



VISUAL MERCHANDISING GUIDE

Visual Merchandising Guide

Introduction

The merchandising part of the planogram positions products to lead shoppers through a logical and consistent journey through the department to increase sales.

Contained in this guide are visual merchandising standards and fixture standards that should be followed in order to maintain our shopping environment for our customers and uphold Ace Brand Merchandising Standards.



2019 Power Tool Accessories Planogram shown

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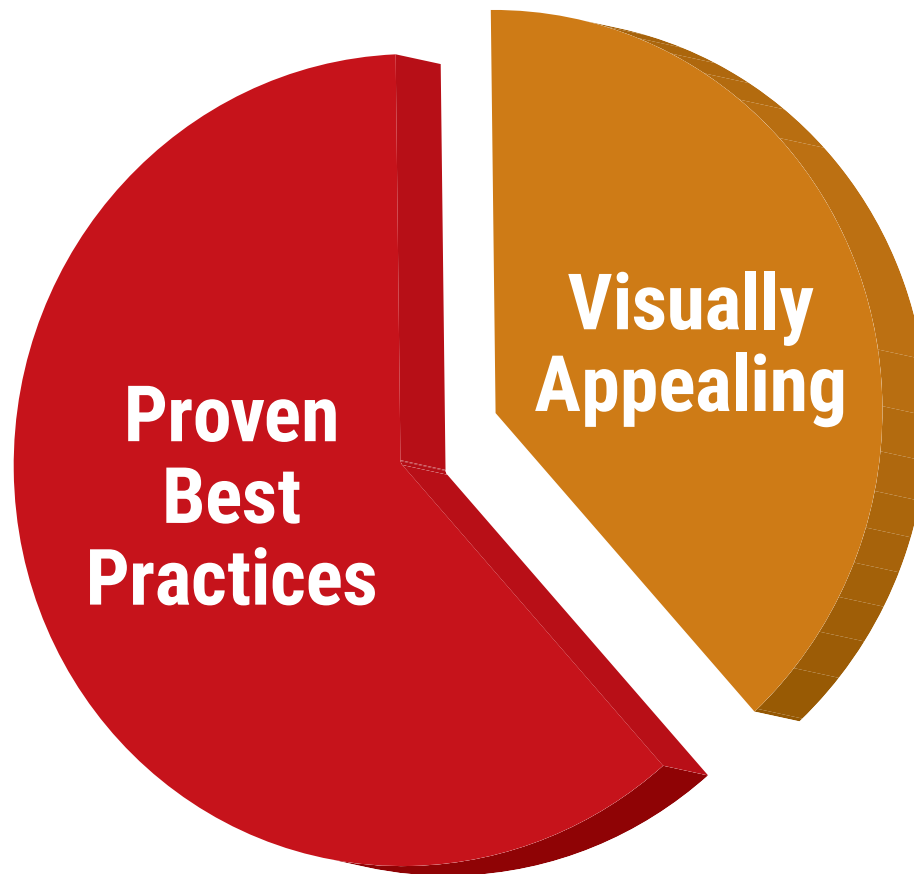
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Merchandising Basics

Overview

Merchandising Basics are Ace's proven best practices. Placement and merchandising are critical in our Discovery Planograms for consistency as a brand and throughout the store.

- **Break Up Confusion**
- **Avoid Valleys**
- **Create a Consistent Flow**
- **Make It Look Good!**



- **Strike Zone**
- **Vertical vs Horizontal**
- **Shop & Compare**
- **Runs & Relationships**
- **Bury the Cheap Stuff**

Merchandising Basics

Customer Decision Tree

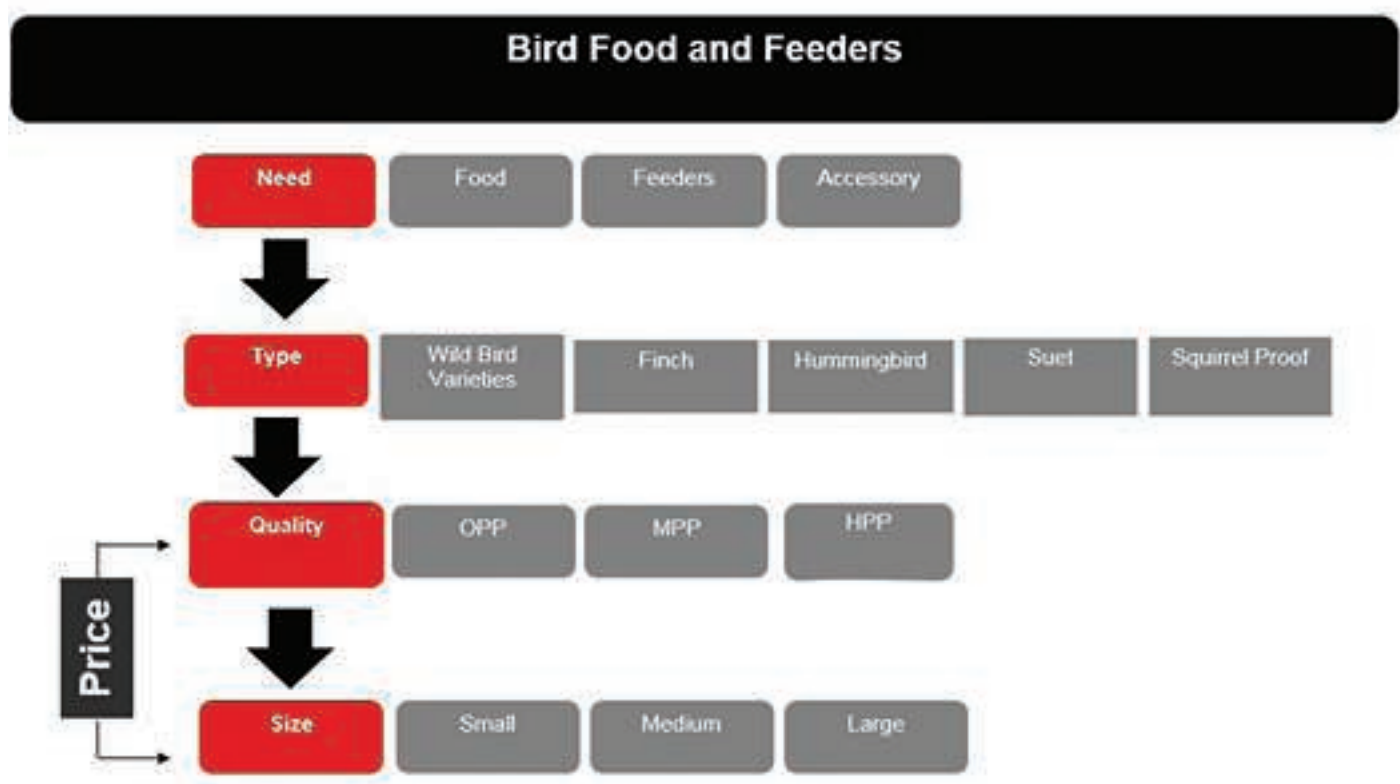
Before you select your product assortment, you must identify the different customer decision trees present within a category. Simply put, a Customer Decision Tree (CDT) is a record of the thought process that any shopper goes through when selecting a product in a category.

This record outlines the different product attributes that make up the purchasing decision. For example, a customer may look at price first, then size and brand last.

The use of CDTs helps you not only to better understand the buying behavior of your customers but also to grasp the expectations of each customer segment. This product knowledge is then translated into your assortments, which align a retail strategy with customer behavior.

For space planners, knowing how products are grouped together within a category assists in creating planograms that group products in a logical and shopper-friendly way.

Below is an example of a customer decision tree for bird food and feeders.



Merchandising Basics

Strike Zone

The strike zone is the most shopped area of a display (between the waist and eye level). Place top-selling/most profitable items in the zone.

This strike zone example is the staple planogram in the Tool Department. The top-selling item/items should be at eye level, in this case the T50 staple gun is at the prime location and we buried the lowest-selling electric staple gun.

Average woman: 5'4"

Top-Selling Item, T50 Staple Gun



Merchandising Basics

Ace Brand vs National Brand

Ace Brand vs. National Brand plays a large part in most product groupings in a planogram. We need to keep Ace Brand products near their related National Brands so that customers can easily compare them against each other. To encourage this, the Ace Brand product should always be positioned to the left of its related national brand product. Since we read left to right, the customer will see the Ace Brand product first, at a lower price point, and compare it to the related National Brand.

In some cases, we will choose to place a group of Ace Brand items next to a group of National Brand items. The same thought process applies – Ace Brand first, followed by the National Brand.

Ace Brand to the left
of National Brand

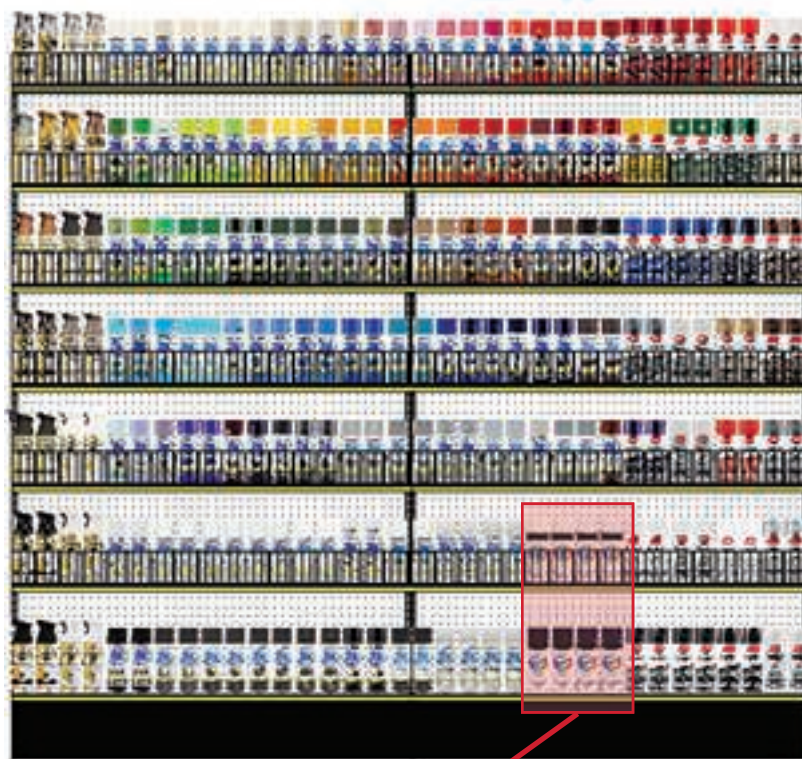


Merchandising Basics

Price Progression

Price point should be considered when merchandising subgroups within a category. Identify Good, Better, Best or OPP and HPP and how that plays into your strategy.

OPP/cheap items are typically buried at base deck but may have high sales volume. You want to highlight the Good, Better, Best within the strike zone so that those items are easy to find and identify.



Merchandising Basics

Size Progression

Product runs contain a category with more than one size in its product mix, such as paint brushes or drill bits. Product runs should be merchandised left to right and smallest to largest. The progression from left to right is natural, similar to how you would read a book.

For example, paint brushes should read from left to right: 2", then 2.5", then 3" (instead of 3", 2.5", 2").

SMALLEST ON THE LEFT

LARGEST ON THE RIGHT



Merchandising Basics

Vertical vs Horizontal Blocking

Vertical merchandising is the best way to present product to our customers. Vertical merchandising creates vertical columns of like merchandise. This holds true whether we are using shelves or peg hooks to display product. Some categories allow us to merchandise horizontally within a vertical column.

Examples of this can be found in pipe fittings, switch plates, and gallon paint displays. Vertical merchandising allows us to place slower moving merchandise above or below the shopping “strike zone”.

Consider horizontal and vertical striping when merchandising and grouping the families within your planogram. In the below example for door locks. The “finish” is striped vertically and horizontally you follow application (privacy, passage and entry).



Merchandising Basics

Product Reach Point

Shelved product must be reachable at a maximum height of 78". Measure from the floor to the product. Shelves must be set to accommodate product reach point.

Pegged products must be reachable at a maximum of 78". Measure from the floor to the selling space. Peg hooks can be set above 78". However, the reach point of 78" is maintained for the product.

78"



Do not set product above 78" reach point

Fixture Standards

Overview

Fixture Standards are Ace's best practices for fixtures that are used when merchandising the planogram. These standards will assist with placement and recommendation on when and how to use the various components in our fixture library. Fixtures should be used in conjunction with our merchandising basics to make the overall presentation of the planogram and category the best it can be.



Featured in this photo is AV Accessories on Sliders

Fixture Standards

Peg Hooks

Peg hooks are used to merchandise items that can be hung. Standard peg hooks have a 2-prong back, and heavy duty peg hooks have 3-prong back.

STANDARD HOOK



HEAVY DUTY HOOK



DROP HOOK



Best Practice:

- Evaluate the item you are merchandising. The variables are:
 - 1) Size of product
 - 2) Weight
 - 3) Number of items to be merchandised
- While a product might stress out a longer hook, like a 10" or 12", it might be ok on a 4" or 6" hook .
- When using peg hooks and merchandising specialty fixtures or sliders, different best practices may apply. Please see best practice for that specific fixture for specific information on peg hooks needed.
- Peg lengths should not be mixed within a planogram.
- 10" is standard peg length.

Elements

- Standard peg hooks: 2", 4", 6", 8", 10", 12"
- Heavy duty peg hooks: 10", 12"
- Drop peg hooks: 4", 6"

Fixture Standards

Shelving

Shelves are used to merchandise products that are able to stand independently without being hung or for items merchandised in bulk using wire binning.



Best Practice:

- Shelves can be set straight or slanted.
- When slanting shelves, you must use wire fronts to properly hold product in place.
- Shelf profiles should not be mixed within a planogram.
- Shelf depth should be the same as base deck depth. 16" is the recommended depth inline and 22" is the recommended depth for perimeter.
- Shelves should not be used above pegged product to avoid shadowing.

Elements

- Depths: 16", 19", 22"
- Widths: 2', 3', 4'

Fixture Standards

CrossTubes

CrossTubes are used when displaying heavy product that needs to be supported by the upright vs. the pegboard. Can be unpunched or punched 1" on center. Punched CrossTubes accept standard pegboard accessories. Unpunched CrossTubes work with CrossTube accessories.



Best Practice:

- Max. load is 200 lbs. on a CrossTube.
- Ensure CrossTube is level when setting across uprights.
- Pegged/shelved product should not interfere with CrossTube.

Elements

Punched CrossTube: 1-3/4"D, 6"D, 12"D

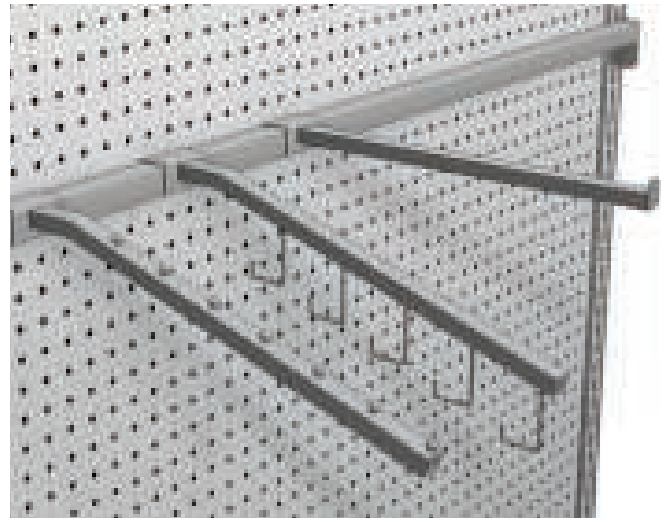
Unpunched CrossTube: 1"D

Fixture Standards

CrossTube Accessories

CrossTube accessories are used in conjunction with CrossTubes. CrossTubes are used when displaying heavy product that needs to be supported by the upright vs the pegboard.

We use CrossTube accessories in categories such as Long Handle Tools, Cord Sets and Hoses.



Best Practice:

- Max. load is 200 lbs. on a CrossTube.
- Ensure CrossTube is level when setting across uprights.
- Pegged/shelved product should not interfere with CrossTube.
- Recommended color is black.

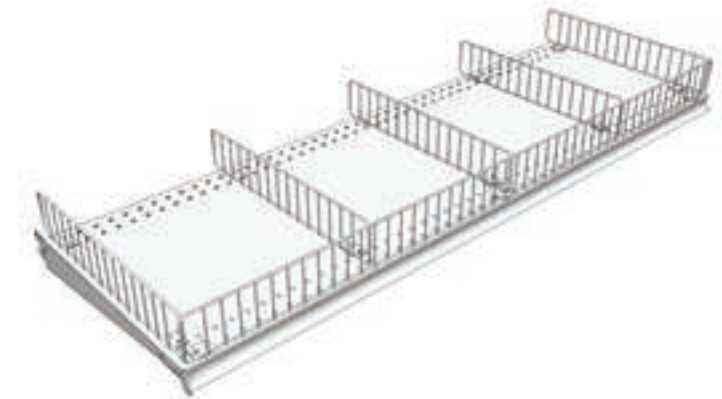
Elements

- Hook dividers: 13", 16", 19"
- Loop hook
- Long handle tool hook

Fixture Standards

Wire Binning

Wire binning is used to divide bulk goods in conjunction with the shelving. Front and divider systems are used to separate product as it is merchandised on the shelf.



Best Practice:

- The smallest bin spacing for bulk goods is 3". This allows for 16 bins per shelf and will accommodate our POP cards with 3" width without overlap.
- Always start your binning at the lead-in end of the aisle or display. This will ensure that all of your bins will line up vertically.
- Binning on wall sections should always start on the left-hand side of the display and work to your right.
- POP cards should be used when merchandising in bulk.
- Recommended color is chrome.

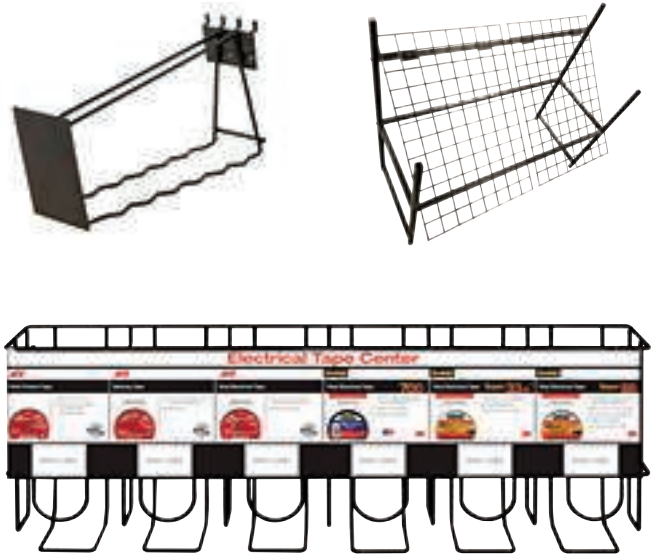
Elements

- 48" wire front
- Wire dividers (16", 19", 22")

Fixture Standards

Specialty Fixtures

Specialty fixtures are unique displays that aide in the visual merchandising presentation of the products within the planogram. Most specialty fixtures allow you to better maximize the space within the set or will give you the ability to merchandise products that may have not been easily merchandised without this unique display. They also present the product in a more appealing way to the consumer.



Best Practice:

- Specialty fixtures are to display unique or like products.
- They are usually created specifically for an item or category.
- Specialty fixtures should be black to compliment all variations of gondola colors.

Elements

There are several, varying by department.

See planogram “fixture page” for a list of specialty fixtures used in that specific planogram.

Fixture Standards

Sliders

Below is category criteria for sliders if you are considering using them as a part of your planogram. Sliders are a great way to maximize merchandisable space for smaller stores or categories that don't take up much merchandisable depth



Best Practice:

- Installs on standard or heavy duty display shelving section.
- 8' sliding run is preferred so that back product can always be viewed.
- Use on 16"D or larger base deck only.
- Peg hooks cannot extend past the base deck.
- Order double panel to create layered panels on one gondola section.
- Use handle on sliding panel for ease of movement for customer.
- High velocity categories on front sliders when they can be self-contained.
- Don't split subcategories.
- Try to keep runs and relationships consistent .
- Merchandising on back pegboard should start on the 3rd peg hole from the top, to allow for visibility of bin tag.
- Peg hook standards related to sliding panels:
 - Double panel: 2" back, 2" middle, 2" front
 - Single panel: 6" back, 4" front
- Can be used to cross-merchandise related categories.

Elements

- 61" suspended heavy duty sliding panels
- 67" suspended heavy duty sliding panels
- Deck mount heavy duty sliding panels

Fixture Standards

Clip Strips

Clip strips are used for add-on sales opportunities in aisle. Items merchandised on clip strips should complement planogram category.



Best Practice:

- No more than one clip strip per 4' section.
- No more than 5-6 clip strips down a 32' run (on one side of the aisle).
- Placement of clip strips should be within the "strike zone" (between the waist and eye level) on the shelf or in the pegboard.
- All clip strips should be at the same height down an aisle. Ideal placement is 60" from top of base deck to top of extender bar.
- No more than two wands per extender bar.
- When using two wands on an extender bar, must use the same size wand. Should not mix two different wand sizes on one extender bar.

Elements

- Extender bar: 16", 19", 22"
- Display wand: 6 item, 12 item
- Shelf adaptor
- Upright adaptor

Fixture Standards

Bin Tag Holders

When displaying product, make sure you are using the correct bin tag holders. We have different variations of bin tag holders depending on how the item is displayed. Bin tag holders must be accounted for when merchandising planogram because they will take up additional merchandisable space.

Elements

SHELF EDGE BIN TAG HOLDER: ACE #9367277



Vendor: Kinter
RSC OM 1 (BX/50)
Holder Use: Displaying bin tags in standard "C" channel shelving fronts.
Good to Know: Holder can be trimmed to fit shelves under 48".

BASE DECK BIN TAG HOLDER: ACE #1892389



Vendor: Kinter
RSC OM 1 (BX/50)
Holder Use: Displaying bin tags in standard "C" channel shelving fronts.
Good to Know: Holder can be trimmed to fit shelves under 48".
(This holder is angled more to increase bin tag visibility to the consumer.)

ADHESIVE BACKED BIN TAG HOLDER CHANNEL: ACE #9367327



Vendor: Kinter
RSC OM 1 (BX/50)
Holder Use: Use on any flat surface where multiple bin tags are needed.
Good to Know: Can be trimmed to fit.

FLEX SLIP BIN TAG HOLDER CHANNEL: ACE #9367368



Vendor: Kinter
RSC OM 1 (BX/10)
Holder Use: Fits over peg hook ends. Used where three or more top load holders would overlap.
Good to Know: Can be trimmed to fit. Used in SKU intensive areas (drill bits and sockets) in place of top load holder (Ace #9602772).

TOP LOAD BIN TAG HOLDER: ACE #9602772



Vendor: Kinter
RSC OM 1 (BX/100)
Holder Use: Used to display bin tags on all stocked scanning peg hooks.
Good to Know: Designed for adhesive labels and non-adhesive paper tags. Locks securely on five wire diameters: .149, .186, .212, .224 and .250.

Fixture Standards

Bin Tag Holders (cont.)

When displaying product, make sure you are using the correct bin tag holders. We have different variations of bin tag holders depending on how the item is displayed. Bin tag holders must be accounted for when merchandising planogram because they will take up additional merchandisable space.

Elements

T-STYLE BIN TAG HOLDER: ACE #9717372



Vendor: Kinter
RSC OM 1 (BX/100)
Holder Use: Use to display bin tags on all stocked slotwall T-scanning peg hooks.
Good to Know: Holder is used with Lavi Impulse Que system.

ADHESIVE VINYL POCKET BIN TAG HOLDER: ACE #9367376



Vendor: Kinter
RSC OM 1 (BX/240)
Holder Use: Full adhesive backing sticks to any clean, flat surface such as shelving fronts.
Good to Know: Holder is commonly used on specialty fixtures and used with all POP cards.

WRAP LOCK LABEL BIN TAG HOLDER: ACE #9027472



Vendor: Kinter
RSC OM 1 (BX/100)
Holder Use: Attaches quickly and easily to wire baskets, grids and displays.
Good to Know: Holders are removable and reusable. Used to display bin tag info on loop hooks (Ace #9707381).

METAL PLATE BIN TAG HOLDER: ACE #9367269

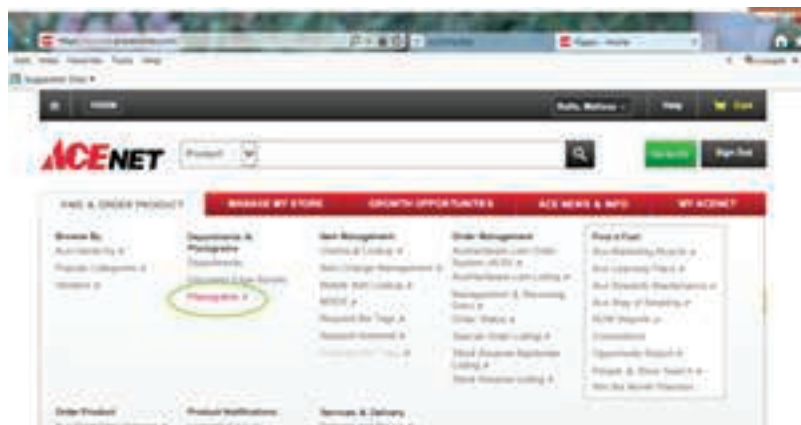


Vendor: Kinter
RSC OM 1 (BX/100)
Holder Use: Snaps quickly over common metal scan plates. Also works well on wire baskets or fencing.

FAQs

Q: Where are planograms located on ACENET?

A: Find and Order Product > Departments & Planograms > Planogram



Q: Where can I find a list of all items located in a planogram?

A: Use product list button below.

| | | Last Updated | POG ID | POG Format | POG Title |
|--|--|--------------|----------|----------------|---------------------------------------|
| | | 12/3/2015 | UWPIPE | EXP | PIPE/ROOF FREEZE PREVENTION |
| | | 2/25/2016 | UTBAGGDS | EXP | BAG GOODS |
| | | 12/3/2015 | TARTRNB4 | OTH | UNDERGROUND SPRINKLERS/RAINBIRD SMALL |
| | | 2/4/2019 | TY78AYOU | OTH | BAYOU CLASSIC COOKERS-LG |
| | | 2/4/2019 | TY78AYU4 | OTH | BAYOU CLASSIC COOKERS-SM |
| | | 2/4/2019 | TY79ZM4 | OTH | PIZZA/ACCESSORIES |
| | | 12/3/2015 | S3RPLUG4 | SUP | REPLACEMENT GLASS |
| | | 12/3/2015 | U3B6XW4 | EXP | BULK/BOXED WIRE |
| | | 12/3/2015 | T13WMOLD | OTH | WIREMOLD |
| | | 12/3/2015 | S5RKEYS | EXP/CON/CR/SUP | REKEY LOCKS SERVICE |
| | | 12/3/2015 | S5S1TYCN | SUP | SAFETY CONE RACK |
| | | 12/3/2015 | S5WINDOW | SUP | WINDOW SCREENS LAD/GRILLE RACK |

Q: If there is a planogram issue I want to report, how can I do this?

A: POGIssues@acehardware.com

Q: Where can I order specialty fixtures that aren't stocked in the RSC?

A: Ace Project Place (Manage My Store> Store Environment > Ace Project Place)



ACE18804