Automatic Product Replacements

The creation of planograms is the defacto standard for product display management in all major retail chains. Advanced software systems such as Quant enable the efficient creation of store-specific planograms that are tailored to the space and sales of each individual store.

Automatic product replacements solve one of the most complex problems in creating and updating planograms — **When is the best time to replace an old product with a new one?**

There is no one time that suits all stores. Some have already sold out the old product and need to display a new product as soon as possible, others still have a significant stock of the old product and if they are forced to display a new product instead, unwanted returns will occur.

Automatic replacements in Quant allow you to specify which replacement should be made and under what conditions. Quant then publishes a modified planogram for specific stores based on, for example, moment when the original product runs out of stock.

The whole system can be even smarter and select replacements itself so that there is no duplication of products on display, yet the most similar product available for a particular store is selected. The similarity definition is very flexible and users can set it individually for each product category.

**Main benefits**

1. **Up to 30% reduction in returns**
2. **15% improvement in availability**
3. **2%–10% increase in sales**
Automate product replacements within few weeks of implementation

“What I particularly appreciate about working with Quant Retail is their very flexible approach to problem solving. The product is being constantly and rapidly innovated and improved based on our mutual knowledge. Thanks to this we could start using planograms and automatic replacements also in fast fashion categories, where basically no one has tried this level of automation in the retail market before.”

Tomáš Borek | Commercial Director, Sportisimo

**Fixed replacements**

The simplest example of automatic replacements are fixed replacements, which allow you to define a specific replacement for the original product. The replacement occurs automatically on the planogram of a specific store when the defined stock and availability criteria are met.

**Temporary replacements**

Have you created a planogram and need to share it with stores even though some products are still not available due to unexpected delays in the supply chain? No matter, Quant will automatically replace these unavailable products with the most similar available alternatives. The original products will return to the planogram when they become available and are stocked in stores.

**Similar products**

Quant offers the possibility to define complex similarity criteria. For example, we can say that if a product is unavailable, we can only replace it with a product of the same brand and subcategory. We can then influence the selection of the final replacement by defining points for meeting additional conditions such as the same price level, logistics costs of delivery or perhaps the age of the product. The overall score will ultimately determine which product will be selected as the most suitable replacement. The possibilities are endless, as any product attribute can be used to define a rule, including those created by the users themselves.

By automatically selecting the most similar product available, we don’t need to pre-define a specific fixed replacement, Quant selects the best replacement for a specific store at the most appropriate time and updates the planogram itself.

**Exceptional value for money**

We know of no other competing system that can handle automatic product replacements in planograms at a comparable level to Quant, but also in other areas such as planogram creation, macro space planning or demand planning Quant offers great value for money.

Support during set up phase is key

We are aware that each retailer is unique and has its own specifics that need to be taken into account so that automatic replacements work well and are of sufficient quality. Defining the similarity criteria can take several weeks. With Quant, the support of our specialists in setting up, checking and fine tuning automatic replacements is a matter of course and at no extra cost.

Our goal is to make the highest level of automation affordable even for small retailers while achieving the highest quality sufficient for large retail networks.

www.quantretail.com