Perrigo®

CASE STUDY

Client

Perrigo is **one of the most significant manufacturers in Polish and European markets for OTC medications, medical devices, cosmetics, and dietary supplements.** The company has been using our solutions since 2014. Together, we have successfully implemented tools for sales automation, a constantly updated customer database, analytics, and integration with warehouse systems.

The OTC pharmaceuticals market demands effective **merchandising**, and Perrigo decided to improve this area by leveraging our solutions.

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Perrigo's Challenges

01 **Automating and improving the process of data collection and analysis related to shelf displays.** Previously, representatives took individual photos, but the process lacked optimization and automation for analysis.

02 **Gaining evidence-based insights** on whether products were displayed according to standards.

03 **Providing tools to evaluate client contracts and supporting Key Account Managers with reliable data.**

04 Zwiększenie dystrybucji numerycznej i poprawa wskaźników dotyczących ekspozycji wybranych linii produktowych.

"We operate in the dermocosmetic category, where shelf presentation is crucial, but we lacked qualitative insights into how our shelves look (...). The collection, archiving, and analysis of photos taken by representatives couldn't be conducted with sufficient quality."

MAREK WYSŁOCKI

Head of Commercial Strategy at Perrigo.

Solution

The answer to Perrigo's challenges was **Merchandising Image Recognition,** an AI -powered service for automating shelf display analysis using image recognition.

Before full implementation, tests were conducted to evaluate the image recognition algorithm's effectiveness. Some Perrigo products have very similar packaging, differing only in text. **The tests showed that the Image Recognition system could reliably and accurately identify SKUs, overcoming this challenge.**
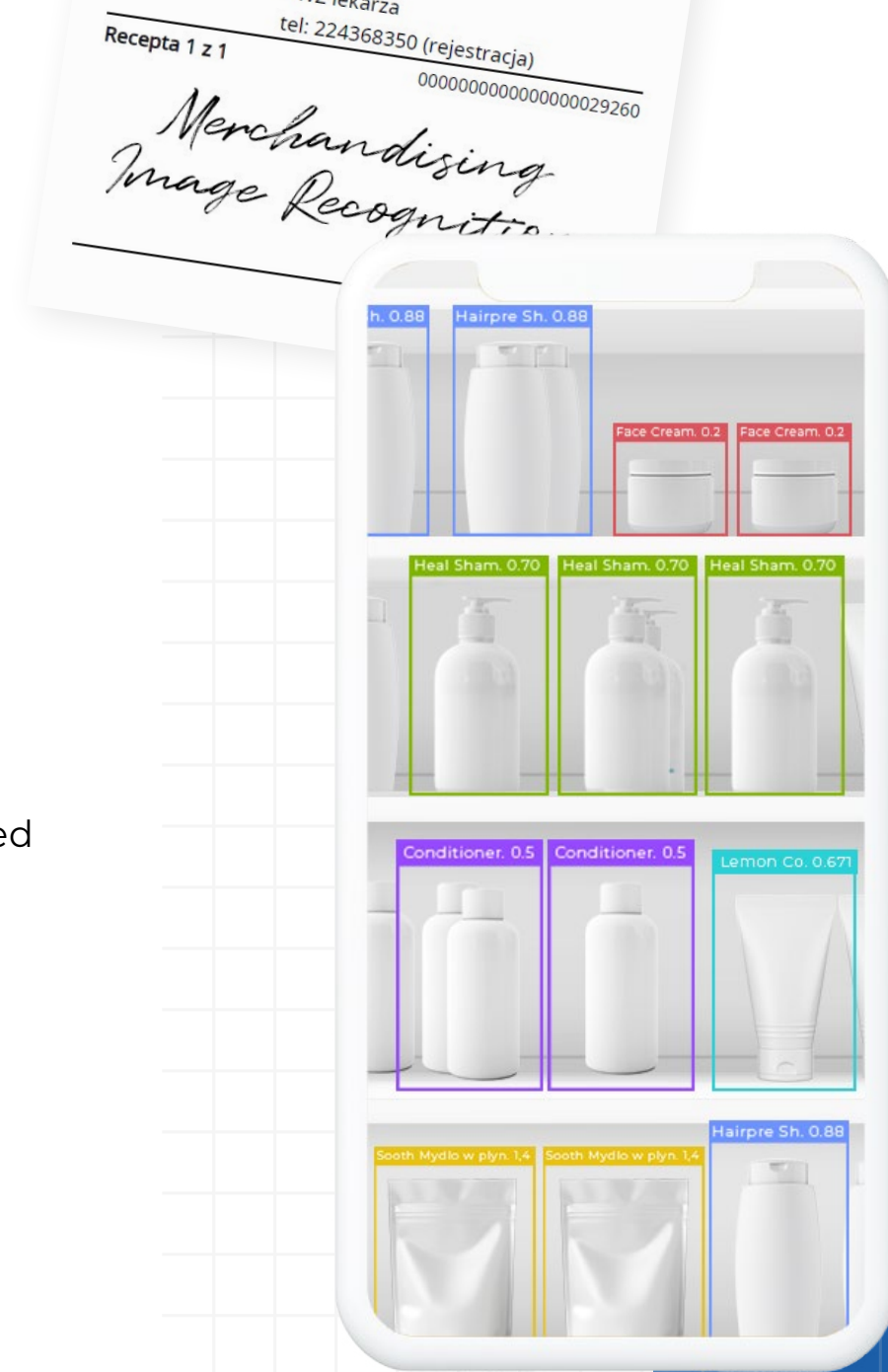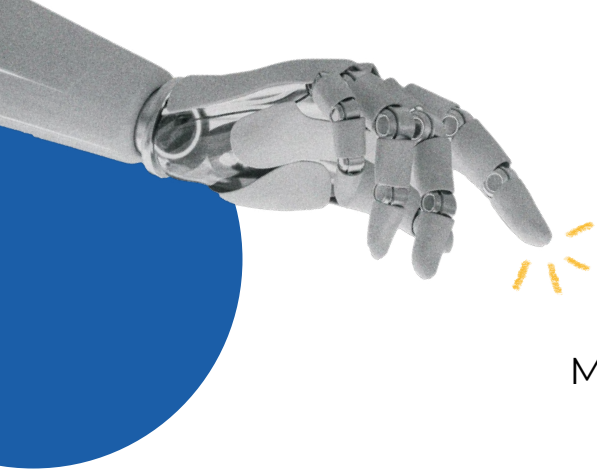
How It Works

Merchandising Image Recognition uses a neural network to identify products in photographs. Representatives only need to take a photo of the shelf, and the system, with **a minimum 95% accuracy** (97.85% in Perrigo's case) recognizes the products and automatically checks if various parameters are met:

- Compliance with standards and planograms,
- Product availability on the shelf,
- Shelf share by brands,
- Price labeling.

Compliance with standards can be measured using various KPIs, such as the presence of listed products, display width, correct display construction standards, expected vs. actual shelf share, and more.

Data from shelf display analyses using Merchandising IR can be easily analyzed in clear and user-friendly **Biqsens analytics,** based on Microsoft Power BI.

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Implementation Results

With the implementation of Merchandising IR, Perrigo moved away from the manual, time-consuming process of collecting, processing, and analyzing display data. As a result, the company:

01 Gained almost immediate access to information on whether and to what extent merchandising standards were met,

02 Obtained reliable data (from analyzing hundreds or even thousands of photos) as a foundation for discussions and settlements with pharmacy chains by Key Account Managers,

03 Streamlined and accelerated internal processes related to data processing and analysis,

**04** Improved the numerical distribution of selected product lines.

After just three quarters of implementing Merchandising IR, improvements were noted in numerical distribution, availability, and shelf width:

+21,2% improvement in numeric distribution for a selected product line.

76,2%

55%

80%

60%

0%
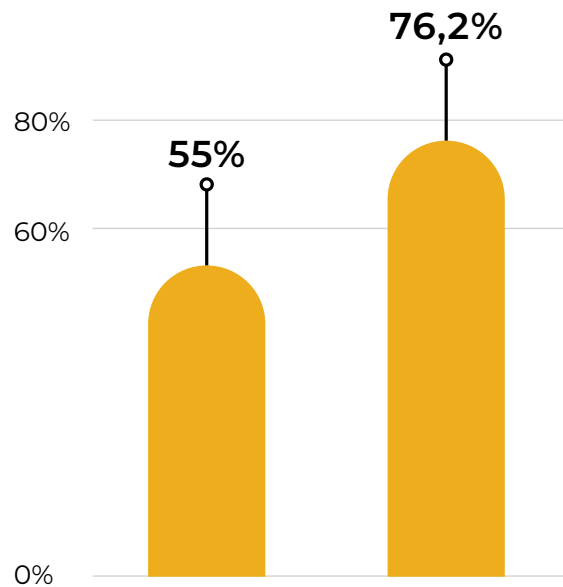
+ 33,6% better average numeric distribution in pharmacy chains

53,7%

60%

20,1%

20%
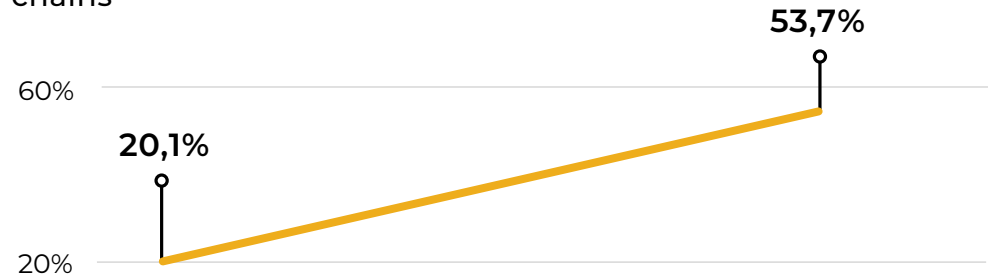
+1318

pharmacies with product distribution,

MAREK WYSŁOCKI

Head of Commercial Strategy at Perrigo.

"Merchandising IR is an excellent tool for evaluating client contracts. For both pharmacy chains and us, it provides clear insights into shelf displays, which are a part of the contract. The tangible financial result is the ability to have qualitative discussions with clients about whether agreements are being implemented. There are also operational benefits: I know where the photo was taken, how the display evolves over time, and I get information immediately without manual processing. Everything is systematized."

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If you have any **questions**

feel free to reach out to us!

marketing@sagra.pl

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