

Shelf Space Allocation at Coles Brands & Private label

John Durkan

Merchandise Director

May 2012

Independent shelf-space allocation

Shelf Layouts are designed with two main aims:

1. Customer Friendly – Easy to find the item I want
2. Store Efficient – minimise out of stock potential, stock fits on shelf when delivered

Layouts also differ depending on the balance of characteristics of a category:

- *Usage Occasion Led* – where how a product is used defines its positioning
- *Value Led* – where price is most important to customer decision making

For ranging and space allocation decisions Coles brand products are treated in the same manner as proprietary brand products.

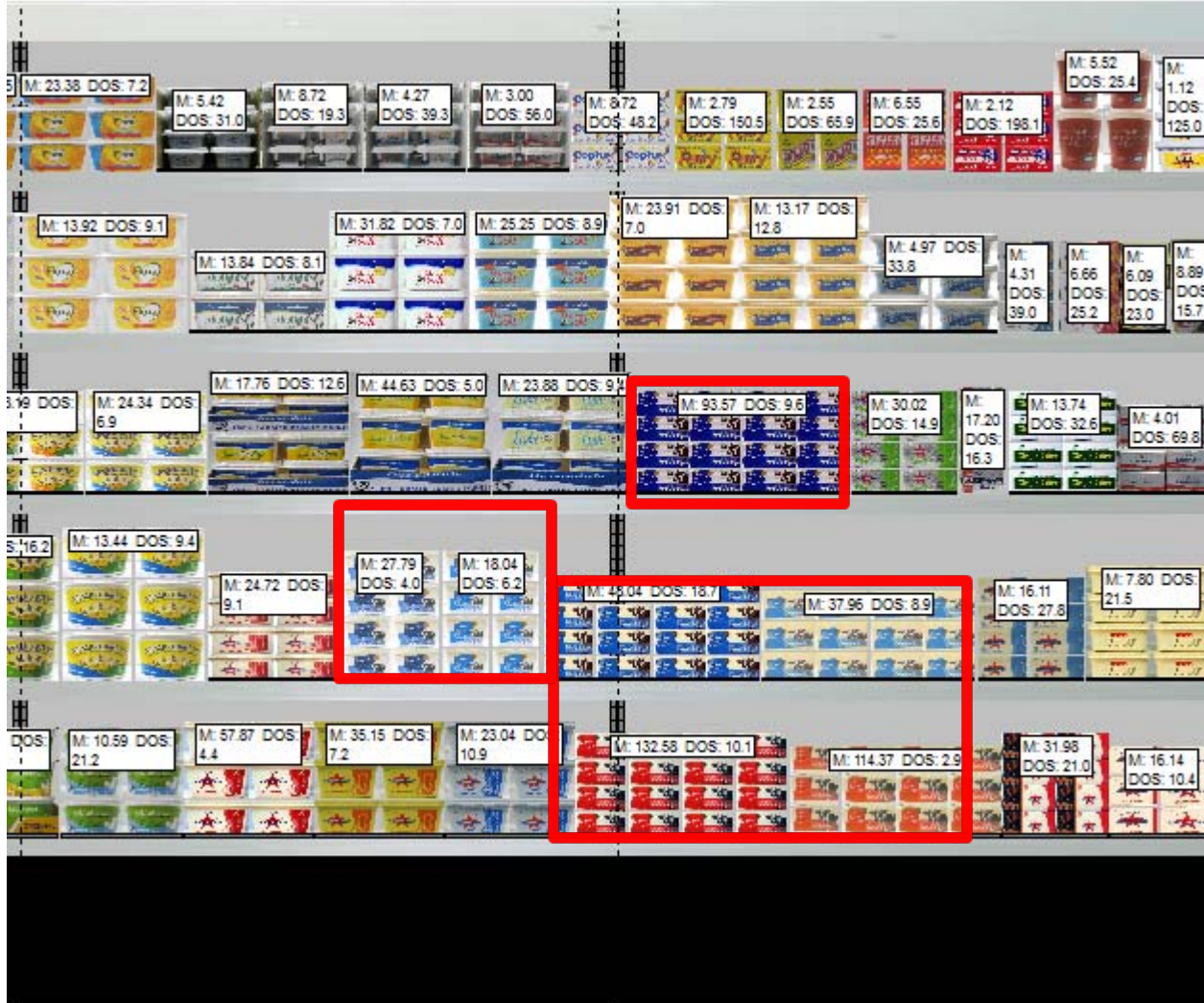
The example depicted opposite shows that Coles brand products are located together with similar brands and less shelf space than proprietary brands.

Coles Green Choice Laundry Powder next to Earth Choice Laundry Powder



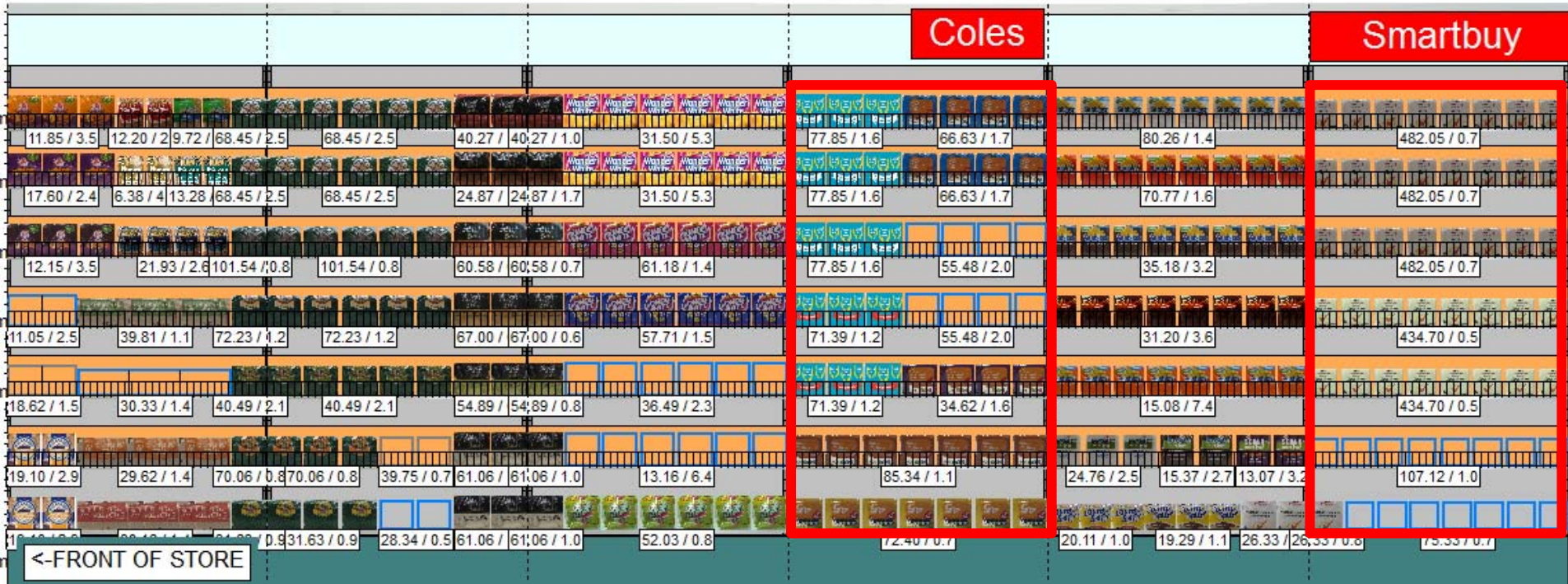
Coles Ultra Laundry Powder with other cheaper branded items

Shelf space allocation – Table spread



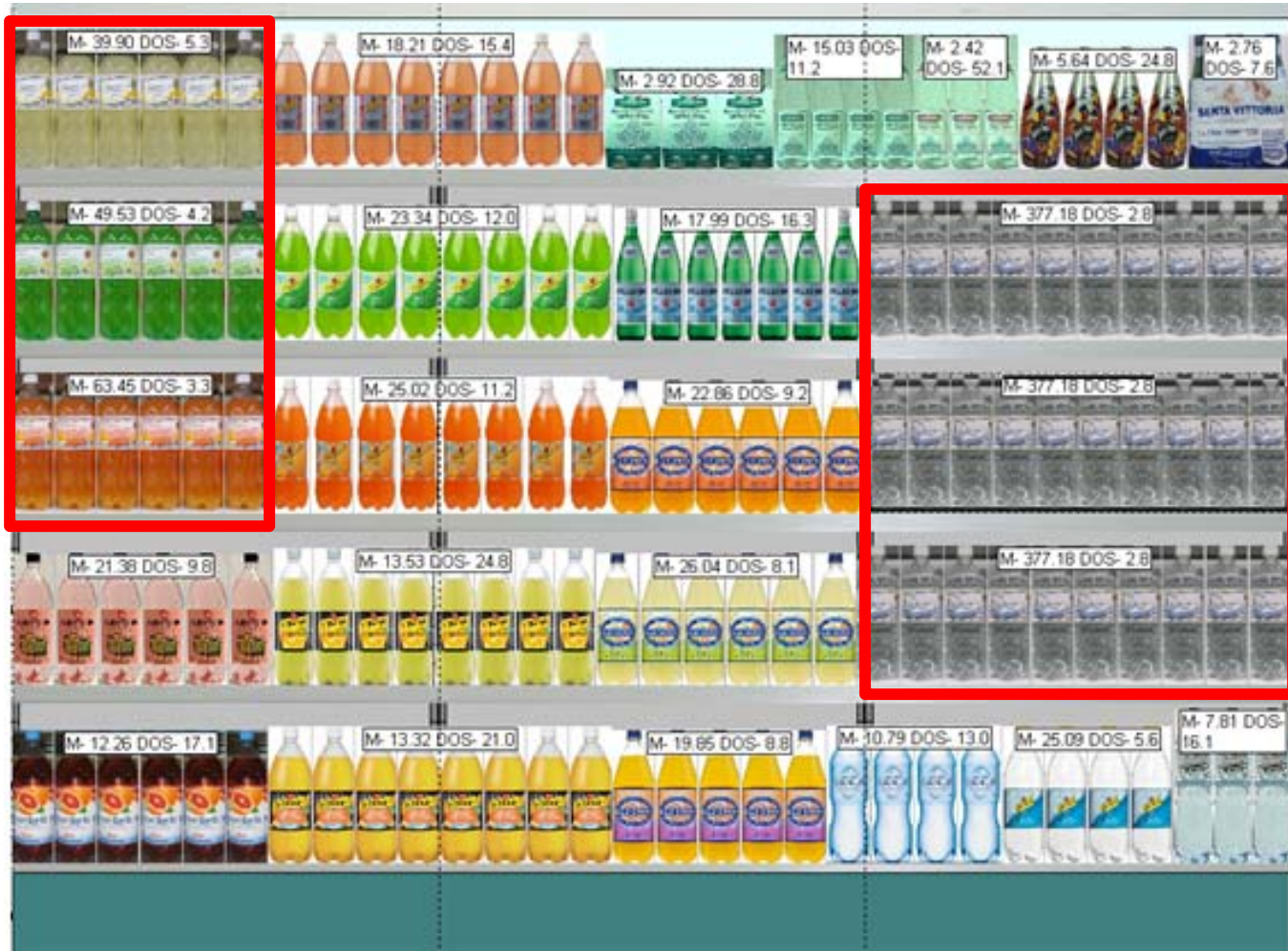
Layout built with a Health, Margarine, Spread, Butter/Cooking usage occasion split, Coles butter items are highest volume so have prominent locations alongside the similar branded product

Shelf space allocation – Packaged bread



Layout built by brand and type
 Coles items are highest volume so have prominent locations alongside the similar branded product

Shelf space allocation – Soft drinks



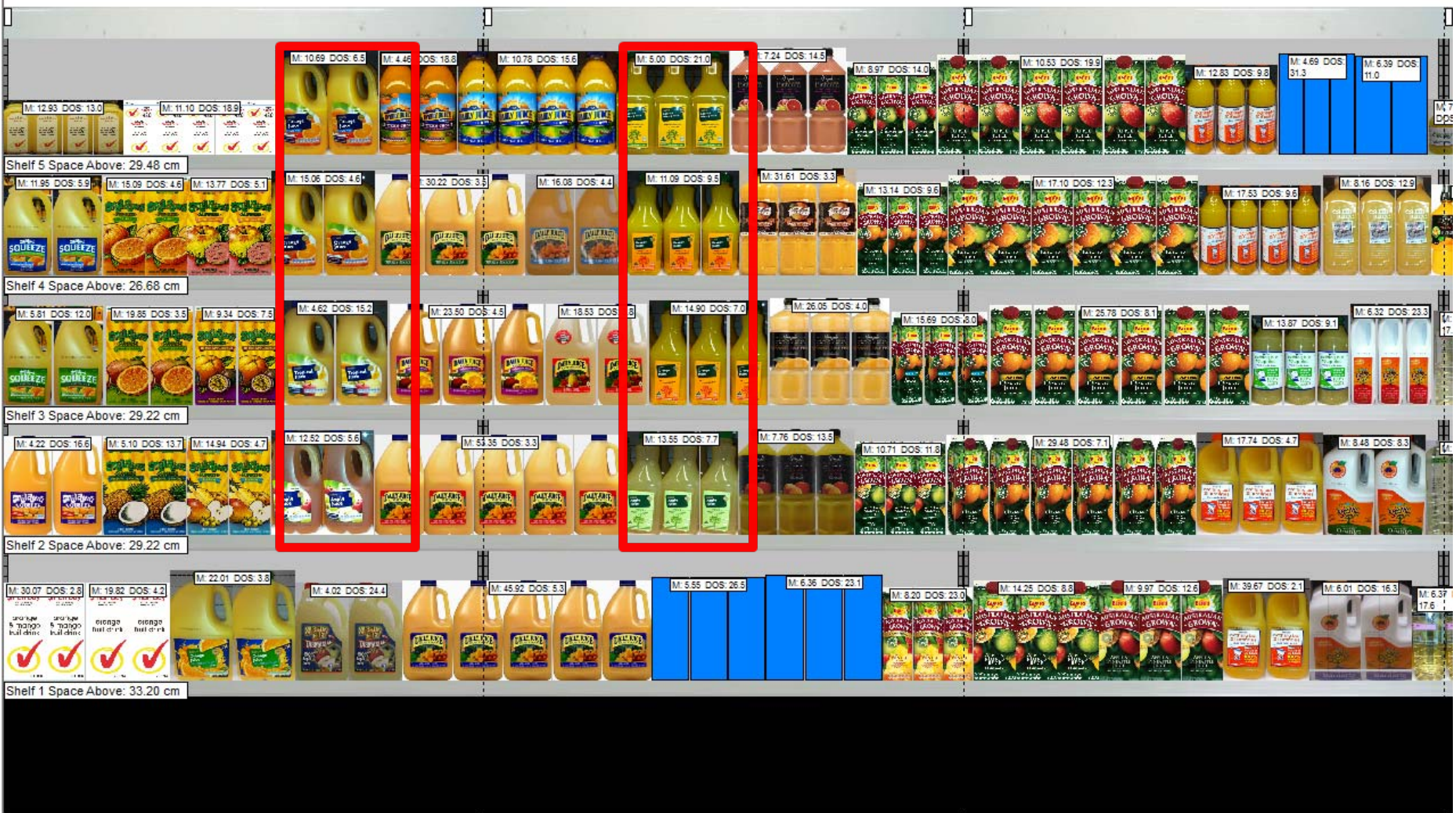
Layout built with a Natural & Flavoured split, then by brand and flavour type
Coles items are highest volume so have prominent locations alongside the similar branded product

Shelf space allocation – Chocolate biscuits



Customers have their own favourite Chocolate Biscuits, so layout blocked into major biscuit types
 Most wanted items (Arnott's Tim Tam, Mint Slice) easy to locate

Shelf space allocation – Fruit juice



Layout built with a Drink > Juice > Fresh Juice split, then by brand and flavour type.
 With an impulse usage occasion section Coles items are placed alongside the similar branded product

Shelf space allocation – Canned beans



Items blocked beans and spaghetti left to right and by price band left to right – Coles Smartbuy on bottom
 Coles Brand items placed beside branded equivalents to assist customer purchase
 Branded items have higher sales and subsequently more space

Shelf space allocation - Tissues



Facial Tissue Layout built with a price/quality based flow.
Cheaper/ lesser quality products on lower shelves moving up to better quality/more expensive
Facings balanced to assist ease of shopping and remaining in stock.