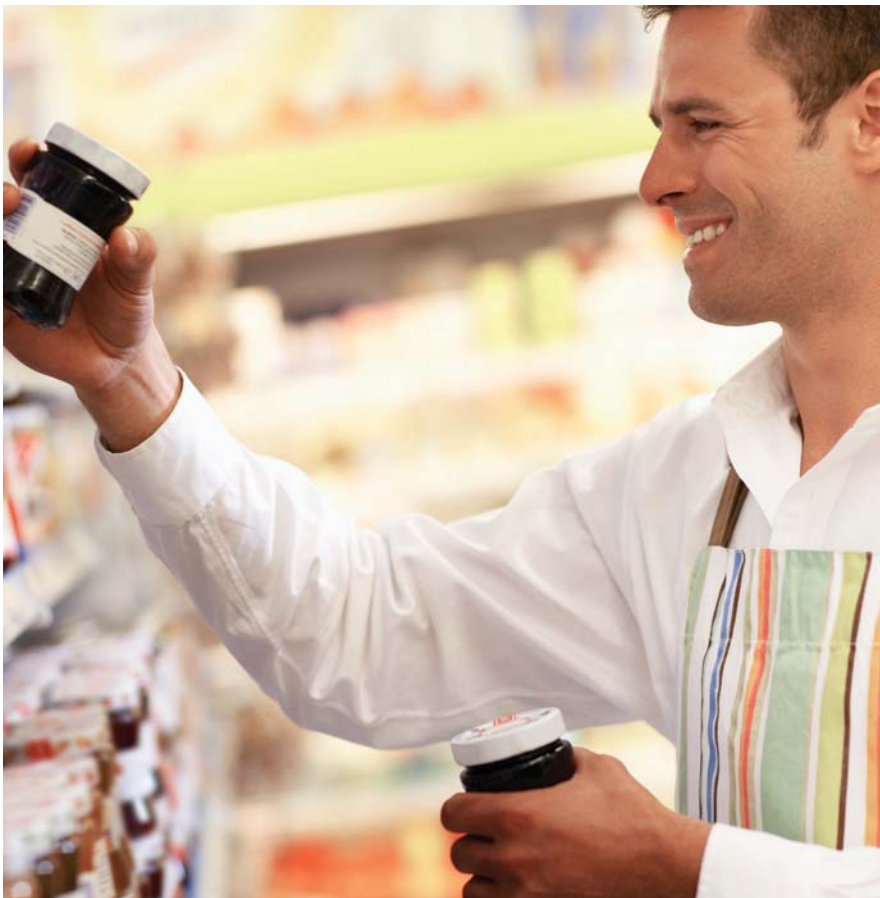


[IDEAS 2 GO]

Tips of the Trade

Making item level scan audits easier, faster and more accurate. **BY PAT MIGNOGNO**



Gaining the ability to increase the speed and accuracy of item level scan audits (ILSA) is like striking gold for many store managers. A few simple tips can not only save them time, but also ensure accuracy throughout the entire audit process.

Here's some basic advice for store managers to consider in the ILSA process:

- **Cigarettes:** Turn cartons so the barcodes are facing out in the same direction, and don't mix different UPCs together. In ILSAs, hard packs are not the same as soft packs, and ultras are different from regulars. Also, do a count of the cartons the night before the audit. This makes reconciliation much faster because you'll know immediately if any cartons were overlooked or miscounted by the auditors.

- **Cooler:** Stock sleeves and shelves to capacity. A simple way to make the audit go smoothly is to make sure the barcode of the last item is face up in each angled sleeve so auditors can scan it from the top, inside the cooler.
- **Beverage Displays:** Build displays with similar products together. In other words, don't mix flavors of beverages throughout the display, even if they are all a part of one product family. Coke and Diet Coke are not the same in an ILSA. As with cigarettes, in a scan audit, products have to be sorted and counted by individual UPC. Additionally, if store staff makes sure the barcode on one carton of each type of product in the display is turned for easy access to the scanner, the speed and accuracy of the audit will increase significantly. As with cigarettes, if store personnel count the big displays before the audit, the reconciliation time decreases.

It's no coincidence that these tips relate to in-store items that hold the most dollar value, such as cigarettes, items in the cooler and beverage displays. The focus, as far as barcode organization is concerned, should be in those areas. In contrast, taking valuable time to face-out barcodes on countless bags of chips, for example, is overkill, and is not worth the time invested.

Saving Time

It takes about an hour for store personnel to prepare barcodes for scan audit, and there are many benefits for doing so:

- More accurate audit results.
- Less frustration from the store manager about easy-to-reconcile results.
- More time for the store manager to identify areas of the store that should be addressed for further improvement.
- A true picture of product on hand, supporting more efficient auto-replenishment deliveries.
- More effective, eye-catching displays in which “like” products are stacked together. Building displays of products of the exact same barcode (all Coke Classic) makes sense from a merchandising standpoint and from a scan audit standpoint. If the products used in the displays are

mixed (such as Diet Coke cans along with Coke Classic cans), it may very well require dismantling the display during the scan audit. Remember, in an item-level audit, accuracy is critical. So, if your suppliers build your displays, ask them to keep “like” product together as much as possible.

- An organized store makes it easier for the store manager to detect theft-related shrink at a glance, as well as discourage theft. ■

For more information on the tips in this article, contact Pat Mignogno, vice president of client services at Quantum Services, at pmignogno@quantum-services.com.

AN ORGANIZED STORE MAKES IT EASIER FOR THE STORE MANAGER TO DETECT THEFT-RELATED SHRINK.

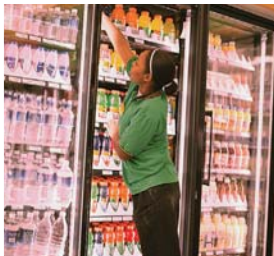


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