

Creating your first planogram

A STEP-BY-STEP GUIDE



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A step-by-step guide



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Introduction

Creating professional looking planograms is often perceived as a daunting task. Most people are intimidated by the complexity of most space planning applications and the mystic ways in which the specialists flash through many screens and even more keystrokes if they're asked to demonstrate something.

That's why we made **Retail Shelf Planner**, a simple to use application that doesn't require you to follow long training courses or expects you to use it on a daily basis to remember how things work.

In our opinion creating planograms should be a simple and efficient task. Planogramming software should allow you to quickly and easily translate your knowledge on the category and the consumers into usable information that makes commercial discussions or operational shelf resets easier and more productive. **Retail Shelf Planner** will provide you with the features that are needed to do so, but leaves out all these unneeded extra's that only complicate life.

This white paper will take you with a few steps in approx. 10 minutes through the creation of your first planogram with **Retail Shelf Planner**.

Interesting related reads for follow up are the white papers "*Analyzing your first planogram*" and "*Planogram Data Requirements*" that you'll find on the website as well.

We trust that you'll find it helpful and are ready to answer any questions you may have after reading it. Send them to info@retailshelfplanner.com, and we'll get back to you as soon as possible.

Erwin Bergsma
Managing Director



Creating a planogram

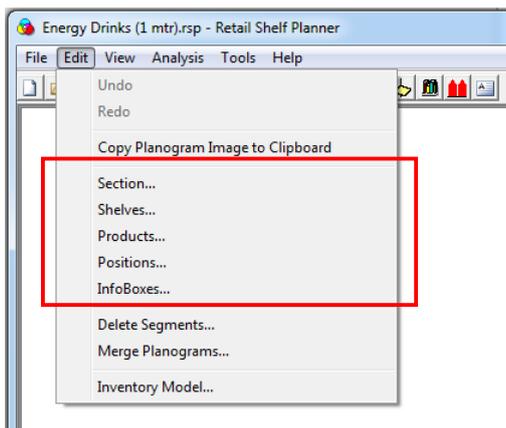
Creating a planogram in **Retail Shelf Planner** is a process that mimics the real life closely. You start by creating a section (backboard and base), then add shelves. Next step is to get the products that are then given positions on the shelves.

The four steps in this document will guide you through creating your first planogram in **Retail Shelf Planner**. As we will focus on the basics at this point, there will be a number of fields in each dialog that will be ignored. You'll see their applicability at a later stage.

After the four steps, we'll provide you with some additional information about creating more advanced fixtures with e.g. notchbars (aka uprights) and other fixtures than shelves.

Please note that the evaluation version of **Retail Shelf Planner** will not allow you to save your work.

Retail Shelf Planner provides access to the various dialogs through the menus as well as via buttons on the toolbar. At the beginning of each of the four steps we will refer to the menu-option or toolbar button as are displayed below:



Enterprise vs. Express edition

Everything that is explained in this document can be done with either the Enterprise or Express edition of **Retail Shelf Planner**. However, if you have installed the Express edition, you will see less buttons on the toolbar, and less menu-items in the Analysis menu, as various analytical features of the Enterprise edition are not available in the Express edition.

Start

For this white paper we start with a blank page as you normally would have after you started the software. Click File-New in case you already have a planogram on the screen.

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Step 1. The section

Select Edit-Section, or the button on the toolbar. **Retail Shelf Planner** will show the Section dialog that will help you creating the backboard and baseboard. In this dialog you'll have to fill in the following fields:

ID = Drinks
Height = 180
Width = 100
Depth = 40
Base Height = 15
Base Width = 98
Base Depth = 40



Now click the OK button. The section should be like displayed above on the left.

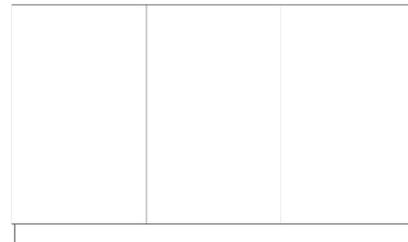


In reality the base has the same width as the backboard, but in **Retail Shelf Planner** we often make it just a little smaller as this looks visually more appealing.



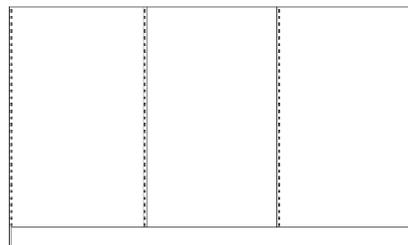
If you create a larger section, you can have **Retail Shelf Planner** automatically split it in multiple bays by increasing the number of segments.

The example to the right is a section with 3 segments. **Retail Shelf Planner** will assign the same width to each segment.



The above approach allows you to create a "generic" section, without having to have a lot of technical details on the fixture. In the next step you'll see that shelves are positioned based on their distance from the floor.

If you have a bit more technical detail about the notch bars (or uprights as some people call them), you can create an even more realistic section. Plus it will be easier to move shelves around at a later stage.





Step 2. Shelves

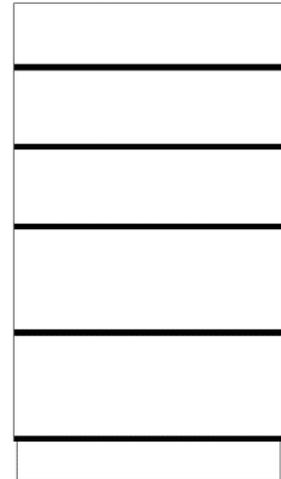
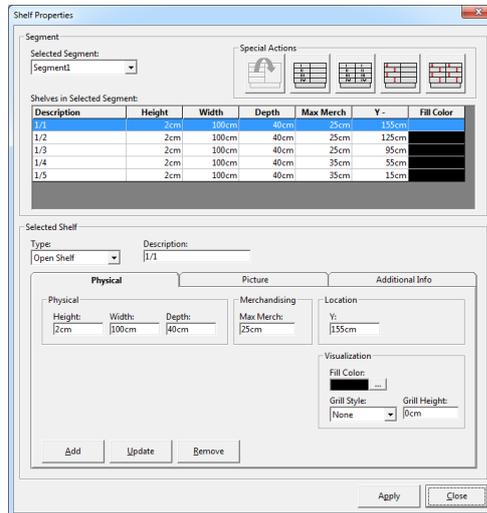
The next step is the definition of Shelves. Select Edit-Shelves, or click the button on the toolbar. Add the first shelf using the following values:

Type = Open Shelf
 Max Merch = 35
 Y = 15

Leave the other fields at their default values, and click the Add-button to add the shelf.

Add 4 more shelves in this way:

Max Merch	Y
35	55
25	95
25	125
25	155



 Max Merch is one of these particular terms used when making planograms. It describes the distance above the shelf that is available to merchandise products. If left at 0, **Retail Shelf Planner** will place the products 1 high; otherwise it calculates how many fit in the available space. Assigning a Max Merch will make placing products easier, as **Retail Shelf Planner** knows that the space belongs to the shelf, so that the mouse doesn't have to be positioned exactly over the shelf.

The Y coordinate is the distance from the floor to the bottom of the shelf.

 If you made a mistake, click on the incorrect shelf in the grid. Its values are copied into the various fields. Make your changes and click the Update button.

We've minimized our input, but for the next steps it would be better if we could identify the various shelves. There is a simple way to do that: click the second button from the left in the "Special Actions" box. **Retail Shelf Planner** will automatically assign a logic description to each shelf.

 The numbering of the shelves is done in the order they are displayed in the grid. Either from the top to the bottom, or from the bottom to the top. Click the column header Y to change the sort order.

Leave the dialog by clicking the Close-button. You'll see the shelves being drawn into the section as in the picture above on the right.

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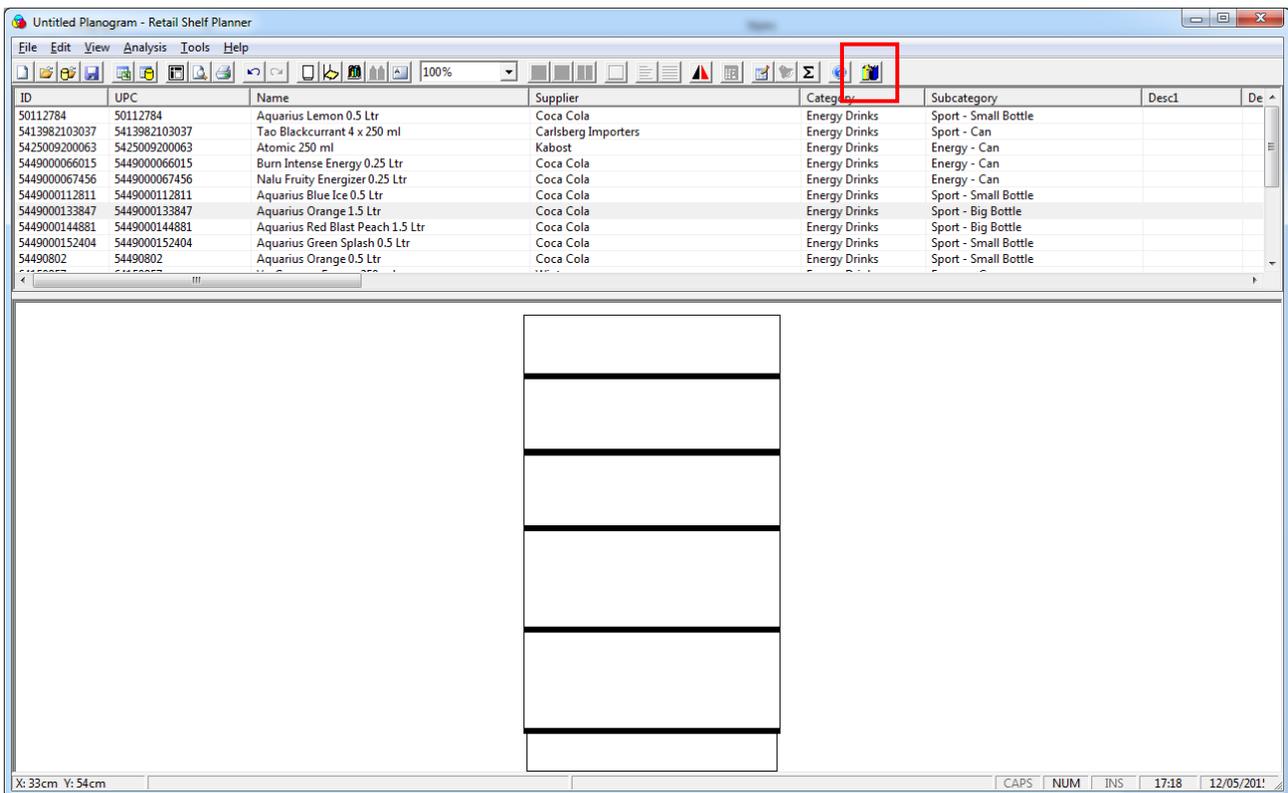


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Step 3. Adding & Placing Products

There are various ways to add products to the planogram. In this step we will focus on the easiest way.

The rightmost button on the toolbar opens the Product Library.



The default Product Library is an Excel file with a set of sample products. The first time the Product Library is opened, the data has to be loaded from the spreadsheet. After the initial load, the data is kept in memory until you close **Retail Shelf Planner**, so that you can close the Product Library for more screen space, and reopen it without delays.

Opening and closing is done with the same button on the toolbar.



You can quickly sort the list by clicking on a column header.



Step 3. Adding & Placing Products, continued

Adding a product to the planogram is simply a matter of selecting it, and dragging it into the planogram.

Select the product "Aquarius Orange 1.5 Ltr" in the Product Library and drag it onto the bottom shelf. Click the product, and press the <6> key on the keyboard. You'll see that the product is given 6 facings.

Drag the other "Sport - Big Bottle" product "Aquarius Red Blast Peach 1.5 Ltr" to the bottom shelf, and assign it 5 facings.



If you drag a product into the planogram and drop it in a merchandisable area of a shelf, the product data will be imported, and the product will be placed on the shelf.

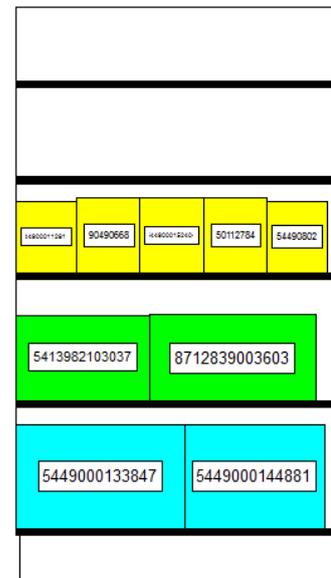
If you drop the product in a non-merchandisable area, e.g. next to the section, the product data will be imported, and the product added to the list of unallocated products.

Click the header of the column UPC to sort the products on their barcode. Click the product "Tao Blackcurrant 4 x 25 cl" and scroll down the list. Close to the bottom, select the product "Sportline Citrus 4 x 25 cl" while keeping the <Ctrl> key pressed. This makes Retail Shelf Planner to select both products. Let go of the <Ctrl> key and drag the selected products to the second shelf from the bottom

Assign the products respectively 4 and 5 facings like you did with the bottles on the bottom shelf.

Click the header of the column subcategory to sort the products on that characteristic. Select the first product of the subcategory "Sport - Small Bottle". Now select the last, while keeping the <Shift> key pressed. You'll see that all products between the first and last are also selected. Drag all selected products to the third shelf.

Once the products are on the third shelf, click on the first product, and then on the last product while keeping the <Shift> key pressed to select all of them. Press the <3> key to give each product 3 facings.



By now your planogram should look more or less like the picture on the right.



Using <Ctrl> click you can select multiple, non-consecutive products. Using <Shift> you can select multiple consecutive products.

This works in the Product Library, but also directly in the planogram. Click in the white space around the planogram to unselect all products.

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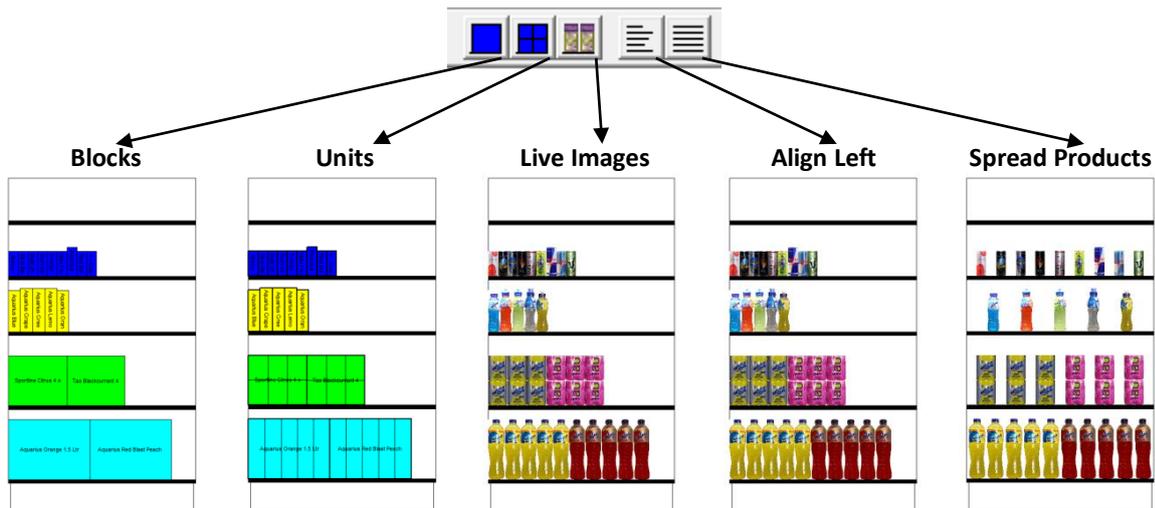


Making further changes

Once you have a planogram like this, you can use various other, intuitive ways to make further changes to it. This section will give you some ideas about that.

Displaying the planogram in different ways

On the toolbar you'll find 5 buttons to quickly switch between the different ways to display the planogram:



Click on the buttons to display the Live Images and align the products to the left, as this makes merchandising the planogram easier.

Changing Facings

Make sure that no products are selected by clicking in the white space around the planogram. Move the mouse cursor over the "Aquarius Red Peach 1.5 Ltr" product in the bottom right of the planogram. Press the 4-key on the keyboard to assign 4 facings to this product. Now move the cursor over the "Aquarius Orange 1.5 Ltr" product. Use the plus-key (+) on the keyboard to increase the facings until the shelf is full. If you increase the facings too much, you can decrease the facings with the minus-key (-).



If no products are selected, the numeric keys <1> through <9>, the <+> and <-> keys, as well as the <⇐> and <⇒> keys can be used to change the facings of the product the mouse is hovering over.

If one or more products are selected, the function to change the facings is applied to all selected products.

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About the author:

Erwin Bergsma is a Dutch national with an international mindset. He has an extensive background in the retailing industry that started back in the 1980's with a regional chain of bookstores in the Netherlands. Later he worked in the buying and merchandising department of Albert Heijn, the largest Dutch grocery-retailer.

During a 14 year career in consulting, account management and marketing with the global market information specialist A.C.Nielsen he built up an in-depth knowledge in the areas of data analysis, Category Management, floorplanning, spacemanagement and assortment planning. Having had local positions in the Netherlands, as well as European and global Marketing positions, Erwin has a broad understanding of the differences and similarities of retailing in many parts of the world.

In 2005 he founded Global Retail Business Solutions, providing specialist software applications and consulting services to companies in the FMCG and CPG business.

Over the years he has worked with many retailers and suppliers, ranging from relatively small locals to large multinationals, in virtually all distribution channels, including Food, Drug, Do-It-Yourself, Convenience, and Mass Merchandising, providing him with a unique and multi-faceted view on the retailing business.



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Global Retail Business Solutions is a Belgium based company with 25 years of experience in data analysis, Category Management, assortment-, floor- and space-planning. Our software and services are delivered directly and through partners to clients around the globe.

In those 25 years we worked with hundreds of local and international retailers and suppliers in Food and Non-Food, guiding them in the implementation and successful use of specific software applications supporting their sales, marketing, buying and merchandising departments.

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