Walmart Luminate Case Study
Condiments Aisle Flow Adjacency Analysis: Optimizing the Aisle

KraftHeinz

"We needed a datapoint that would help us understand the broadness of the issue—without monitoring thousands of store floor plans. And we found just that in Walmart Luminate Channel Performance and Shopper Behavior.
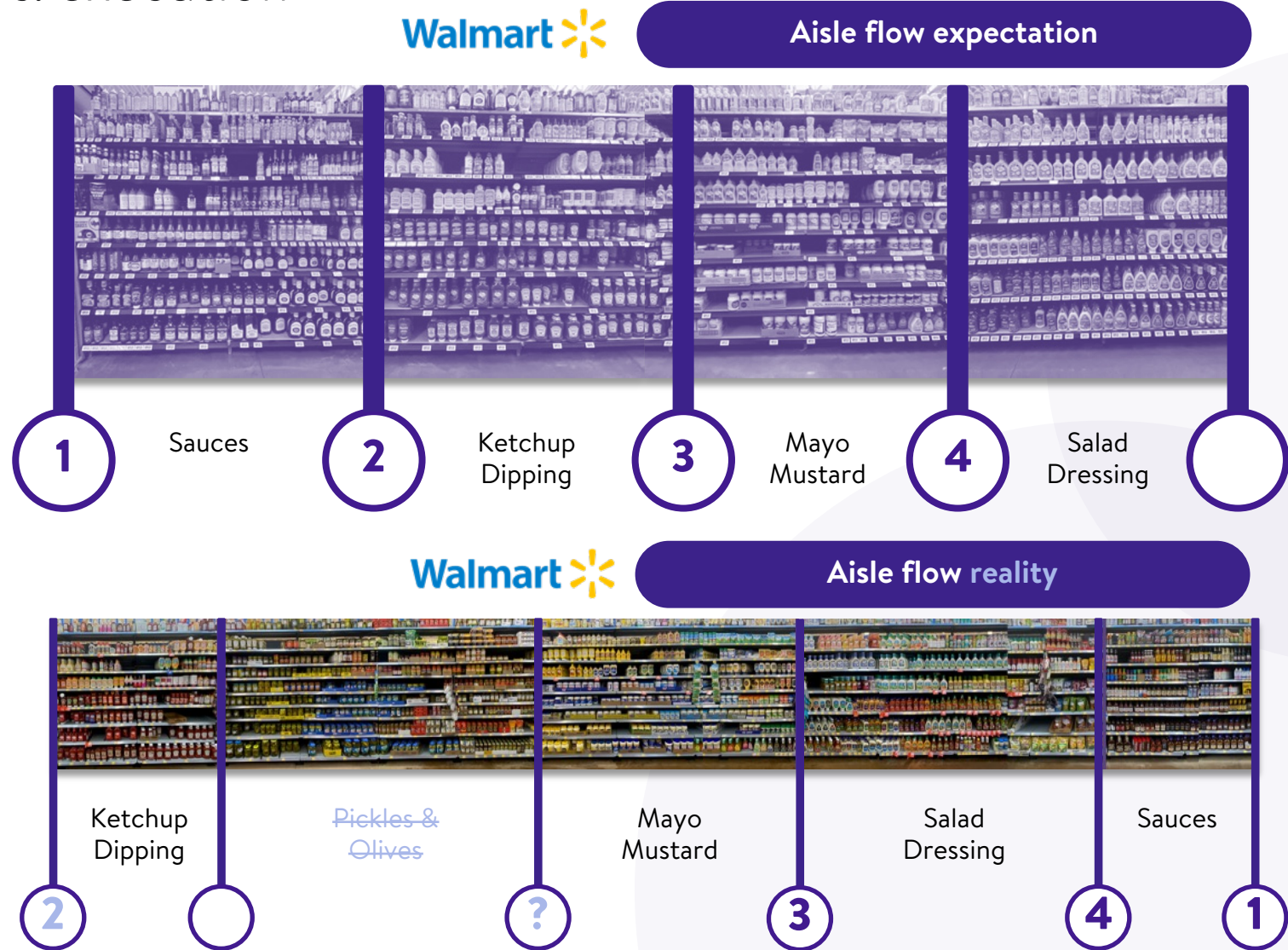
Garrett Autry
Sr. Category Leadership,
Ketchup & Dipping, Kraft Heinz

Walmart Luminate Case Study: Kraft Heinz
The background: Strategy vs. execution

After years of collecting research and insights in collaboration with suppliers, Walmart developed its adjacency flow strategy for the condiments aisle.

All Walmart stores were to be set accordingly to best meet customer needs—but walking the stores revealed this strategy wasn't always in place.

Walmart — **Aisle flow expectation**

(1) Sauces   **(2)** Ketchup Dipping   **(3)** Mayo Mustard   **(4)** Salad Dressing   ( )

Walmart — **Aisle flow reality**

Ketchup Dipping   ~~Pickles & Olives~~   Mayo Mustard   Salad Dressing   Sauces

(2)   ( )   **(?)**   **(3)**   **(4)**   **(1)**

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The background: Big questions

The Walmart Merchant and Category Advisor had questions, and they needed a way to answer them without combing through thousands of store floor plans.

This is where **Walmart Luminate Channel Performance Charter** and **Shopper Behavior** came in.

"Why is this not set correctly?…"

"Is there a way to find out how broad this is?…"

"How many stores are misaligned?…"

"How does this affect the customer?…"

Garrett Autry
Sr. Category Leadership,
Ketchup & Dipping, Kraft Heinz

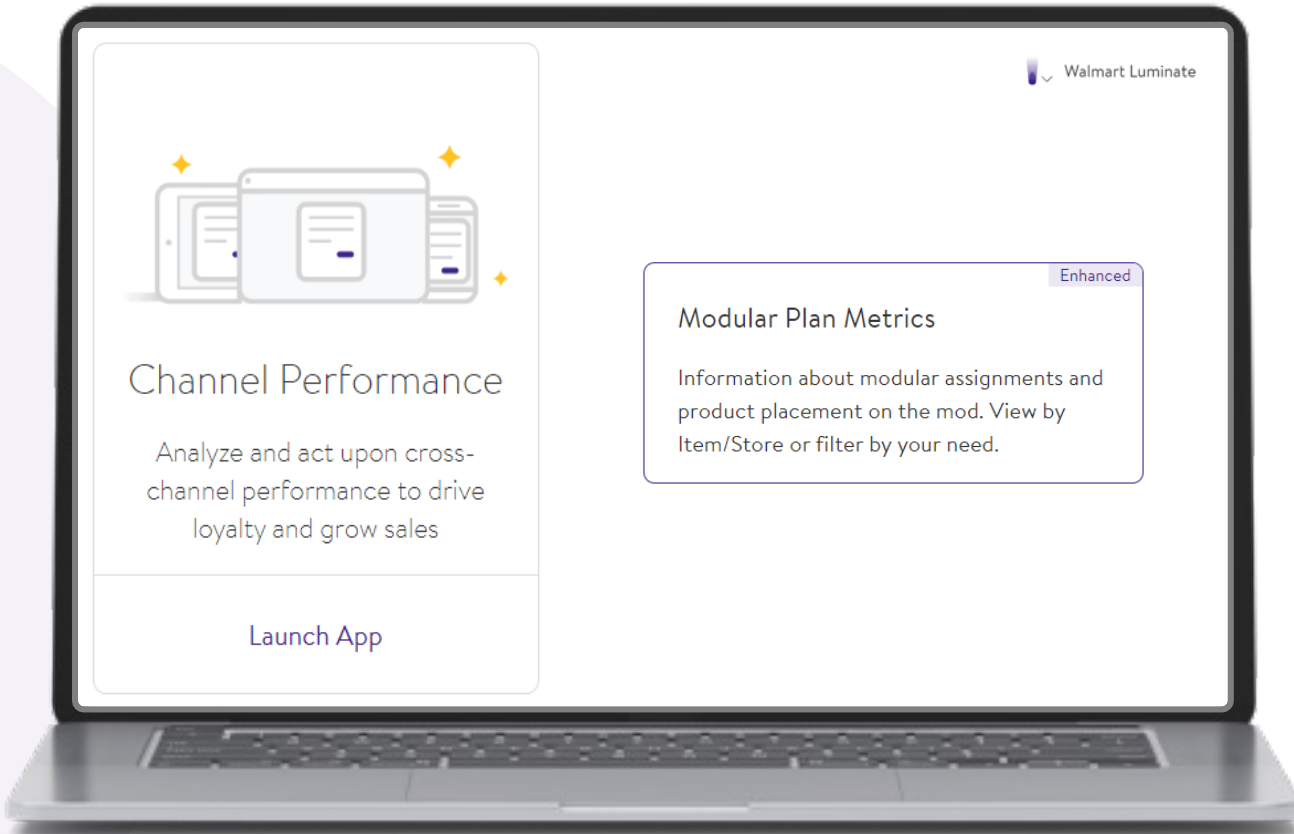**Katelynne Hinckley,**
Merchant - Cajun, Ketchup & Dipping
Walmart

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The opportunity: Identify stores executing the flow strategy

First up, **Modular Plan Metrics** in **Channel Performance** helped the team find three key data points:

Channel Performance

Analyze and act upon cross-channel performance to drive loyalty and grow sales

Launch App

Enhanced

Modular Plan Metrics

Information about modular assignments and product placement on the mod. View by Item/Store or filter by your need.

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1 **Modular Category Description:** Used to remove outliers from the analysis (combo mods, Puerto Rican stores, etc.)

2 **Store Aisle Identifier:** Used to separate stores that had all Condiments categories on the same aisle vs. split on multiple aisles
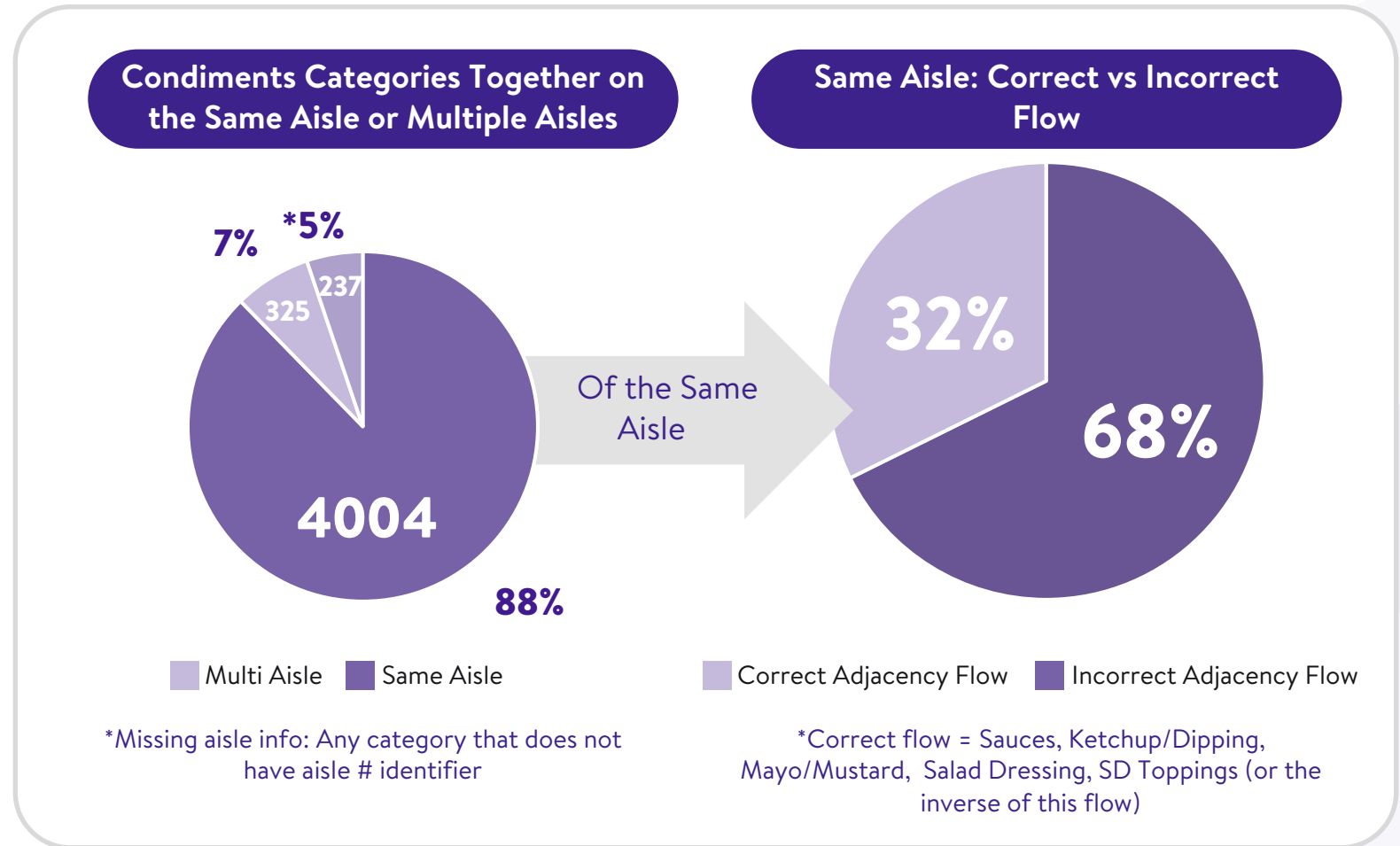
3 **Store Section Identifier:** Used to group stores by flow type

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![KraftHeinz] **Walmart Luminate Case Study: Kraft Heinz**
The approach: Channel Performance

Next, the Store Section Identifier found only **32%** of stores were executing the adjacency strategy correctly.

Condiments Categories Together on the Same Aisle or Multiple Aisles

7%   *5%
325   237
4004
88%

Of the Same Aisle ➔

Same Aisle: Correct vs Incorrect Flow

32%
68%

■ Multi Aisle ■ Same Aisle

■ Correct Adjacency Flow ■ Incorrect Adjacency Flow

*Missing aisle info: Any category that does not have aisle # identifier

*Correct flow = Sauces, Ketchup/Dipping, Mayo/Mustard, Salad Dressing, SD Toppings (or the inverse of this flow)

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The approach: Channel Performance

In fact, **35 different condiments** aisle variations were found across all stores—causing confusion for customers.

Misaligned Adjacency Flow Breakout by Group

Row	Incorrect Adjacency Flow	Store Count
1	MAYONNAISE_AND_MUSTARD | SALAD_DRESSING | SALAD_TOPPINGS_L3 | SAUCES | KETCHUP_AND_DIPPING	451
2	SAUCES | MAYONNAISE_AND_MUSTARD | SALAD_DRESSING | SALAD_TOPPINGS_L3 | KETCHUP_AND_DIPPING	435
3	SAUCES | SALAD_TOPPINGS_L3 | SALAD_DRESSING | MAYONNAISE_AND_MUSTARD | KETCHUP_AND_DIPPING	392
4	MAYONNAISE_AND_MUSTARD | SALAD_DRESSING | SALAD_TOPPINGS_L3 | KETCHUP_AND_DIPPING | SAUCES	318
5	SALAD_TOPPINGS_L3 | SALAD_DRESSING | MAYONNAISE_AND_MUSTARD | SAUCES | KETCHUP_AND_DIPPING	241
6	SALAD_DRESSING | SALAD_TOPPINGS_L3 | MAYONNAISE_AND_MUSTARD | KETCHUP_AND_DIPPING | SAUCES	205
7	SAUCES | SALAD_DRESSING | SALAD_TOPPINGS_L3 | MAYONNAISE_AND_MUSTARD | KETCHUP_AND_DIPPING	183
8	SALAD_DRESSING | SALAD_TOPPINGS_L3 | MAYONNAISE_AND_MUSTARD | SAUCES | KETCHUP_AND_DIPPING	138
9	SAUCES | KETCHUP_AND_DIPPING | SALAD_TOPPINGS_L3 | SALAD_DRESSING | MAYONNAISE_AND_MUSTARD	86
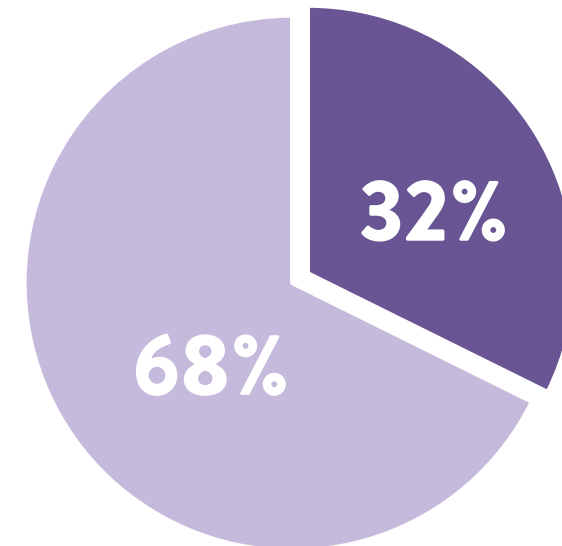
32%

68%

- Correct Adjacency Flow
- Incorrect Adjacency Flow

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Walmart Luminate Case Study: Kraft Heinz
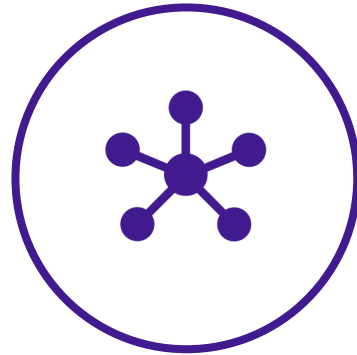## The approach: Shopper Behavior

Once the broad execution problem was identified in Channel Performance, it was time to leverage Shopper Behavior reports to understand its impact.
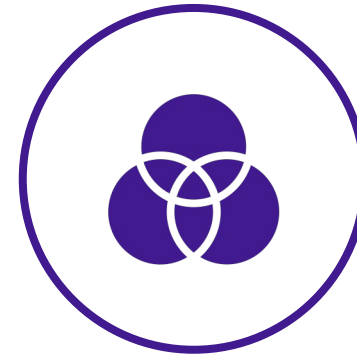
Analyzing **Performance**

Analyzing **Shopper Behavior**

Test & Control Evaluation
Used to determine % uplift from stores aligned vs. misaligned to the strategy

Performance in Detail
Compare performance between two groups and calculate impact

Cross Shop (Products)
Understand any cross-shop differences between stores aligned vs. misaligned

Basket Analysis
Understand any basket differences between stores aligned vs. misaligned

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The approach: Shopper Behavior

Combining results from the Test & Control Evaluation and Performance in Detail reports helped the team estimate a potential dollar value from correcting these stores to align to the strategy—a huge opportunity.

Aligned to Strategy vs Misaligned

* Trial = Correct Aisle Flow ; Control = Incorrect Aisle Flow		% Uplift vs Control		Value of Full Execution	
Category	**Fineline**	**Sales**	**Unit**	**$ Impact**	**Unit Impact**
KETCHUP AND DIPPING	KETCHUP AND DIPPING	-0.3%	-0.6%	-##.#M	-##.#M
MAYONNAISE AND MUSTARD	MAYONNAISE AND MUSTARD	-0.1%	-0.4%	-##.#M	-##.#M
SALAD DRESSING	SALAD DRESSING	0.8%	0.6%	+##.#M	+##.#M
	SALAD TOPPINGS L3	1.1%	1.1%	+##.#M	+##.#M
SAUCES	SA HOT SAUCE	0.8%	0.3%	+##.#M	+##.#M
	SA MARINADES	1.4%	1.0%	+##.#M	+##.#M
	SA BBQ SAUCE	1.4%	1.0%	+##.#M	+##.#M
	SA CONDIMENT SAUCES	1.9%	2.2%	+##.#M	+##.#M
Total Condiments: *% Uplift based off Top 1000 Items		0.4%	0.1%	+##.#M	+##.#M

Test & Control Evaluation

Performance In Detail (Misaligned group)

Correcting Misaligned Stores

+$##.#M

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The results: Customer-centric collaboration

The Merchant and Category Advisor will harness this information to work to improve the **Walmart customer shopping experience.**

1 Communicate the results with leadership and let them know it can be used to monitor aisle execution

2 This will help us lead future discussions with leadership on how to make progress towards perfect execution of aisle flow

3 Increase communication with store-level operators to highlight the problem

4 The dollar value opportunity of alignment gives teeth to the discussion with execution teams to help motivate them towards proper execution

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"We're excited about this [Walmart Luminate] data, and we hope that we can use this execution to improve experience for the Walmart customer as well.

Katelynne Hinckley,
Merchant - Cajun, Ketchup & Dipping
Walmart