

## Asda trials system to hone merchandising

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Asda has successfully completed testing and user acceptance of a store and merchandise planning system from Galleria Retail Technology Solutions.

Asda's parent, [Wal-Mart](#), has a global agreement to use the system, which rival [Morrisons](#) also revealed it would adopt last year.

Asda would not comment on its implementation of the system or which categories it is using the software to improve. However, other retailers have achieved both sales and profit uplift, and considerable cost savings through its introduction.

The system is designed to improve assortment and space planning business processes and make merchandising more customer-centric, according to the vendor.

Galleria executive vice-president of global sales and marketing Doug Erickson said that the system allows retailers to increase customer satisfaction by ensuring the right products are in the right place in the right quantities at the right time.

He told Retail Week that by optimising their inventory, other retailers that have implemented the system have improved product availability and significantly reduced out-of-stocks. Erickson said: "As a result, retailers have experienced a sales increase of up to 18 per cent and margin improvements of up to 5 per cent."

He added that retailers have also been able to reduce costs by using the system. "Retailers also experience improved planogram compliance by more than 95 per cent and reduced store operations costs," he explained.

For example, Erickson said one US retailer had implemented Galleria's system for two categories and achieved an average inventory reduction of 5.4 per cent, creating an average saving of more than \$8,000 (£4,838) per store. The overall saving to the retailer was more than \$10m (£6m).

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