

# SHOPABILITY

by Israel J. Rodriguez, Jr.  
Principal, Edgewood Consulting Group



What's left to do after developing *'next level'* assortments that balance variety with efficiency, generate incremental growth and are targeted to attract and retain valuable shoppers?

## *Shopability*

Webster's dictionary defines **shopability** as (*noun*): "The condition of a store or commercial website that makes it easy for a customer to find items for purchase."

Retailers we've talked to define shopability more broadly to encompass the retail and omnichannel shopping experience. The more efficient, pleasant, informative and fulfilling the shopping experience is, the better. Thus defined, improved shopability serves not only to increase sales and reduce out of stocks, it enhances loyalty, retention, and in the best case helps to build retailer banner equity.

*"We're addressing inventory costs and shopability issues by reorganizing the category and aisle."*

*"We're cleaning up the category to provide shopper education... and a better shopping experience."*

*"(We're) working to provide the kinds of products and department that attract a younger shopper base and helps build our store image."*

Source: Edgewood confidential trade probes with leading FDMC retailers

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We approach shopability by gathering insights to understand consumers' rational decision process and sensory/emotional drivers. We pursue the analytic and creative paths independently. For the creative path we work with clients and their agencies and can engage our creative partner BrandFirst into the team. The innovation happens when we combine these creative and analytic insights into comprehensive solutions that engage shoppers' left and right brains. These shelf and aisle solutions may encompass one or more of the following:

- *shelf merchandising innovation,*
- *aisle reinvention,*
- *shopper education,*
- *in-store theatre,*

Let's take a look at a case study where we used this approach and proved it in a controlled store test to drive dramatic growth in a \$1.8 billion category.

**+15.6%**

test vs. control stores

Our Retail Marketing Mix Optimization addressed shopability in ways that drove outstanding results – test stores outperformed control stores by **nearly +16%**.

## Case Study

We started with quantitative and qualitative shopper research, combined with analysis and creative development to develop solutions that clearly demonstrated '*next level*' thinking:

**Variety** – not just efficient assortment with more variety but the right variety (SKU count stayed the same) to maximize consumer choice within and across segments.

**Efficiency** – more shopper-driven organization on shelf and facings re-allocation enhanced shopability while reducing out of stocks.

**Shopper targeting for incremental sales** – the biggest insights leveraged were ideas for how to convert seasonal shopper behaviors into millions more year-round, incremental usage occasions to drive sustained double-digit growth.

**Shopability** – we developed *shelf merchandising innovation, aisle reinvention, shopper education, in-store theatre* and promotion elements integrated seamlessly to create a new in-store experience.

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## NEW SHOPPER BEHAVIOR

Case Study: Growing, profitable category is highly seasonal and increasingly promotion dependent.

Challenge: How to create non-seasonal, everyday growth opportunities?

CATEGORY GREW

+15.6%

CLIENT BRAND GREW OVER

+45%

ROI

+274%

9/10

BRANDS INCREASED

7

INCREASED BY DOUBLE DIGITS

Solution: In-Store 'Everyday Gift Giving' in-store solution tailored by channel:

- On-Shelf Merchandising
- Off-Shelf Display "Gift Center"
- Shopper Education
- Shopper Marketing
- Simplified Line Pricing

*results... changed consumer behavior*

The results not only drove dramatic sales growth, they changed consumer behavior, elevated the category and built brand and retailer banner equity as well as competitive advantage.



Jeff Rehling & John Ferramosca contributed to this post, are principals at Edgewood Consulting Group.



To learn more, contact us at  
973 644 9788  
Edgewoodcg.com  
ijr@edgewoodcg.com