



# Personal Care category disruption and missed revenue targets caused by labor shortages

**SITUATION** On top of raw material shortages, CPG Manufacturers have feared significant category disruption caused by labor shortages throughout the industry in recent years. A top selling skin care brand and a strategic retail partner questioned if this was the case for recent realized category declines and missed forecasted targets. With Pensa's help both companies could continuously track On Shelf Availability (OSA) to determine if gaps in execution was a factor driving declines and unexpected shifts in plans, something traditional POS and inventory data could not reveal. Going into the study, there was an assumption that 9 out of 10 times (90% OSA) the brand was present to the shopper, based on inventory levels.

## KEY INSIGHTS

Category OSA levels were a negative -20.6pts lower than expected.

There have been consistent week over week declines in OSA (%) for top brands and the category with the exception of Brand G – who uses 3rd parties to restock shelves at a higher frequency over what the retailer can provide.

Brand J reaching benchmark levels had an approximate +10% increase in sales.

**KEY ACTION** Brand J and retailer collaborated on options to implement more than once per week shelf replenishment, a major opportunity to increase sales and profits for the entire category.

