

# Winning in January

*improving product availability*



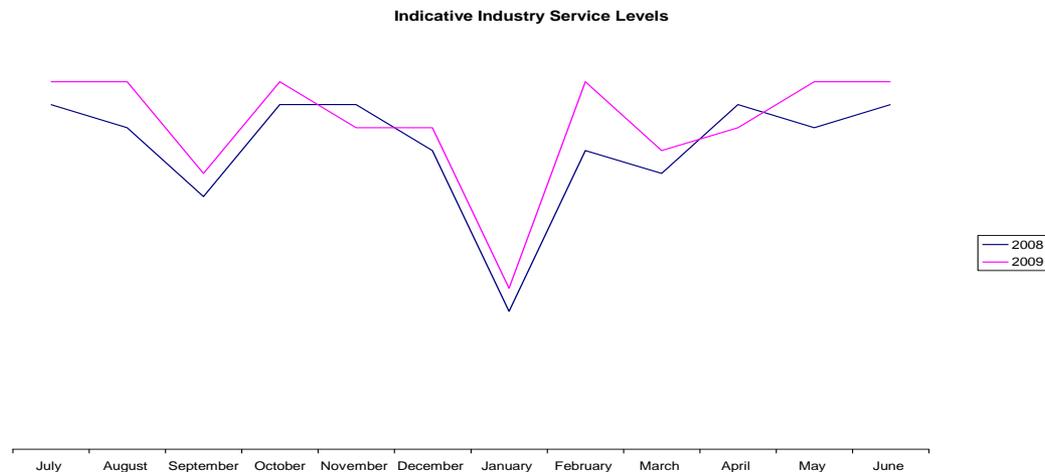
# This toolkit is developed with input from the following companies



This document provides guidance for improving product availability and delivering improved shopper satisfaction in the summer period generally and January in particular . It is an adjunct, not an alternative, to the detailed internal and trading partner planning and deployment for January.

# January Historically

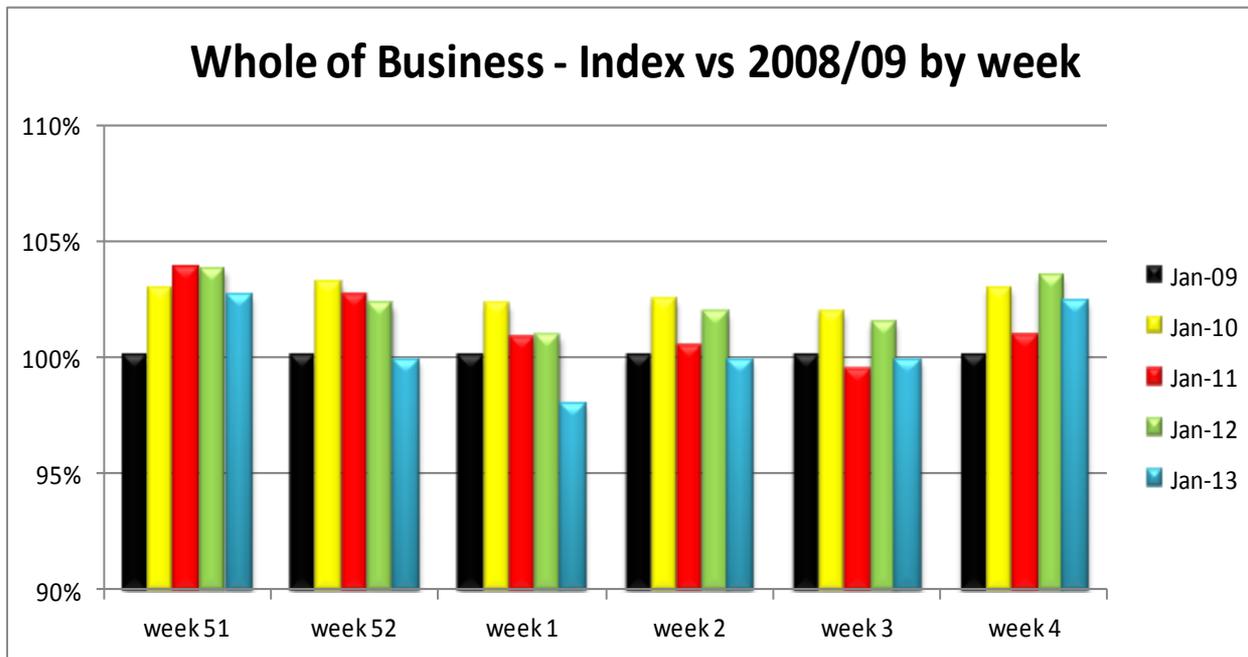
ECRA's focus started in 2009 when the general trend reported by retailers was a **4 to 5%** reduction in service level across the industry.



There are significant sales growth and customer service improvement opportunities in January.

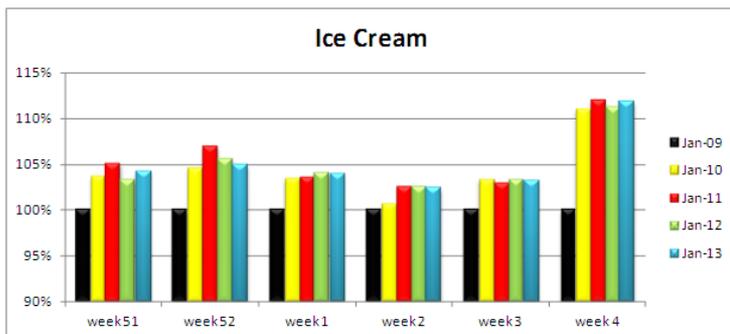
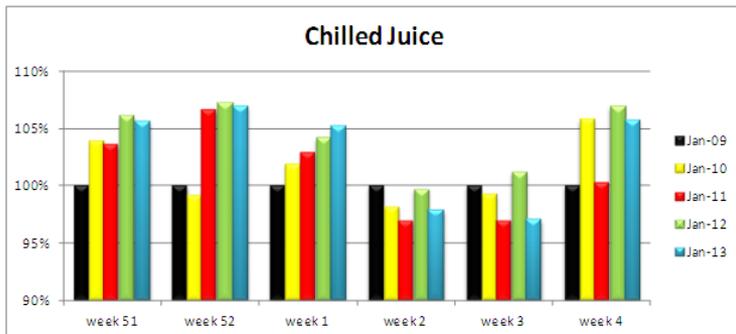
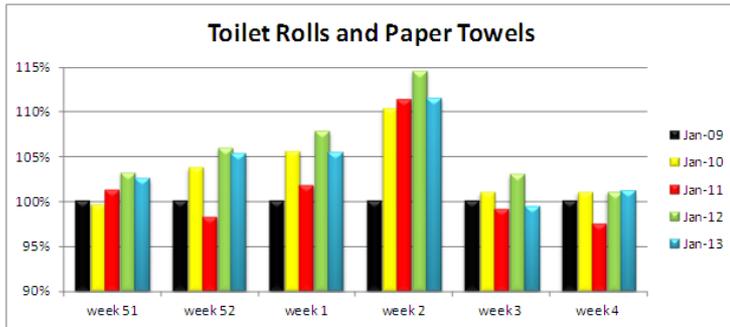
# Since 2009

ECRA has measured industry service levels since 2009. The chart indicates the results indexed against 2009.



Some categories have driven sustained and improved levels of service, some have further work to do.

# Winners have emerged...



Focus on *Winning in January* has already paid off for suppliers and retailers in a variety of product categories and environments.

Real improvements – leading to on-shelf availability and sales - have been achieved across a number of product categories by businesses collaborating and using this Toolkit.

Have you discussed *Winning in January* with your trade partner?

# January Considerations

The month of January is under pressure from a number of independent and significant factors.

- Increase in public holidays leading into and throughout January.
- A change in season / weather.
- High proportion of annual leave taken.
- More production facility shutdowns.
- Less reliable transport offerings.
- Financial year end for many companies.

# January Outcomes

## SUPPLIERS

- Lost sales
- Increased distribution costs
- Production overtime / downtime
- Inventory management issues



## RETAILERS

- Missed sales
- Service level drop
- Missed / late deliveries increases
- Transport performance issues
- Supply issues

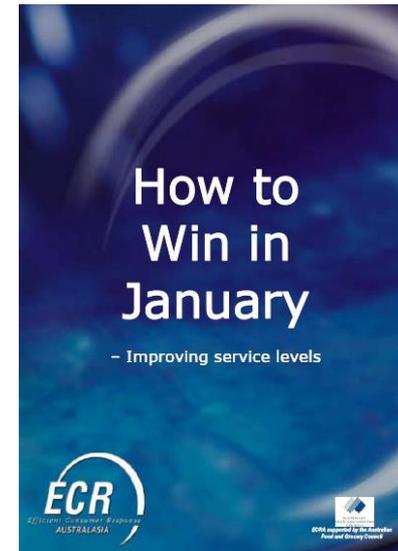
## SHOPPER

- Products not available
- Disappointment
- Frustration with retailer

# How to win in January

## Key Focus Areas

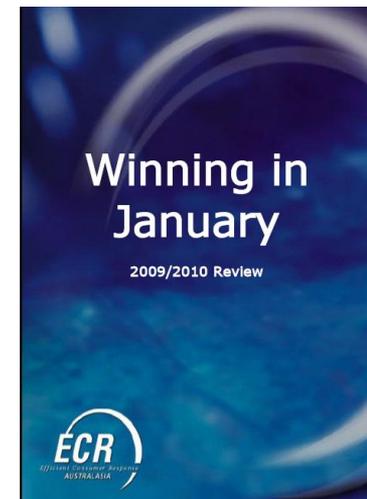
Plan, plan, plan and plan again  
Focus on one number  
Daily responsiveness  
Understand your trading partner  
Operational flexibility  
Communication plan  
Contingency planning



To download [How to Win in January – Improving Service Levels](https://www.ecraustralasia.org.au)  
[www.ecraustralasia.org.au](https://www.ecraustralasia.org.au)

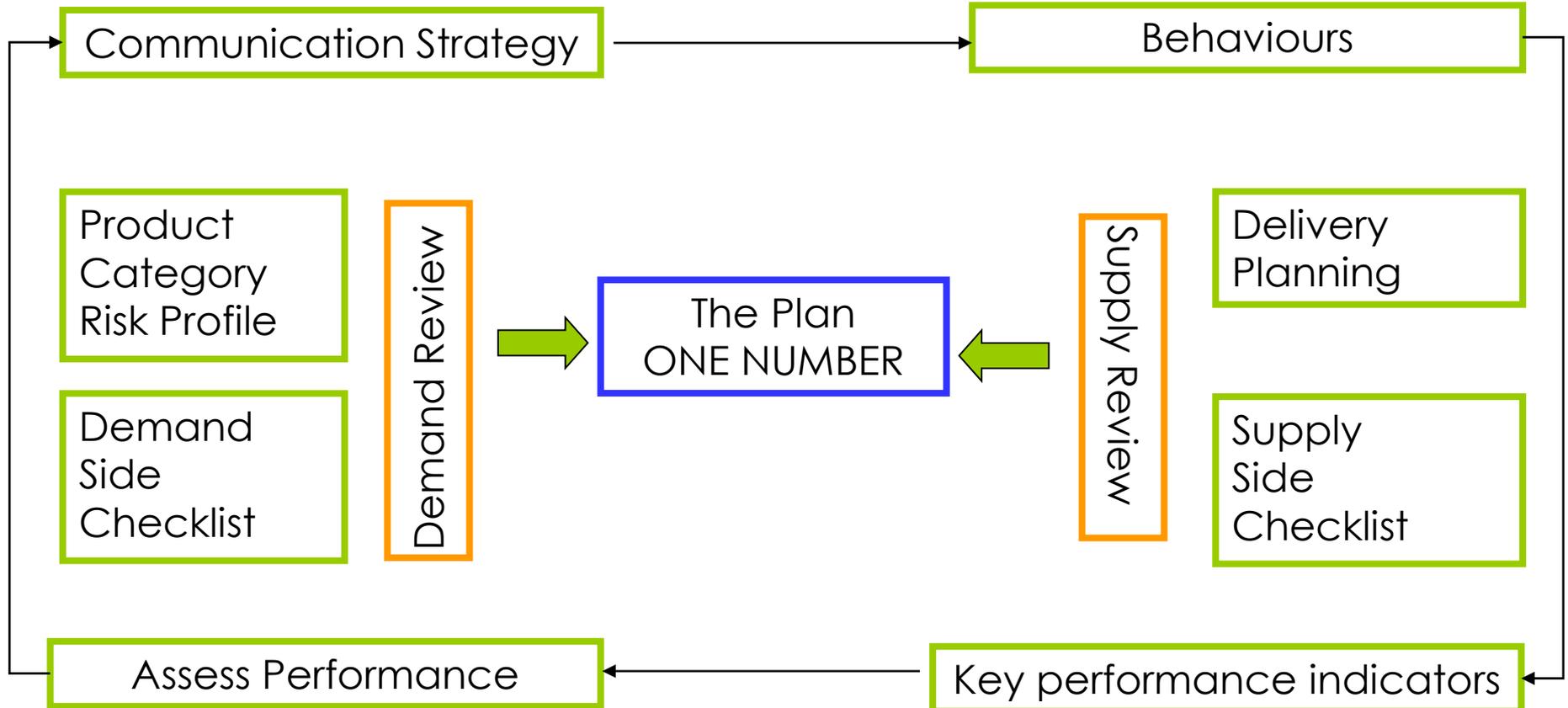
# January Reports

Winning in January Reports available



To request a copy of any of the above reports go to  
[www.ecraustralasia.org.au/publications](http://www.ecraustralasia.org.au/publications)

# Planning for January



**Checkpoint:**

Although January has a range of specific attributes and this Toolkit has been designed to deliver an improved product availability for this month the detail provided is equally applicable to the remainder of the year. The January plan should be a subset of an overall summer seasonal plan.

# January Planning Calendar

The January planning calendar is a guide for planning the key milestones delivering excellent availability for January. It details specific goals; considerations and checklists for use by suppliers and retailers at each stage. The degree to which the engagement process with trading partners is undertaken will be determined by the trading partners and is dependent on factors such as product risk; supply chain complexity; and previous results.

**Who:**

Supplier: Sales,  
Marketing, Production,  
Planning, Supply Chain

Retailer: Buyer,  
Merchandise  
Supply chain.

**January Planning Calendar**

[CLICK HERE](#)

# Product/Category Risk Profiles

Some products and categories will be particularly susceptible to issues in January. At the outset it is valuable to identify which products are at greatest risk (internal and external) of experiencing issues that drive non-availability. Understanding the level of risk facilitates prioritising and strengthening contingency plans for such products.

## Who:

Supplier: Sales,  
Marketing, Production,  
Planning, Supply Chain

Retailer: Buyer,  
Merchandise  
Supply chain.

Product Risk Profile  
Questionnaire  
[CLICK HERE](#)

## Checkpoint:

Historically the following categories have an increased risk during January and require greater focus and flexibility. **Cream; Drinks;** However without planning, implementing and controlling the fundamentals of service level, speed, and optimisation low risk products and categories may be impacted.

# Demand Side Checklist

There are many considerations to be incorporated into a successful January plan, some of these are lead by retailers, some by suppliers, and others can only be developed through joint planning – particularly where promotional dynamics and decisions are key.

Ensuring that these considerations are discussed, and included alongside companies internal demand planning processes, will assist to optimise demand side planning for January.

**Who:**

Supplier: Marketing,  
Sales, Supply, Production

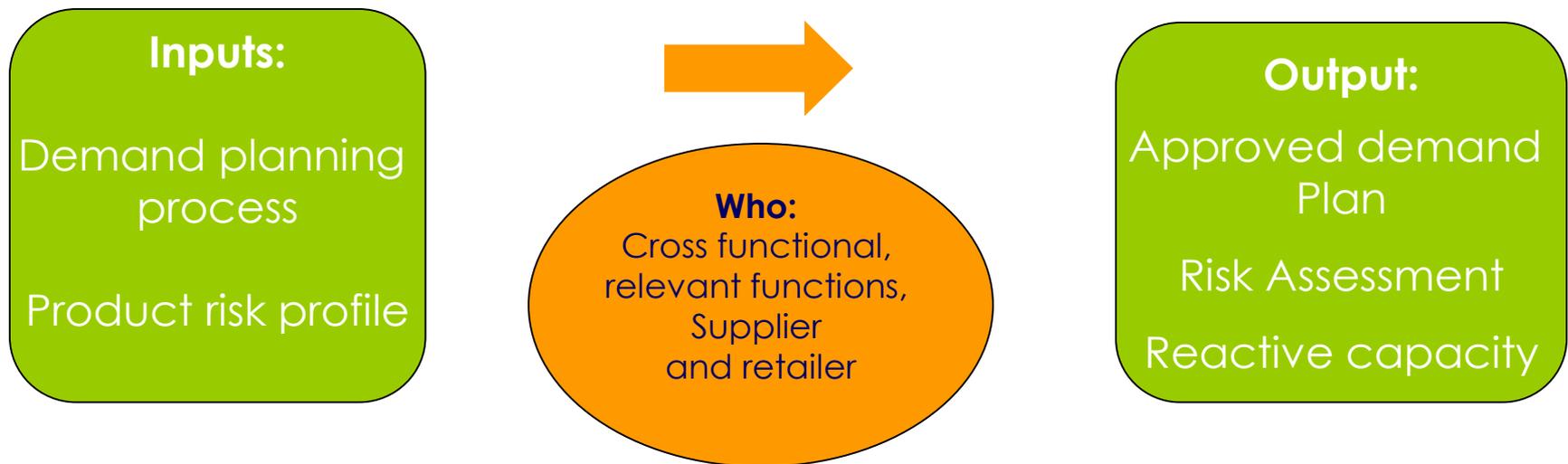
Retailer: Buying,  
Merchandising,  
Supply Chain

**Demand Side Checklist**

[CLICK HERE](#)

# Demand Review

The demand review incorporates all demand side inputs and identifies the proposed sales volumes and timings. In the case of January demand planning, this should not only incorporate the outputs of a suppliers demand planning process, but also consider the product risk profiling outcomes. It must ensure demand and supply are in balance; the customer demands are met by the companies ability to supply.



# Supply Side Checklist

There are many considerations facing suppliers when developing plans to ensure supply through the month of January given the particular challenges this period presents. Ensuring that these considerations are discussed, and included alongside companies internal supply planning processes, will assist to optimise supply side planning for January.

**Who:**

Supplier:  
Supply, Production, sales

**Supply Side Checklist**  
[CLICK HERE](#)

# Supply Review

The purpose of the supply review is to create an achievable supply plan based on the agreed demand plan. This involves review of supplier capacities and detail procurement, manufacturing and logistics plans and consideration of the challenges presented by January.



# Delivery Planning



■ Retailers to complete and send to suppliers

■ Suppliers to complete and send to retailers

**Communicate DC opening hours, delivery plans and capabilities prior to season:**

**Retailer DC Goods  
Receipt Hours**

[CLICK HERE](#)

Retailer advice to suppliers as to when DCs will be able to receive supplier deliveries

**Retailer DC  
Stocktake Schedule**

[CLICK HERE](#)

Retailer advice to suppliers regarding timing and impact of stocktakes during season

**Supplier Delivery  
Capability**

[CLICK HERE](#)

Supplier advice to retailers as to when supplier is capable of delivering orders outside regular hours

**Supplier Closure  
Schedules**

[CLICK HERE](#)

Supplier advice to retailers regarding periods where supplier DC or factory will not be open during season

# Delivery Issue Management



■ Retailers to complete and send to suppliers

■ Suppliers to complete and send to retailers

**Communicate contacts lists for logistics issues resolution during season:**

**Retailer Contact List  
If issues**

[CLICK HERE](#)

Primary and back-up contacts at retailers if supplier has logistics issue needing resolution

**Supplier Contact list  
if issues**

[CLICK HERE](#)

Primary and back-up contacts at suppliers if retailer has logistics issue needing resolution

**Bulk Delivery Contacts**

[CLICK HERE](#)

Retailer contacts if bulk deliveries need to be made and have not been pre-planned

# The Plan

One set of numbers used horizontally across the business departments and with trading partners becomes the basis for decision making. The number should be vertically integrate such that management level reports translate directly to planning level activity. It should provide a common language for the business and basis for quantitative decision making.

## Inputs

Approved demand plan  
Supply plan  
KPI's

## Who:

Retail & Supply  
buyer / seller  
Supply Chain / Operational  
Teams

## Outputs

Approved actions  
to meet demand  
and supply plans

### **Checkpoint:**

*Does a change in the demand plan automatically translate to changes in purchasing and production requirements?*

*Do changes to purchasing /procurement plan link back to financial projections of expenditure and Inventory levels?*

# Communication

A key element for January plans is effective communication between all parties (up-stream supplier, manufacturers, retailers, transport providers) and excellent internal communication channels. It is this issue that is often not planned for adequately.

**Communication  
Requirements Plan**

[CLICK HERE](#)

**Outline of communication  
requirements by functional  
area**

**Communication  
Matrix by Topic**

[CLICK HERE](#)

**Contacts listing for  
commercial issues (Note  
Supply contacts captured  
under delivery and goods  
receipt planning)**

# Behaviours

## Establish Business Goals - *jointly*

- Centre decisions around improving product availability for the shopper.
- Determine jointly agree metrics.
- Align reward system to promote the business goal.
- Align communication plans to support the business goal.
- Agree on performance assessment criteria.

**Business Goals  
Template**  
[CLICK HERE](#)

### **Who:**

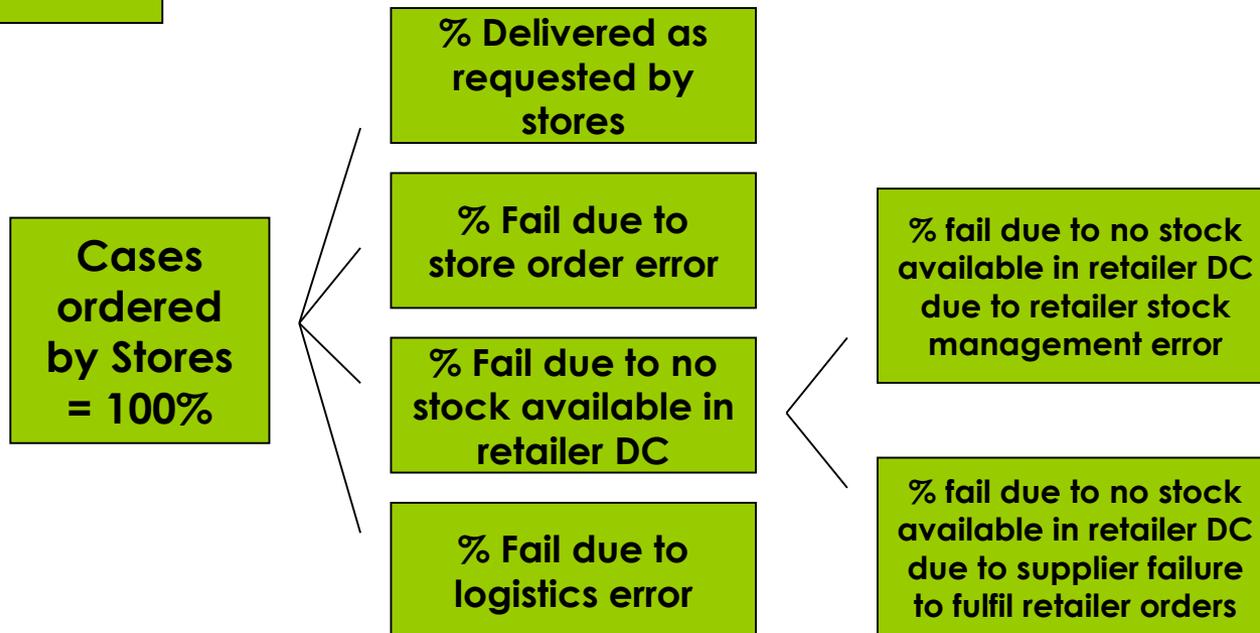
*Engage with the right people  
Cross functional teams provide analysis  
to support Buyer / Seller discussions*

IT IT  
Distribution Distribution  
Logistics Logistics  
Sales Merchandising  
Accounts Accounts  
Marketing Marketing

# Performance Assessment KPI's - Retailer

Track level of order fulfilment for January and causes of failures:

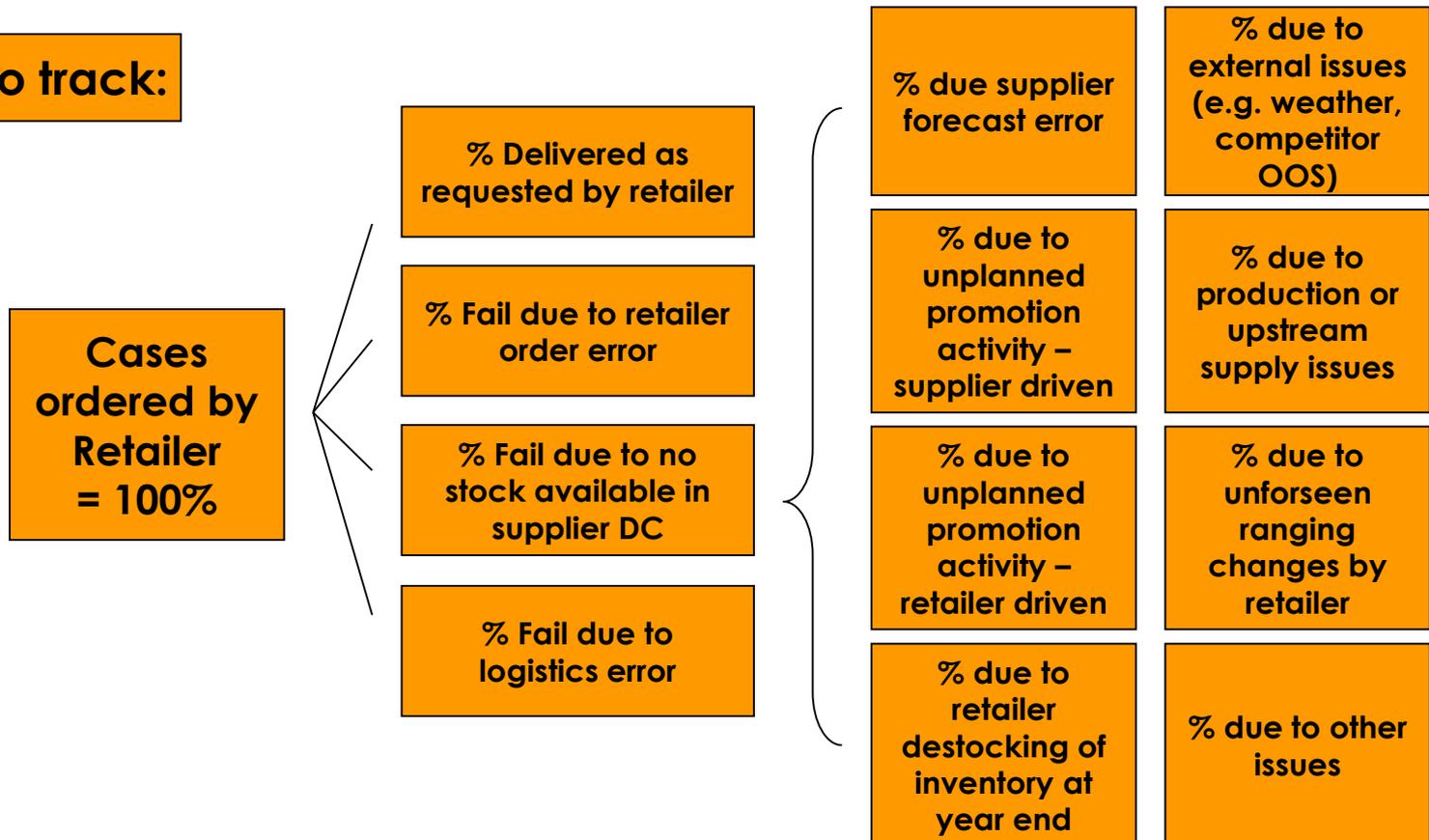
## Retailers to track:



# Performance Assessment KPI's - Supplier

Track level of order fulfilment for January and causes of failures:

**Suppliers to track:**



# Further Information

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