

SEVEN STAGES OF CATEGORY MANAGEMENT Building a Success Story in Food Retail

While the terms may vary slightly, ultimately every successful product has consciously progressed through a seven-stage development process that ensures sound strategy, retail planning and consistent execution. We support our clients through this process, ensuring that they are not missing fundamental pieces to support their long-term success.

Seven Stages of Category Management:

Step 1: Defining Your Category Fit for Your Item

Knowing there may be several categories and locations within a store where you could be a fit and subsequently merchandised, it's important to select the best suited target category based on product make-up, competitive environment, required margins and other important factors such as your ROI for your business to remain viable.

Step 2: Identifying the Role You Want to Play in the Category

Every product has a role to play within a store and category, and it's important to know where you fit and how you'll help the retailer build a stronger offering. Successful suppliers understand the importance of knowing the potential roles of their product within that category. They use this information and other insights to prioritize their product's attributes in a way that helps create a compelling reason for a buyer to want to place the product on their shelves, and more importantly, how it will motivate customers to want to make a purchase.

Step 3: Category Review and Assessment

It's important to understand what the total market potential is for your specific product, and your likely share. Additionally, we help clients assess how they stack up against direct and indirect competitors, by taking a virtual S.W.O.T. walk of potential retailers, using critical assessment criteria that helps them be better positioned to win.

Step 4: Taking Score and Developing Your Strategies

Using the data and information gathered, the next step is building a list of issues and tasks that must be addressed as the foundation to the strategy development process. We use a decision matrix that captures the top 20 common issues requiring deliberation, including who is your target customer, what are some of the necessary labelling and packaging considerations, and practical issues such as do you have enough financial capacity to meet your goals.

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Helping clients reach their full potential.

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Step 5: Establishing your Tactical Plan

The tactical plan summarized specifically how you plan to relay your selling points and translate your strategic plan into action.

Step 6: Retailer Specific Business Plan

While every retailer has different needs and expectations, all retail plans have common elements that will help increase your likelihood for a partnership that works for YOU and the Retailer.

You need have a solid understanding of each of the elements, such as setting your price, projecting realistic sales, ensuring you are ready to deliver, understanding shipping and warehouse requirements, broker and distributor roles, food safety standards and developing an aligned marketing plan.

The buyer meeting can feel both exciting and a little overwhelming. Its important to be well researched and ready to use your very limited time in the most compelling way. Its important to consider who are the right people to attend, and ensure they are ready to answer the anticipated questions, and arm them well with a complete presentation and samples that reflect the true state of the product.

Step 7: Setting it... Then Forgetting It

Far too often, the premature death of a product in a store is directly related to the “set it and forget it” mentality of the supplier and or buyer. The relationship only begins once that first order is placed, and we coach on the importance of owning your success by building a reputation for reliability and follow through.

Food Solutions Group - Helping Clients Reach their Retail Potential

Food Solutions Group is a Western Canadian based advisory firm that brings together the top talents of the food industry, capable of providing expertise and insight in all aspects of the food processing and retail industry.

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