

Six Ways to Measure On Shelf Availability

In the modern age of immediacy, retailers need to ensure that their on-shelf availability (OSA) is as accurate as it can be to ensure customer loyalty and improve omni-channel performance.

But what options are there, and which one is right for your business?

NILPICKS

A retailer can leverage a failed pick to gauge their OSA

ROI: UNKNOWN

Data Accuracy: Moderate

CapEx required: 

Costs:  

Pros

- Can be integrated with your online procedures

Cons

- Prone to manual errors
- Online offers not across every store in the estate

STORE AUDITS

Utilise existing staff to manually count stock and check out of stocks

ROI: 2X

Data Accuracy: Moderate

CapEx required: 

Costs:    

Pros

- Quick to deploy with existing teams

Cons

- Labor costs are rising
- Your OSA is only valid at a point in time
- Human error

ROBOTICS

Aisle-based robots are deployed in store aisles to monitor stock in real-time

ROI: 2.5X

Data Accuracy: Moderate

CapEx required: 

Costs:     

Pros

- Prioritises effective shelves
- Provides root cause analysis

Cons

- Can only perform 2-3 scans per day
- Limited use during peak hours
- Very high CapEx

PERPETUAL INVENTORY

Calculated availability based on expected receipts from the distribution centre and existing sales

ROI: 3X

Data Accuracy: Low

CapEx required: 

Costs:   

Pros

- Quick to deploy
- Good PI leads to accurate delivery levels

Cons

- Low data accuracy
- Requires frequent human counts
- No intraday out-of-stocks

SHELF-MOUNTED CAMERAS

Small, fixed cameras on the shelf edge to provide monitoring of shelf OOS's.

ROI: 3X

Data Accuracy: Low

CapEx required: 

Costs:   

Pros

- Real-time data
- Can also scan topstock and backroom
- Actionable data

Cons

- Intrusive
- Open to theft
- High maintenance costs
- High CapEx

AI AND ML-BASED SAAS SOLUTIONS

SaaS solution utilizing readily available retailer data to detect and alert on real-time out of stocks.

ROI: >20X

Data Accuracy: Very High

CapEx required: 

Costs: 

Pros

- No capital costs
- Easy to integrate
- Reduces labor costs
- Scalable (100-1000 stores)

Cons

- Retailers might not have the input data

This isn't a definitive list, but six of the most used solutions to measure availability. Deciding which one is right for you is not straightforward and we would be happy to talk you through which would be best for your business.