



Efficient Consumer Response Australasia
Winning in January
2015 Review





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Acknowledgements

The Secretariat would like to thank ECRA Board members for continuing to drive focus, deliver best practice and support the *Winning in January* initiative.



Good Food, Good Life



NEW ZEALAND FOOD & GROCERY COUNCIL



the fresh food people



Introduction

Product availability in January has been a challenge for the fast moving consumer goods industry for years for both retailers and suppliers. For many, January service levels have suffered in comparison to Christmas, and as a result have seen poor product availability; lost sales; stock outs on shelf and a less than satisfactory offering for the shopper.

In early 2009, the Board of Efficient Consumer Response Australasia (ECRA) identified improving January service levels between suppliers and retailers and between retailers and their stores as a major opportunity for the industry to collaborate under the banner of Winning in January.

The following ECRA report provides a fact based set of key industry results since 2009. This year's report should be used to inform your business, prepare for 2016 and act as a catalyst for further discussion with your trading partners.

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January 2015

ECRA has again this year undertaken a data based approach to reviewing service performance levels from retailer distribution centres (DC's) to stores for the period over Christmas and New Year and the month of January 2015.

The data capture was undertaken with the collaborative support of retailers Coles, Metcash Trading and Woolworths Limited.

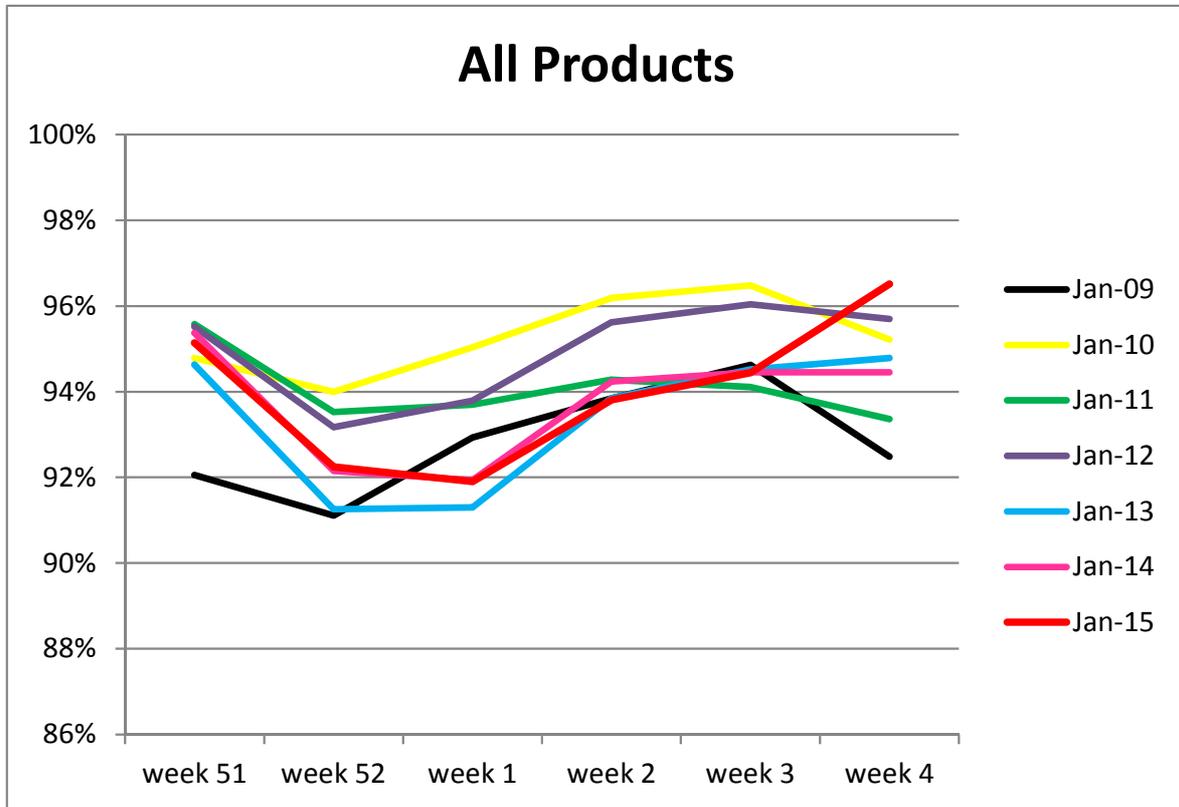
To facilitate performance comparisons retailers have tracked **Outbound Service Levels (OBSL)** from their distribution centres to their stores each summer since 2009. Data provided is both high level business splits (shown below) and specific categories of particular interest through the summer period.

Whilst results varied by retailer and by category, the consolidated data provides insight into the top-line outcomes and industry trends.

The legend for the OBSL charts is as follows:

- *Horizontal axis = week of year.
Week 51 aligns to Christmas week, Week 52 to New Year week and 4 to Australia Day week.*
- *Vertical axis = percentage of cases ordered by stores which the retailers were able to supply for the week in question.*

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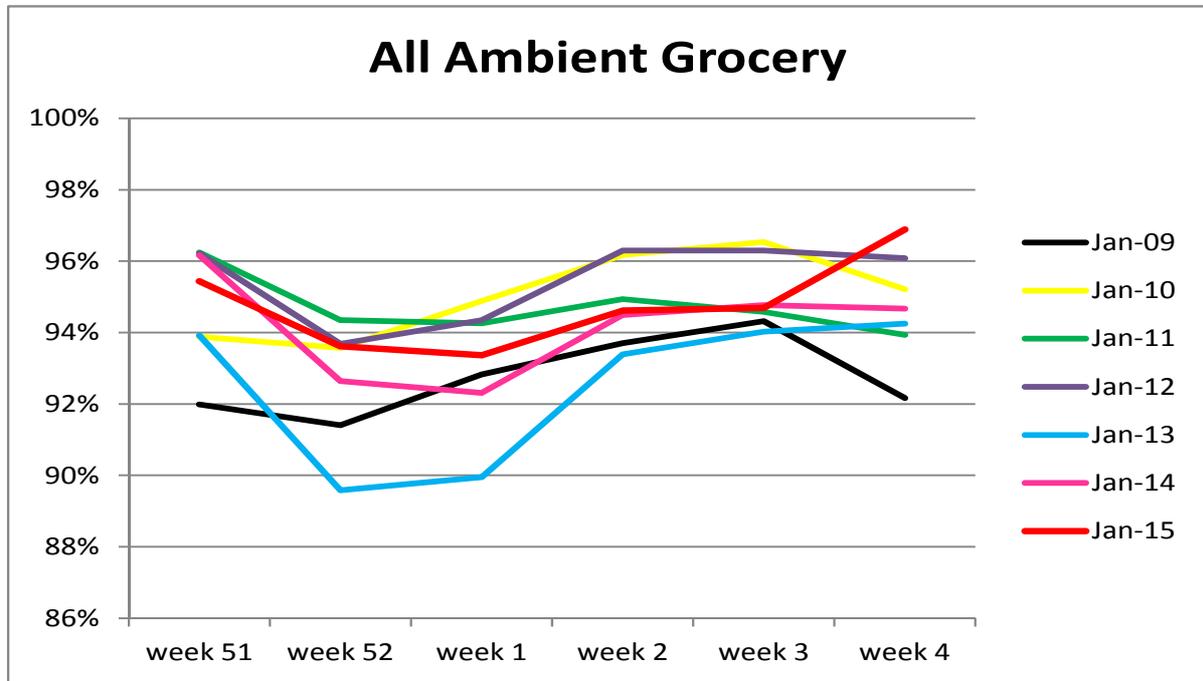


*chart shows consolidated Ambient Grocery and Perishables results

Snapshot of Results

- An average performance compared to the past 6 years.
- Christmas to New Year remains a substantial opportunity to be addressed.

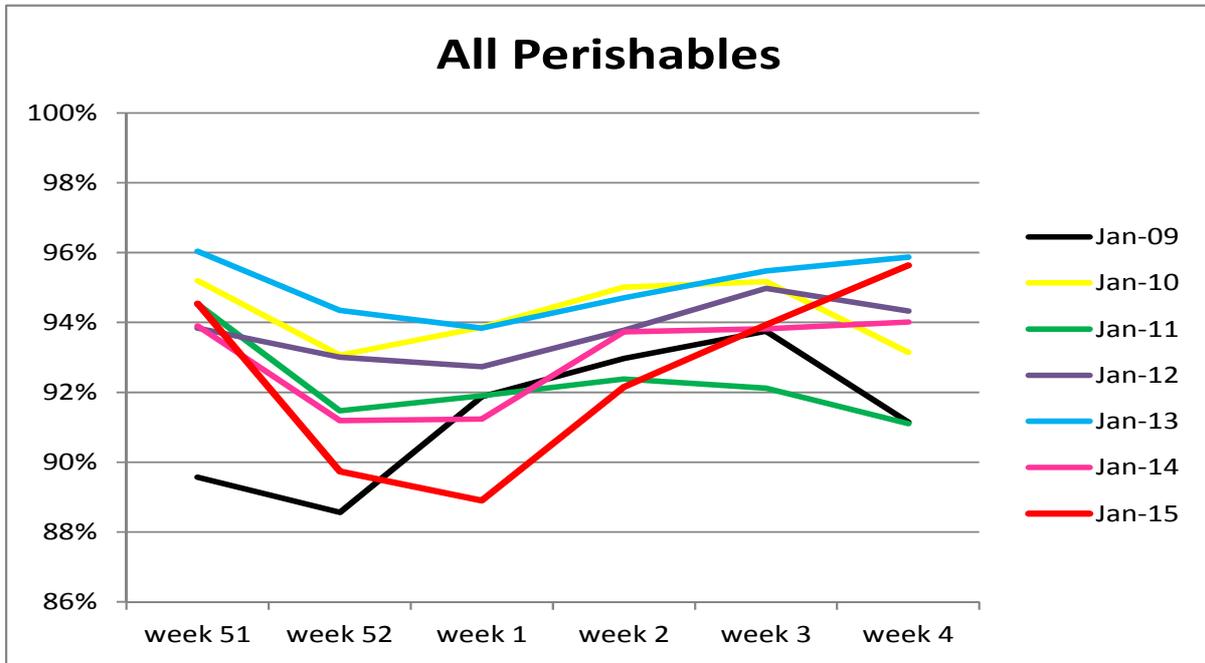
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Snapshot of Results

- Continuing improvement versus 2013.
- An average performance compared to the past 6 years.
- Christmas to New Year remains an opportunity, some improvement on 2009, 2014 and 2013.

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Snapshot of Results

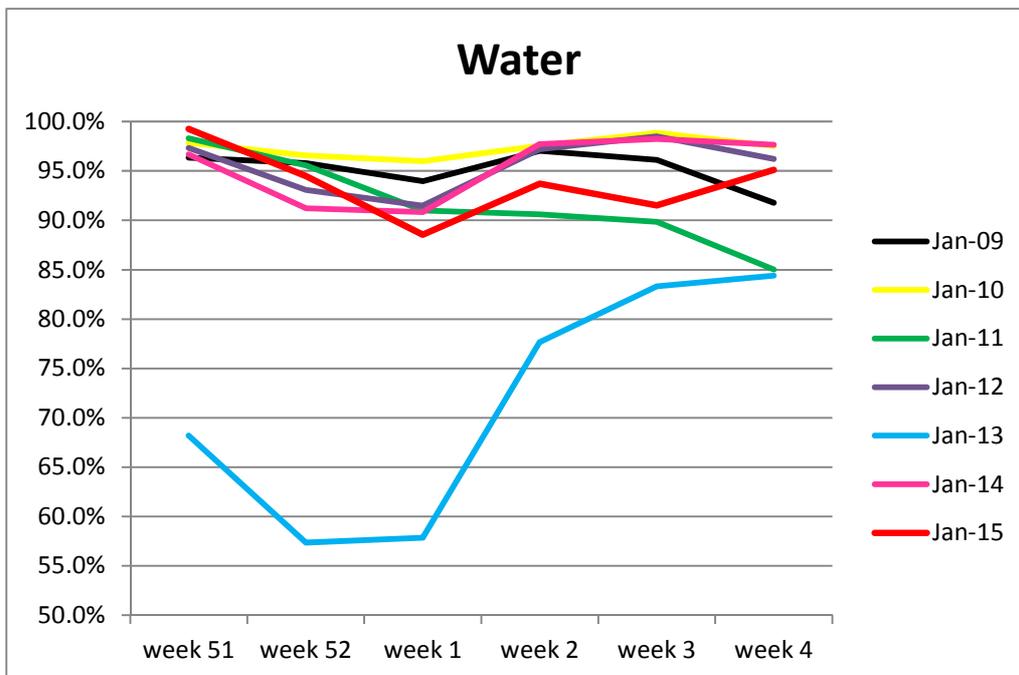
- Performance fell away in Christmas and New Year weeks then recovered.
- Poorer overall performance compared to the past 6 years.
- Christmas to New Year is a substantial opportunity to be addressed.

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Category Results - January 2015

Coles, Metcash and Woolworths provided OBSL data for several key seasonal categories from DCs to stores for the last two weeks of 2014 (weeks 51 and 52) plus the four weeks of January 2015 (weeks 1 to 4). Data was also provided in 2009 - 2014.

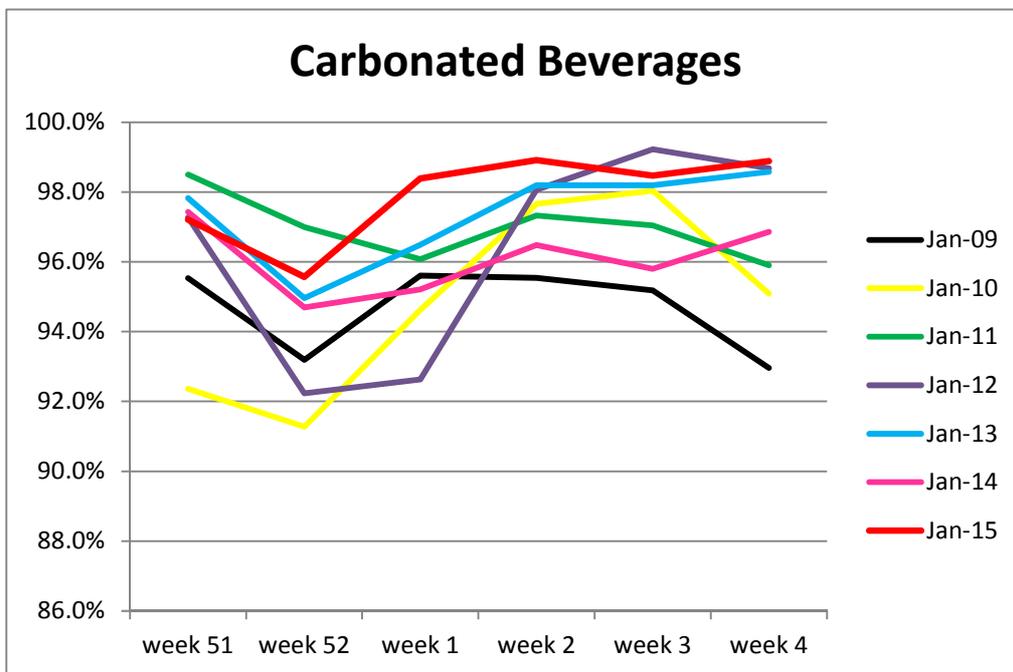
The information was provided in weekly buckets identifying the number of cases (i.e. order multiples of product) delivered to stores nationally against the number of cases requested. Data has been consolidated to protect individual retailer confidentiality and displayed in the charts below.



Snapshot

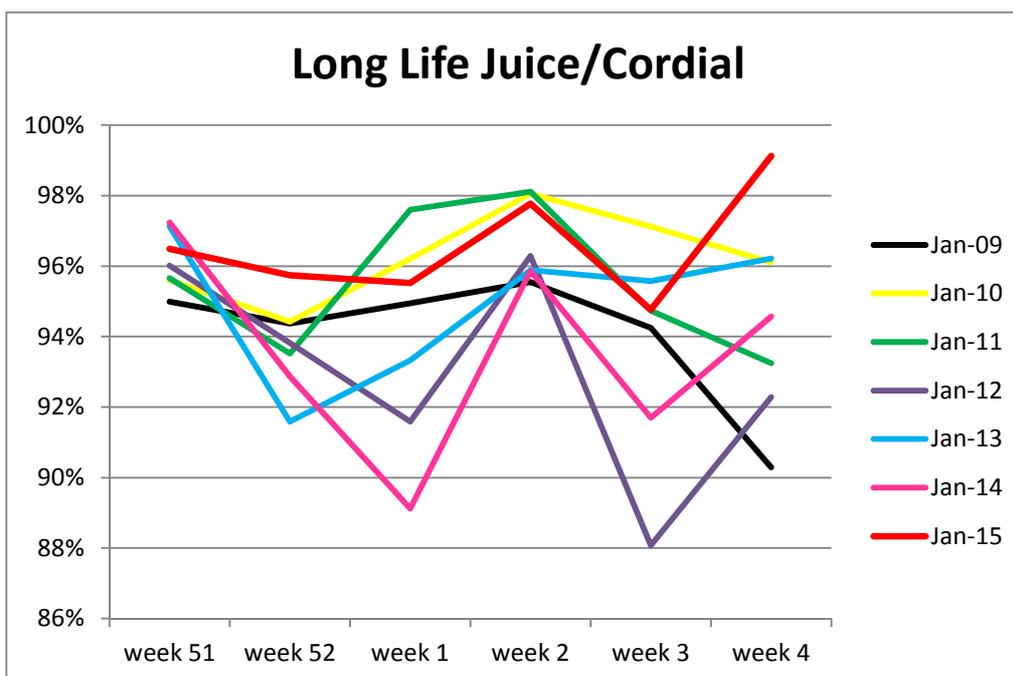
Key opportunity is the New Year period.

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Snapshot

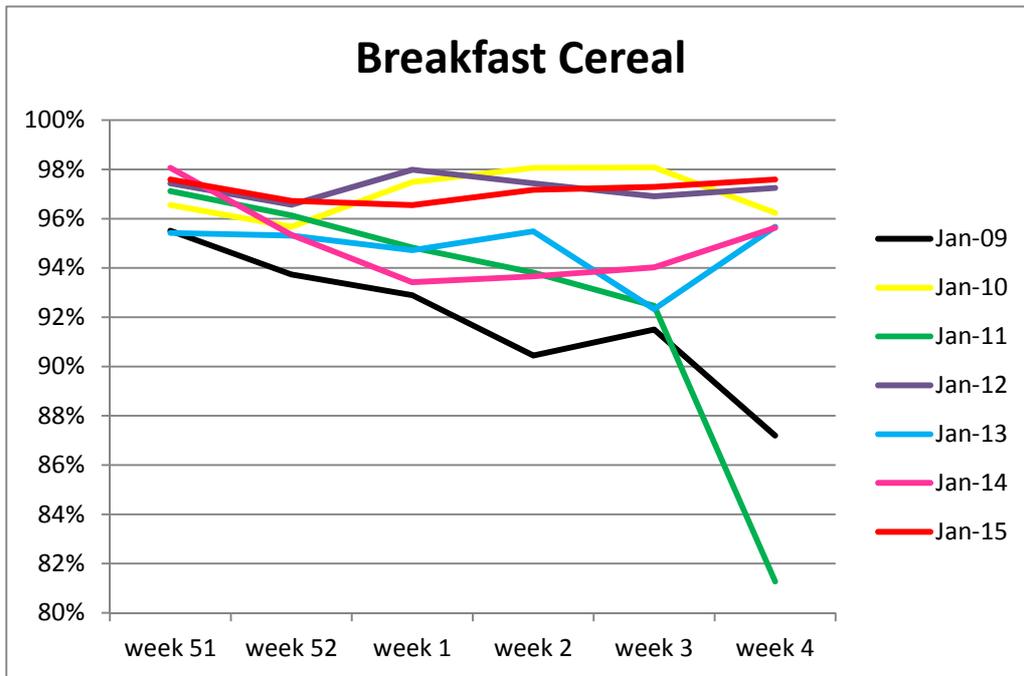
A strong result especially post-Christmas / New Year



Snapshot

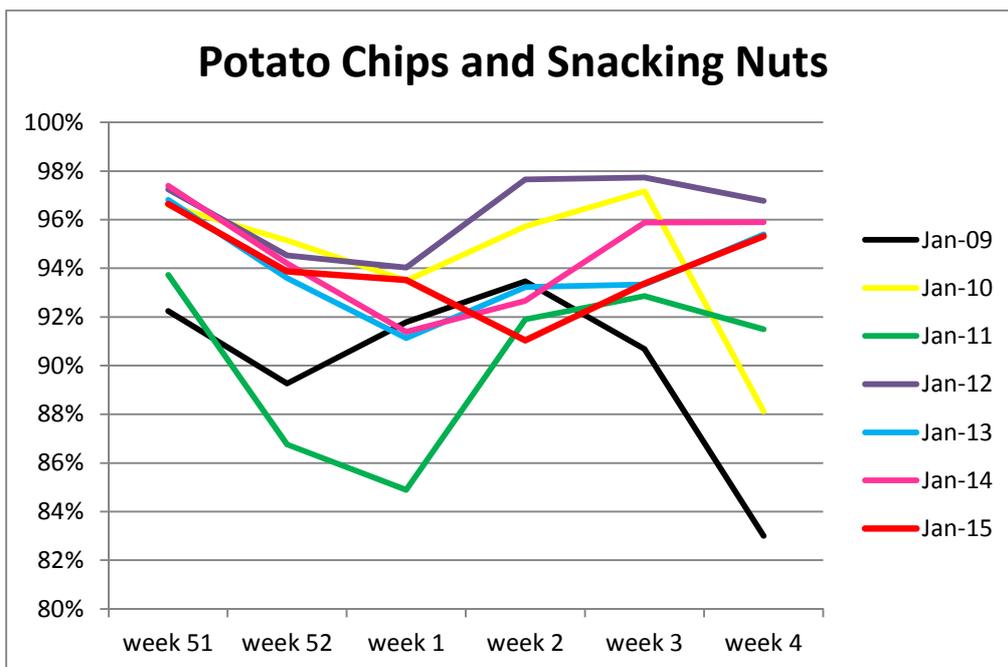
A less erratic year than previously and one of the best results since WJ commenced

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Snapshot

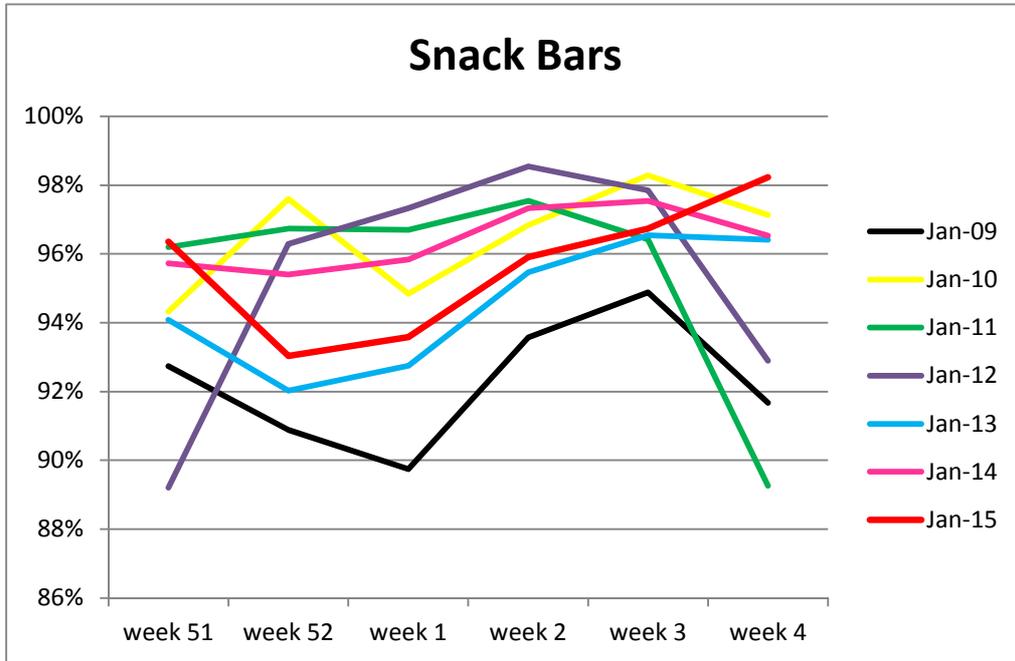
A strong performance overall versus past years.



Snapshot

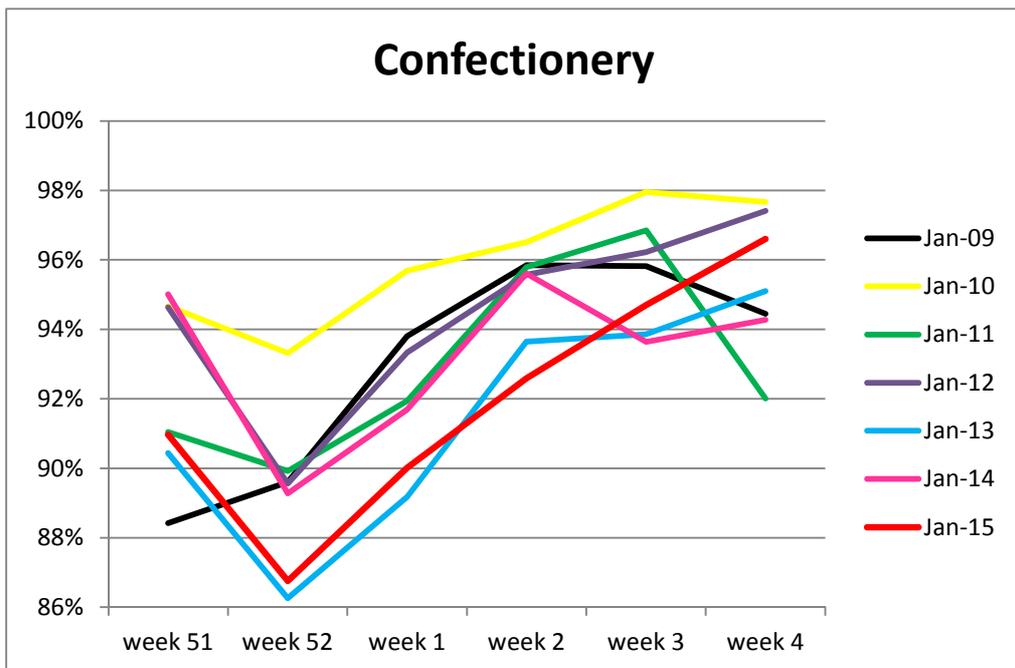
Erratic performance continues in this category.

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Snapshot

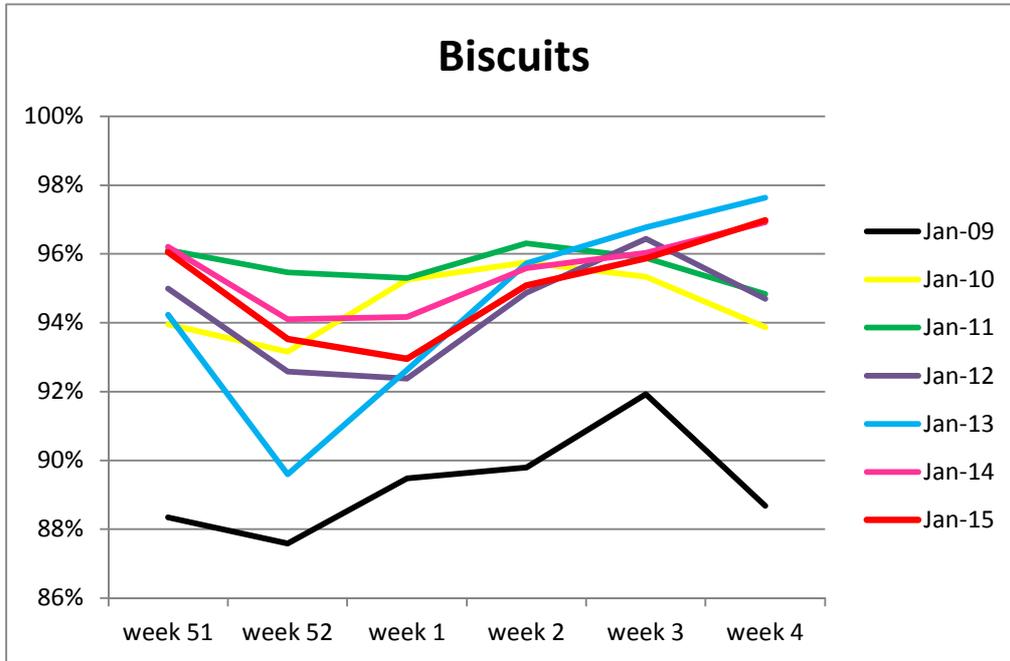
Average performance with Christmas/New Year a major opportunity



Snapshot

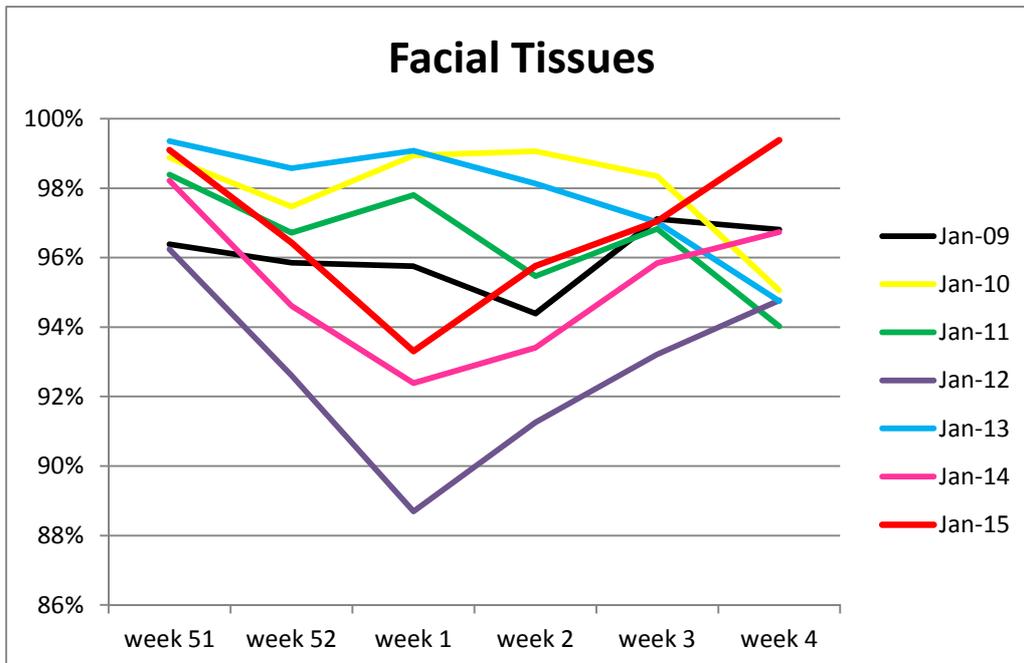
Christmas week was again a major issue as it has been every year under WIJ.

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Snapshot

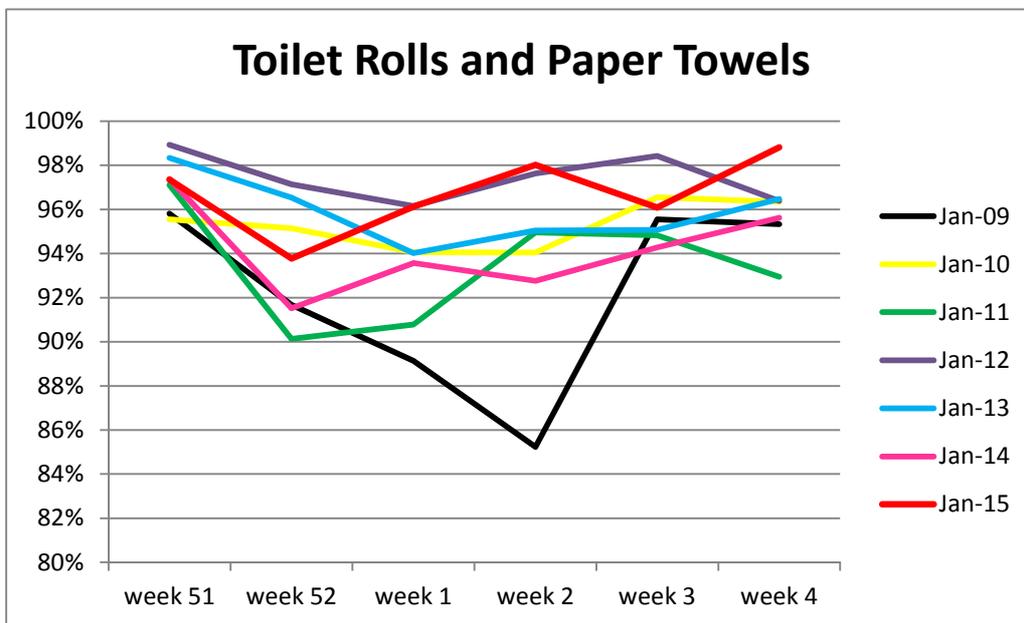
An average result for WIJ with Christmas/New Year the key opportunity.



Snapshot

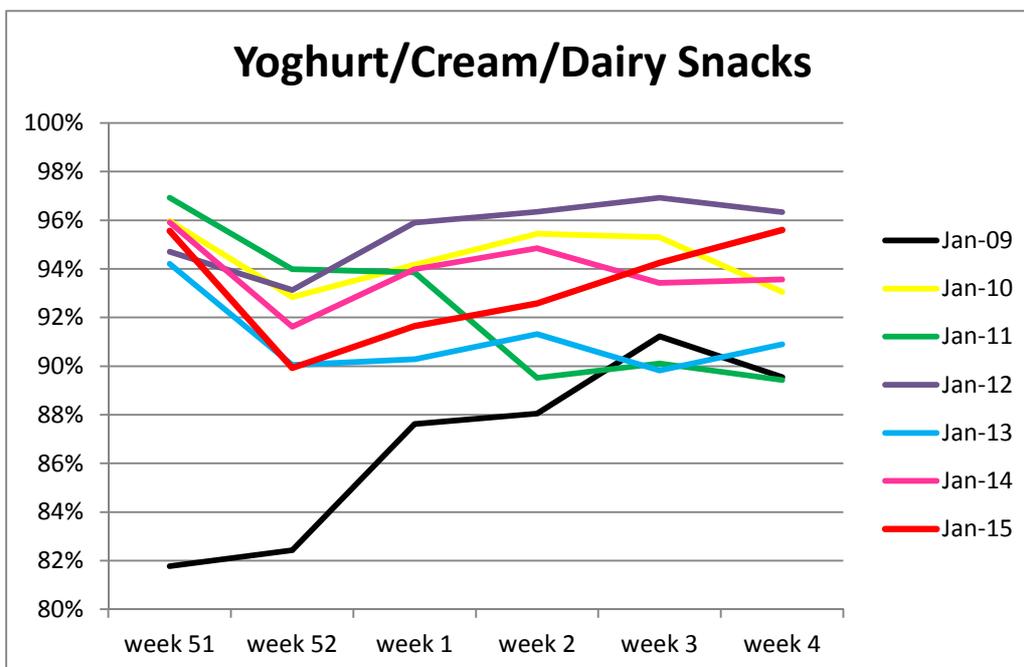
Continues to struggle just following New Year.

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Snapshot

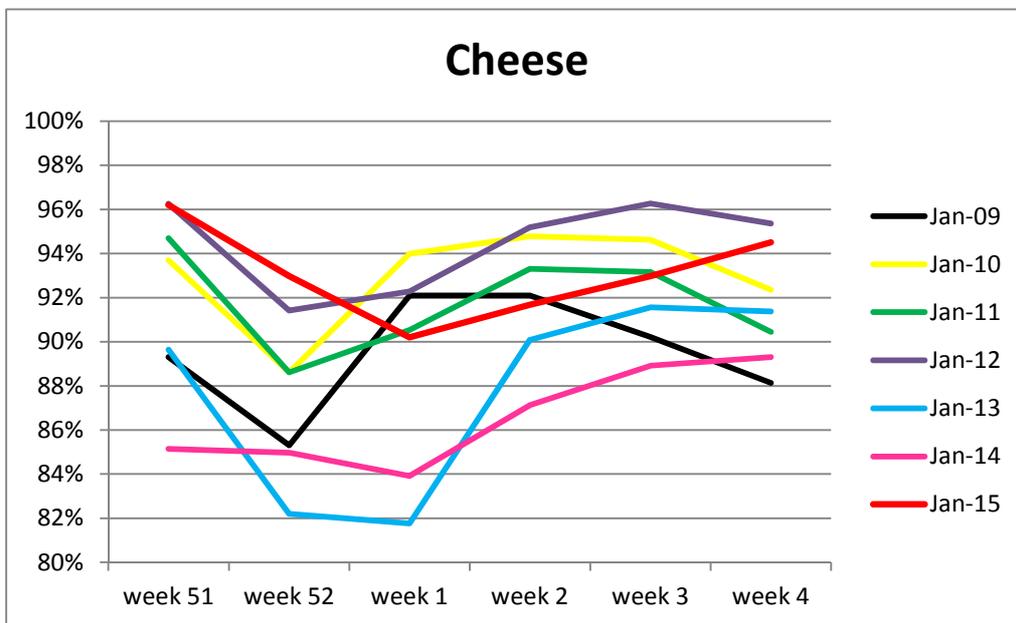
A strong performance year on year and in overall terms.



Snapshot

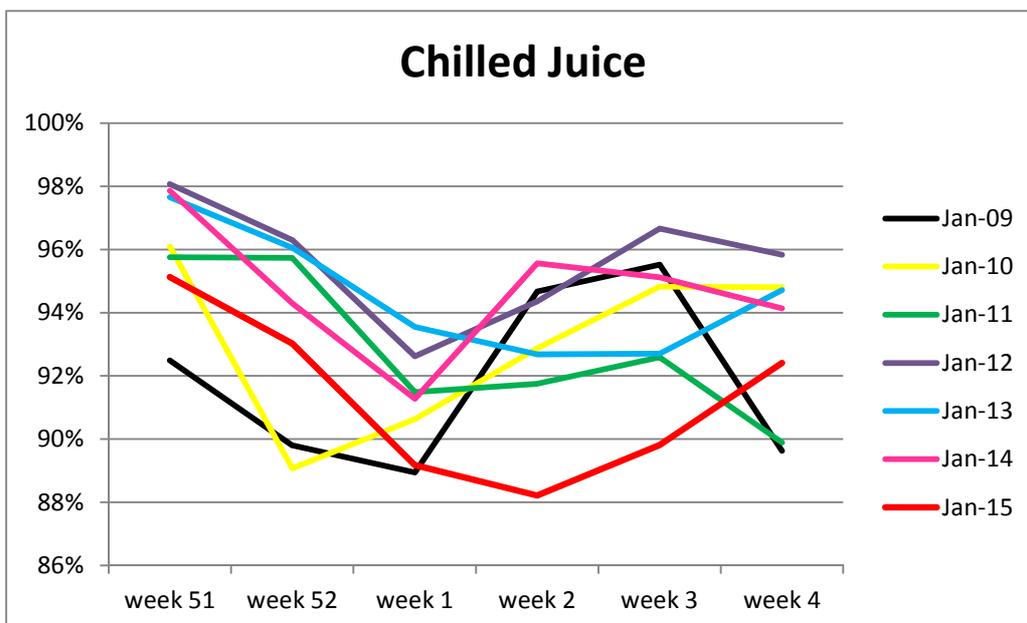
Fell away from gains made in 2014, but a good recovery through January.

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Snapshot

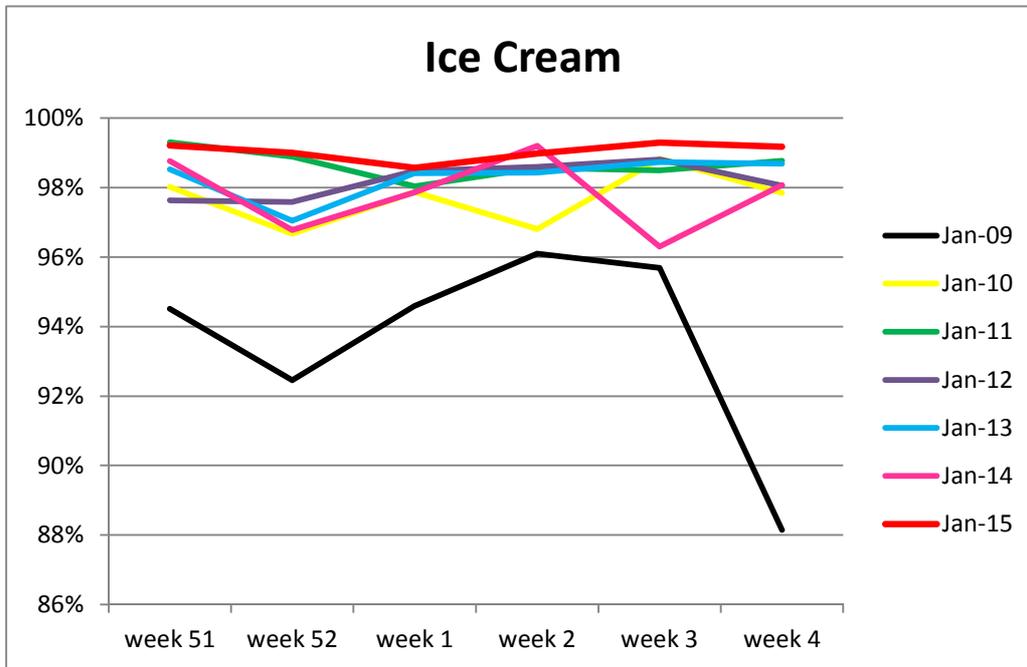
A much stronger performance versus previous year and in overall context.



Snapshot

A particularly poor year right through the summer holiday period.

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Snapshot
 Outstanding performance throughout this summer.

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Winning in January Tools

ECRA worked with representatives from leading retailers, wholesalers, manufacturers and suppliers to create a range of user friendly tools to assist companies deliver improved service levels specific to January. Indeed the key learnings from this initiative can be equally applied to the other eleven months of the year.

Key challenges, issues and opportunities were identified in **How to Win in January**.

Within this report, seven key areas provide a broad framework on which to focus activities both within an organisation and between trading partners.

These focus areas are explored in detail in the report which is available at www.ecraustralasia.org.au.



To further support improvements, the industry developed a toolkit to provide guidance for improvements.

The toolkit is an adjunct, not an alternative, to detailed internal and trading partner planning.

The toolkit, **Winning in January Improving Product Availability**, has been revised to ensure it is still relevant in 2015, can be downloaded from www.ecraustralasia.org.au.



The toolkit includes a roadmap, checklists, scheduling documents, contacts lists and a series of templates for capturing and tracking key business metrics and information.

