



Case study

Space Planning



From Category Management to Leadership at PepsiCo

Results

- Increased benchmark rankings to no. 1 in category management and insights
- Powered evolution to category leadership

Revving up category management

PepsiCo Australia & New Zealand is home to some of the most recognized and respected global and regional brands such as Smith's Chips, Red Rock Deli, Bluebird Chips and Twisties. Recently, the company's snacking division has revved up its usage of Blue Yonder's space planning solution to achieve remarkable results.

"PepsiCo has always used Blue Yonder's space planning solution to support our category management initiatives. Historically, we have used it to engage with our retail partners on micro space planning and conduct micro space analytics. In recent years, our retail partners have shifted their expectations of PepsiCo from category management to category leadership, and our partnership with retailers has evolved from co-creating Salty Snacks Category Solutions to Macro Snacking Total Impulse Solutions. We are happy to work with software tools that support our role in the industry." - **Category development manager, PepsiCo Australia & New Zealand**

Challenges

- Based on its increasing importance for grocery, PepsiCo wanted to go beyond category management to category leadership to establish a total macro-snacking view.
- PepsiCo wanted to increase its rankings in the retail benchmarking surveys as a barometer of its performance.
- PepsiCo sought to better engage with retailers to create a macro-snacking total impulse solution and drive store-of-the-future concepts in order to increase basket value.





Improving benchmark rankings

For PepsiCo, the Advantage Survey has consistently been a credible barometer of its performance in areas such as category development and insights, as ranked by key retailers. The category team at PepsiCo set on an ambitious plan to raise the Advantage score and move their rankings to the top five.

With the help of Blue Yonder, they did better than that. They raised their ranking to no. 2 in category management and no. 1 in insights in the survey. They also ranked no. 1 in the COVIN 360 survey for both category management and insights.

Driving basket value

As retail becomes more and more competitive, retailers are stretched for capacity. The snacking category team at PepsiCo prides itself in helping retailers to actualize their goals and increase basket value by improving category management and space planning.

“Leveraging our global brands and our learnings from the global market enable us to drive a point of difference for the all-important customer experience in the in-store environment. Aligning our initiatives and priorities with retailers and having software tools that allow us to talk to retailers in a language that resonates with them also helps in creating that point of difference.”

3D space planning

As PepsiCo tapped into snacking habits in Australia, they felt the need to visualize their presence in the store environment, to go beyond the aisle and look at the store in its totality. The easy integration of 3DVR's Retail Visualization Suite (RVS) with the Blue Yonder space planning solution provided PepsiCo with a powerful means to visualize their store presence, further develop their category strategy and bring to life their macro snacking growth strategy. “From using Blue Yonder only for shelf planning at range review periods, we are now

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utilizing Blue Yonder and RVS every day for point of purchase solutions and trials.”

Category thinking

Blue Yonder has been an active partner in supporting PepsiCo's strategy to go beyond category management to category leadership. “Over the last few years, PepsiCo has strived to embed category thinking within every function of our business, from the development of insight-led innovation right through to shopper-led activation at point of purchase. PepsiCo is committed to bringing our retail partners holistic category solutions, beyond brands and products.” - **CEO, PepsiCo Australia & New Zealand**

Solution benefits

- Helped drive change of mindset with retailers from category management to category leadership
- Drove surge in retail benchmark surveys to no. 1 rankings in category management and insights
- Supported the evolution from Salty Snacks category solutions to Macro Snacking Total Impulse Solutions within PepsiCo and with retailers

Blue Yonder expertise

The Blue Yonder and 3DVR solutions have supported PepsiCo's team to drive elevated conversations with retailers around the store-of-the-future. “Leveraging our global brands and our learnings from the global market enable us to drive a point of difference for the all-important customer experience in the in-store environment. Aligning our initiatives and priorities with retailers and having software tools that allow us to talk to retailers in a language that resonates with them also helps in creating that point of difference.” - **Category development manager, PepsiCo Australia & New Zealand**

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