



A smart assortment-planning approach for click & collect



Most grocery retailers have gone live with online ordering, and those that haven't, have plans to do so. This has paved the way for curbside & in-store pick up (or click and collect) to become a prominent omnichannel touchpoint for the industry.

In fact, 12% of grocery sales in the US during a three month period happened via click and collect¹. Packaged food, fresh food, and vitamins appear as some of the top food categories sold, along with cleaning products in non-food categories. So, how does a retailer maximize this opportunity and ensure their customers always find the relevant products in a seamless omnichannel environment?

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A retailer's business challenge

A leading global grocer set up its click and collect channel and while initial sales grew as expected, it soon realized that optimizing the assortment mix would allow it to reach the channel's full potential.

Around the same time, emnos approached the retailer with its latest Assortment Planning solution, which bolsters predictive analytics to drive assortment decisions and support data-driven assortment planning.

The retailer then tasked emnos with providing an appropriate solution and process for creating the optimal assortment mix for its click and collect channel.

¹[The Digital Growth Opportunity in Curbside Pick-up Click & Collect and Subscription Services](#)



emnos' objective: help the retailer gain market share and increase sales of its click and collect format based on an assortment adapted to customers' expectations.

Approach

emnos created an initial plan to prepare and roll out the new assortment mix based on its proprietary algorithms, measure the sales outcome, and work on yearly projections.

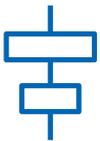
Based on this plan, emnos took a four-step approach to understand the business requirements, adapt the assortment-planning module, and implement the recommendations, using a three month test and learn pilot:



1. Diagnosis through interviews

The emnos team began by interviewing key stakeholders that were directly responsible for assortment planning. At the same time, emnos carried out a 360° diagnosis of the click and collect format based on performance, customer feedback, web analytics, competition mapping, and other relevant criteria.

“emnos fully rolled out the automated assortment tool, emnosAssorter that has the capability of real-time impact simulation and dynamic reports that provide data-driven assortment recommendations per store format”



2. Methodology alignment

Aligning with the retailer, emnos adapted its proprietary assortment methodology to account for this format with particular customers including many tests, weekly workshops, and reviews.



3. Range size and SKU recommendation

emnos provided the retailer with an optimal range and SKU size recommendation for total click and collect food and non-food categories, increasing the click and collect offerings by 1,100 SKUs.



4. Full assortment tool implementation with integration of external data

Within the initial months of implementation of the project, the solution started to show positive results. The recommendations implemented (based on the **emnosAssorter** tool) generated \$5M in just three months, with an annual total potential for the retailer in the range of \$70M.

Results



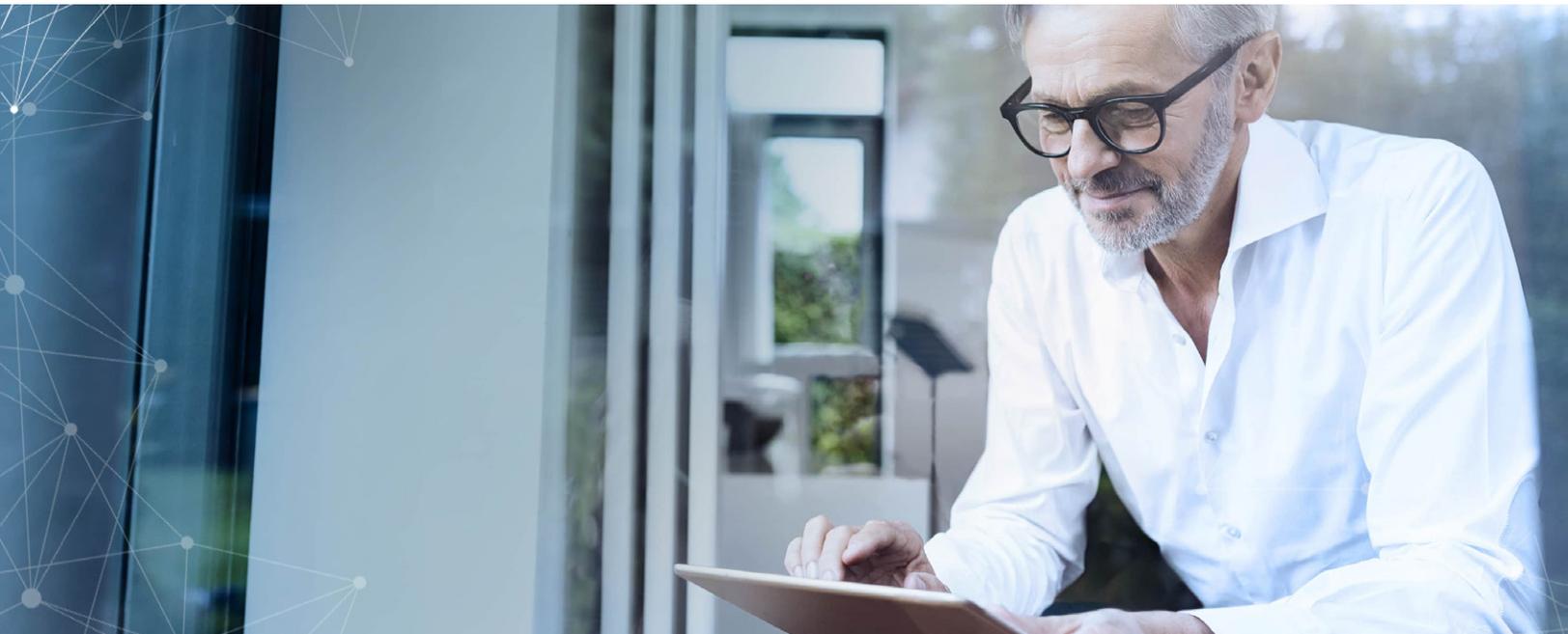
At the end of the three months that showcased successful results, emnos fully rolled out the automated assortment tool, **emnosAssorter** that has the capability of real-time impact simulation and dynamic reports that provide data-driven assortment recommendations per store format.

The impact measured was significant:

- ✓ **\$5M** generated in incremental sales through the click & collect channel
- ✓ At least 1 of the new products recommended in the assortment mix was carried in **86% of baskets**, indicating that the product recommendations were highly relevant
- ✓ An **overall +10% increase** of average weekly incremental sales for newly recommended products vs. historical ones

"The retailer plans to launch emnosAssorter across all categories and channels"

Given the impressive initial results, the retailer partnered with emnos to implement the solution with plans to update the assortment recommendations three times in the upcoming business cycle for brick and mortar and once every six months for the click and collect channel.



About emnos

emnos delivers intelligent, automated retail analytics solutions that empower its clients with better, faster decision making. Enabling retailers to transform shopper data into tangible growth, emnos engages both with retailers and suppliers bringing collaboration and impact to the business.

Operating throughout Europe and the USA, emnos is part of Loyalty Partner, a subsidiary of American Express.



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