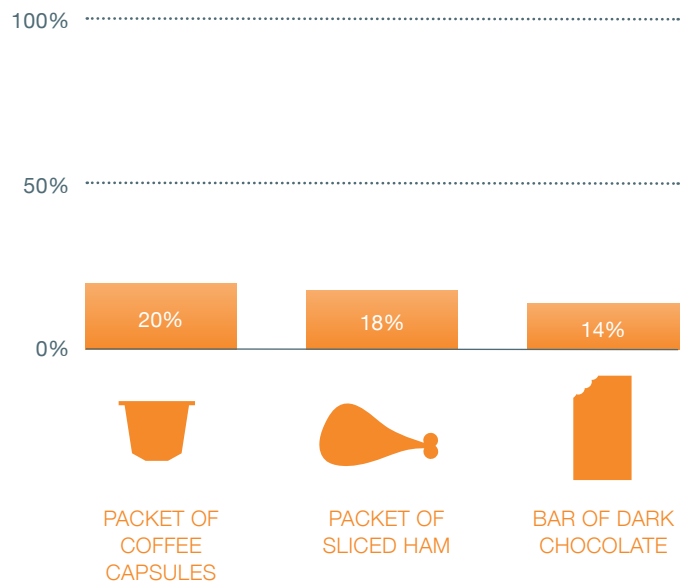
France



Spain



Italy



Summary

67% of products suffer from acute moments of peak trading OOS

83% have peak trading periods over the weekend

92% believe peak trading OOS impacts sales

80% cannot currently measure peak trading OOS

55% believe that solving these issues will help drive sales by more than 4%

Peak Trading OOS Service from BeMyEye

BeMyEye is the first and only data provider able to track peak trading out of stock levels at precise days of the week, and precise times of the day, across thousands of locations in Europe. The data is collected at speed and delivered to the customers in real-time to a live online dashboard, during the lunch, evening or weekend time periods requested by our customers.

BeMyEye conducts weekly peak trading OOS checks across 19 countries in Europe. Manufacturers already using this service on a regular basis have improved on-shelf availability by a substantial amount:

“Our on-shelf availability has improved +10pts through these insights. We can now push retailers and more forensically manage in-store execution.”

Large Multinational FMCG Customer

UK: sales.uk@bemyeye.com IT: sales.it@bemyeye.com
ES: sales.es@bemyeye.com FR: sales.fr@bemyeye.com
bemyeye.com