

RETAIL CASE STUDY

Effective Impulse Merchandising at Checkout

How a Leading Retailer **Increased Impulse Sales 130%** using NeXtrac In-Queue Merchandising Fixtures from Lavi Industries



Highlights



A leading retailer sought to further boost its impulse sales at checkout by improving its in-queue merchandising solution.



A two-month pilot resulted in a 78% increase in sales and a 107% increase in gross profits for the impulse area.



A 1,200 store roll-out provided triple-digit increases to sales and profit growth over stores that did not adopt the NeXtrac system.

Challenges

A leading U.S. retailer was looking for ways to boost one of its fastest turning, highest margin categories. Impulse sales at checkout had delivered a 102% sales growth rate over the previous five-year period, with an average growth of 20% per year. The retailer recognized the importance of the checkout area as being the last opportunity to build their “customer’s basket.”

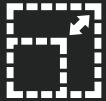
In its quest to continue growth in impulse sales at checkout, the retailer turned to Lavi Industries to provide merchandising fixtures that would combine in a flexible, seamless way with the company’s merchandise selections.

It was important that the solution be modular to easily adapt to numerous store footprints, flexible to accommodate a variety of merchandising planograms, and simple and straight-forward to install.



Solution Summary

Lavi Industries' NeXtrac merchandising fixtures met every criteria and were introduced to stores nationwide. In combination with carefully-selected merchandise, Lavi's NeXtrac merchandising fixtures provided a number of key benefits to the retailer:



Small Footprint

NeXtrac slatwall fixtures feature a slim, double-sided profile and optimal height to increase available merchandising space and maximize sales per square foot.



Versatile Design

NeXtrac fits virtually any space. Retailers can quickly move or swap out panels, create angles, or add messaging using the portable, modular components.



Unique Details

Innovative features, such as hinged connectors, allow retailers to create a flexible solution, angling panels to fit their unique space.



Customer Satisfaction

Shoppers are kept occupied while they wait in line for checkout, thereby creating the feeling of a shorter wait time.

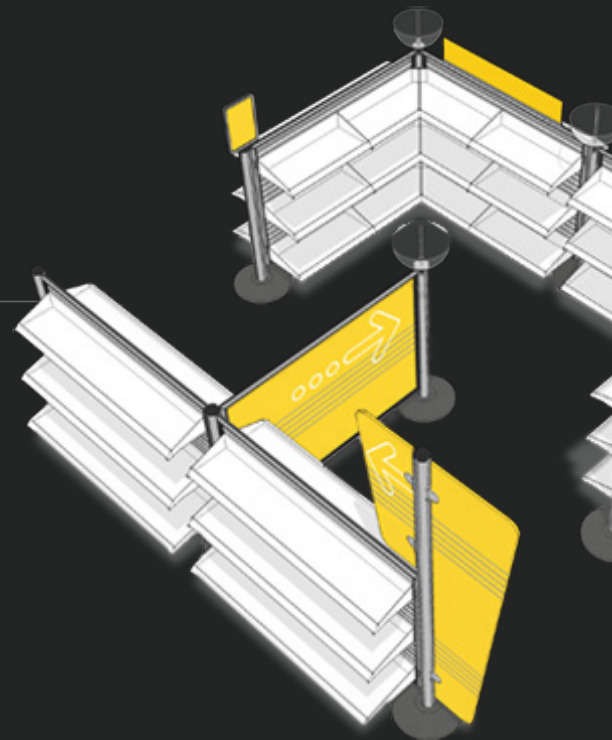


Increased Impulse Sales

With merchandise attractively and conveniently placed in the queue, impulse sales get a natural boost.

"Our checkout space was crowded, visually distracting, and unfocused prior to the reset. The rearrangement of space and category specific merchandising looks great. We have a LOT more merchandise in our checkout area..."

CALIFORNIA STORE



Results

 **107%**

2016 | Pilot Test Delivers 107% Increase in Gross Profit

In its initial 2-month pilot test, the new in-queue merchandising program led to a 78% increase in per-month average sales and a 107% increase in gross profit, compared to baseline numbers.

 **130%**

2017 | Stores Experience 130% Higher Sales Growth

More than 730 store implementations were completed in 2017, with year-over-year sales growth more than double that of non-NeXtrac stores. In fact, when compared to stores without NeXtrac in-queue merchandising systems:

- Unit growth increase was 38% higher
- Transactions grew 64% more
- Sales growth was 130% higher

YOY Growth	Stores without NeXtrac	Stores with NeXtrac
Sales Growth	+18.6%	+42.7%
Gross Profit \$ Growth	+21.6%	+45.7%
Transaction Growth	+17.1%	+28%
Units Growth	+19%	+26.3%

 **500**
STORES

2018 | Stores Continue to Adopt NeXtrac

The resounding success of the 2017 program led the retailer to continue the roll-out in 2018. In 2018, an additional 500 stores were outfitted with NeXtrac in-queue merchandising systems at checkout.

"It's a program that you just have to do. Not only does it improve the look of your checkout, it's so easy to do." MINNESOTA STORE OWNER