

## USE CASE

# BOOSTING DELI SALES BY IDENTIFYING UNDERWEIGHT ORDERS

Remember the days when you'd saunter into the supermarket for some freshly sliced deli meats and cheeses? You'd approach the friendly butcher, ask for a pound of your favorite ham, and chit-chat about the weather while he sliced your order. Back up on the scale, your ham weighs in at 1.03 lbs and you owe \$2.06. Although, you had your \$2 dollars ready to go... not a problem, you reach for another dollar, pay and you're on your way.

Flash forward to present day and grocery deli counters have evolved - No, I'm not talking about the self-serve ordering kiosks - I'm talking about the weight of the order.

Whether it's a training issue, a customer service perception or even a product packaging problem, there is a significant amount of profit being left on the cutting room floor. Without knowing it, deli staff members are avoiding making a 100% of their potential sale every time they under-weigh a deli order.

It's just a few cents on the dollar though, no big deal. Or is it?

## Challenges

Recently, one of Agilence's grocery customers applied deeper data analysis to what was happening across all of their deli counters. Using Agilence's data analytics platform, this regional grocery chain isolated all deli counter transactions with weights between 0.95 - 0.99 lbs vs. the full 1 lb. They ran this analysis across their 120+ store enterprise and discovered that in just one week the deli counter was losing \$2,400 dollars in potential sales.

Naturally, this lead the retail grocer to dig even deeper so they looked at transactions with deli counter item weights between 1.95 - 1.99 lbs vs. 2 lbs, \$2,600 dollars in potential sales being lost per week. Collectively, the deli department was leaving close to \$6,000 worth of sales on the floor and out of the tills. Over the course of a year, this could amount to almost \$312,000 of lost revenue in just the deli department alone.

## Solution

Luckily, the management team at this regional grocery chain had turned to data analytics. With these real numbers in hand, management could address these operational problems and course correct with the deli managers from each store. By narrowing the gap between the true weight and the desired weight, the deli counter can run more profitably while continuing to keep customers happy.

## Results By The Numbers

- The grocer discovered \$2,400 in lost revenue due to underweight orders of 1lb per week and \$2,600 in lost revenue due to underweight orders of 2lb per week.
- Annualized, this translates to a total yearly increase in revenue of approximately \$312,000.

The ability to isolate and analyze sales by category is vital for grocery and supermarket operators. Agilence empowers users to measure sales by category and quickly identify profit eroding issues, like underweight deli orders.