

Case study

Space and Floor Planning,  
Assortment Management



# wilko Meets Local Shopper Needs and Drives Profits with Blue Yonder

## Results

- Increased sales of top-performing SKUs up to 10%
- Forecasting a 5% increase in sales with each category reset
- Unlocked 5% in new trading space and eliminated 2% of redundant stock

## Up to 10% improvement in sales of top-performing products

“Blue Yonder’s planogram and assortment optimization capabilities allow wilko to base its merchandising decisions on facts — and consistently enact a data-driven strategy across every shelf at every store. As a result, we’ve realized up to 10% increase in sales of our best-performing, essential products across more than 400 stores.”

– Senior Strategic Space Planner

## Challenges

- Founded in 1930 with a single location in Leicester, today wilko is a leading UK homes and gardens retailer, with over 400 stores.
- Historically, wilko lacked a means for collecting and applying local shopper data, which led to poorly performing product assortments and visual displays.
- wilko partnered with Blue Yonder on a cloud-based implementation of data-driven, automated space and floor planning solutions to make the planning team more efficient, more agile and more driven by facts.

## A 5% forecasted uplift in sales with each category reset

“The ability to forecast the performance of new layout changes using Blue Yonder’s assortment optimization capabilities allows the wilko space team to confidently and accurately make decisions about category resets. As a result, we typically remove 20% of slow-moving products and achieve an average 5% sales uplift when we reset a specific category through assortment rationalization and optimization.”





## A £350,000 savings in store equipment due to improved space usage

“Floor planning from Blue Yonder helps wilko capture and track our store equipment, across more than 400 stores, in one central location. We can accomplish stock forecasting and layout changes much more quickly and accurately, maximizing the value of all our available space. This has unlocked 5% in additional trading space, saved £350,000 on recycled equipment and removed 2% of stock that was duplicated across layouts.”

## More efficient staff hours devoted to space planning

“By leveraging a cloud model and automating our planogram production process, the wilko space team has shifted from an administrative to an analytic mindset. Not only are we more agile and responsive, but our planners can work much more efficiently and productively.”

## Solution benefits

- Automation and data science drive accuracy and improve efficiencies at wilko, so the company can respond rapidly to ongoing changes in demand. Buying insights, store layouts, space and shelf availability are combined with shopper intelligence to precisely match displays and visual merchandising to local shopper needs.
- Space and floor planning solutions from Blue Yonder help wilko ensure that space is optimized at all levels, across more than 400 stores, so each product has the capacity to meet peak demand and avoid out-of-stocks.

- Blue Yonder supports increased profitability and sales growth at wilko by prioritizing the space devoted to high-demand product categories that will increase revenue and maximize financial return.

## Blue Yonder's expertise

“Blue Yonder understands all the parts of the retail supply chain, and they develop software that addresses retailers' actual needs. Blue Yonder space and floor planning solutions have helped wilko better understand our shoppers' needs at a very local, granular and precise level that goes well beyond aggregated market data. Instead of just putting products on the shelf, we are acting analytically and strategically to grow sales and meet shopper demand.”

– Senior Strategic Space Planner

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