



usg

UNIFIED STRATEGIES GROUP, INC.



Micro Market MERCHANDISING ROADMAP

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Participating Suppliers



Project Mission Statement

For micro markets operated by USG members, create a market flow, category layout and recommended product plan-o-gram based on data, insights and merchandising knowledge, that will lead to increased consumer satisfaction and improved micro market revenues and profitability.

Project Possibilities

Current annual data captured USG MM volume	\$171mm
Estimated non-reported volume (1,200 mkts)	\$ 59mm
Total annual volume	\$230mm
5% volume lift	\$ 11.5mm
10% volume lift	\$ 23mm

Where does lift come from –

Better market flow – better shopping experience

Improved product selection – more sales

Consistent product brand placement – find your stuff

Impulse sales – why not!

More “destination” products – bring’em to the market

Incremental rebate increase - \$172,500

Increased End Consumer Promotions - ?

Process

Use science based data analytics

Compare to similar retail segments

Apply industry tried-and-true insights and statistics

Reach consensus by suppliers as to recommended store layout, category positioning and product flow

Present plan to stakeholders for validation –

USG Operators – Micro Market Concepts – Suppliers

Develop product selections within each category

Test and verify test results

Publish a micro market recommendation for USG members

Track specific and group results

Program Time Line

**May 2015 – enhanced data clean up and mapping of Q1 2015 MM data
Established “Category Captains” for MM categories.**

**June 2015 – presented the Q1 USG MM data to the supplier partners
Data is for 3,501 USG member micro markets
Avanti Markets reported – 2,766
365 Markets reported – 129
Member reported – 606**

July 2015 – established category space allocation for all categories

August 2015 – Chicago Meeting

Day 1 – Category/Insights experts only – finalize layout

Day 2 – Presentation of the program to stakeholders and validation

September 2015 – continue development of product selections and rankings

Establish test variables

Begin testing

December 2015 – publish initial test results and recommended plan-o-grams

Data Requirements – Market Metrics - Participation

For ongoing validation of the results, participating test markets must report daily data to USG

For testing, we are using member generated reports plus reported data

For consistency in space allocation, we specified an “Average” market –

- 2 Beverage coolers

- 1 Food cooler

- 1 Freezer

- 6 linear feet of snack/candy dry goods shelving

- Monthly sales between \$3,000 and \$6,000

- Minimum six month account history

For future use, the product displays can be scaled up or down.

Participation in the initial testing will be conducted by the ten USG members who attended the meeting.

The recommendations and results will be available to all USG members

Chicago Meeting

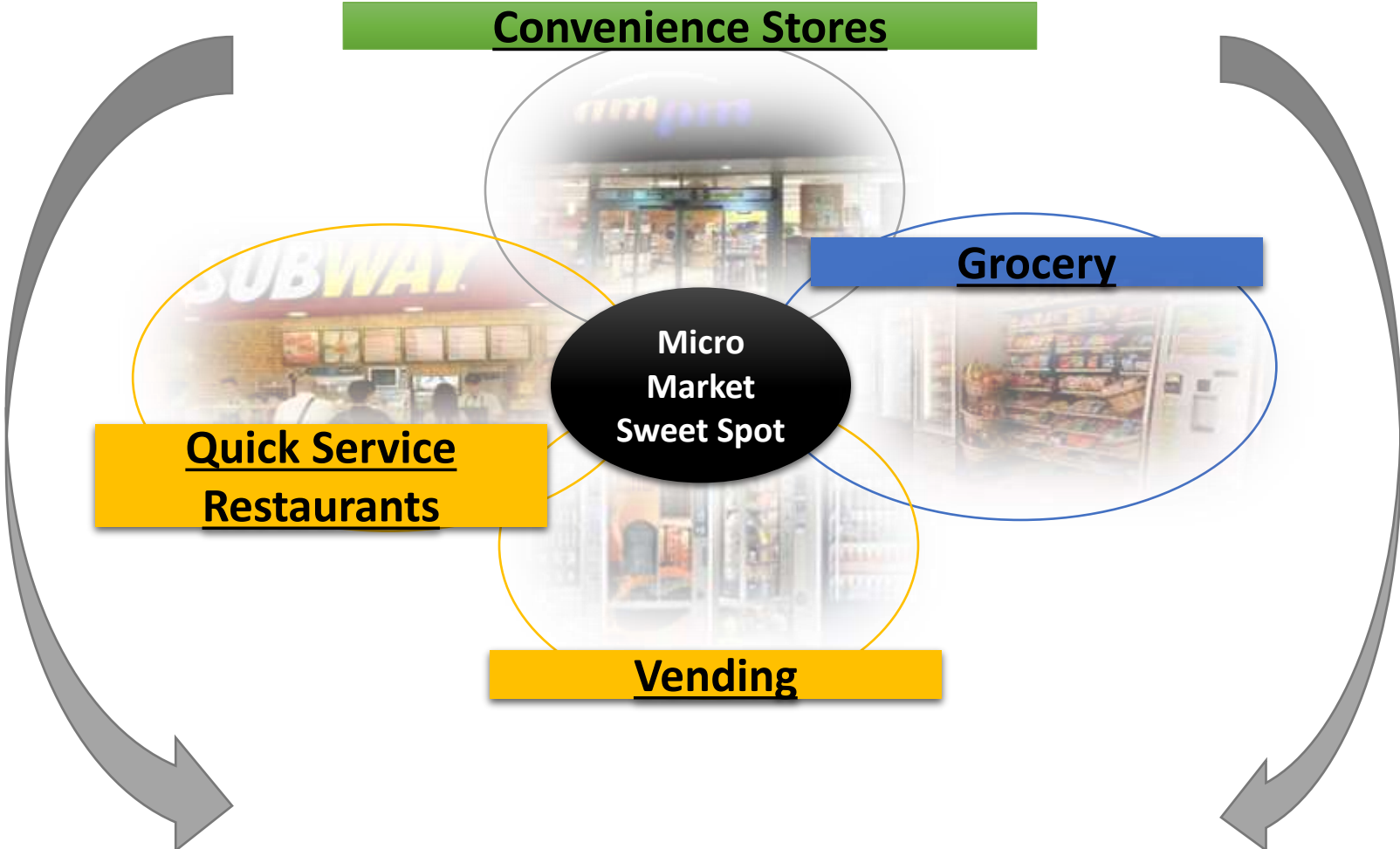


Day 1

Category/Insights specialists and USG met to develop the recommendations.



Micro Markets Have the Potential to Reflect Best in Class Practices from these Established Channels



The more we look to and leverage insights at these intersections, the richer our opportunity can be!

There are Several Planks to the Process...



Categories Allocated based on Fair Share of Space



Top selling SKUs with the luxury of breadth and depth!

"Think like a Retailer!"

Methodology Utilized to Translate Data and Insights to Planograms

Data Source



Methodology Steps

