case study: improving category performance

maximizing self-checkout sales by capturing routine purchases



the challenge

At a national grocery chain, more than half of all transactions were occurring at self-checkout, but shoppers weren't motivated by the **limited assortment and presentation** of SKUs available at the self-checkout units. While the retailer was balancing operational challenges, they had not presented key beverage, snack, and candy categories that shoppers typically prefer when checking out. Not capturing these important routine and impulse purchases resulted in declining sales at the Front-End and competitive retailers that were growing sales faster in this space.

more than 50% of all transactions occur at self-checkout

the solution

The pepviz[™] approach was used to better understand specific motivations at checkout that revealed the desire shoppers have to treat themselves with a purchase for immediate consumption. These key insights led to a partnership with the retailer for a two-market test designed to feature an **innovative self-checkout display and a strategic assortment of snacks, treats and, beverages.** The test leveraged the retailer's first-party data and pepviz's proprietary Front-End data, which highlighted that self-checkout purchases are more routine than impulse.

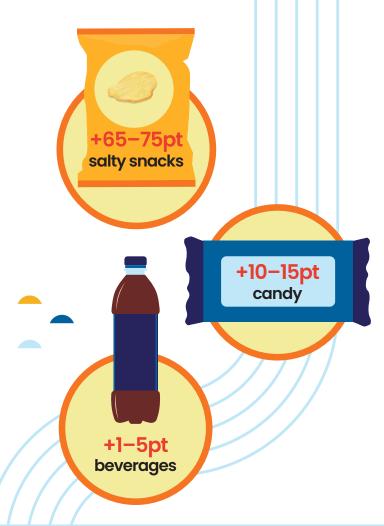
Since shoppers are more routine in their behavior, they expect a consistent choice of go-to items at the end of their shopping trip. The next step: unlocking immediate consumption purchases by giving self-checkout shoppers the choices they want in a convenient and appealing display.

the results

The collaboration yielded an **immediate lift to all Front-End categories, including routine and impulse purchases,** and brought a scalable impact to both the top and bottom line. Results included:

- A +10pt uplift in total Front-End sales
- Significant sales increases across three categories:
 - +1-5pt in Beverages
 - +10-15pt in Candy
 - +65-75pt in Salty Snacks

Galvanized by the success of the project, the retailer is currently implementing a strategic plan to **expand** the self-checkout solution and drive sales and profit beyond the test markets.*





"The pepviz approach enabled a strong customer partnership to reimagine a key space of the store. By leveraging shopper insights and granular data, we were able to propose impactful Front-End solutions that drove shopper conversion, resulting in sales growth."

Kate Garner, SVP Demand Accelerator



leverage the pepviz approach to discover new ways to grow

Partner with your PepsiCo team to harness the pepviz data and insights approach to uncover new ways to grow together, like innovative self-checkout solutions. Visit <u>pepviz.com</u> to reveal bold ways to connect with your shoppers.