Standard Operating Procedure (SOP): Product Display Guidelines and Planogram Adherence

This SOP defines **product display guidelines and planogram adherence**, detailing the standards for arranging products on shelves, ensuring visual merchandising consistency, optimizing space utilization, enhancing customer experience, and maintaining brand image. It includes instructions on shelf layout, product placement, stock rotation, signage usage, and regular audits to monitor compliance. The goal is to maximize sales potential and maintain a coherent store appearance.

1. Purpose

To standardize product displays, maintain planogram integrity, uphold brand standards, and maximize merchandising effectiveness in all retail areas.

2. Scope

This SOP applies to all employees responsible for merchandising and maintaining shelf displays in-store.

3. Responsibilities

- **Store Managers:** Oversee planogram implementation, conduct regular audits, and resolve discrepancies.
- **Merchandisers/Staff:** Execute shelf arrangements, restock products, rotate inventory, and update signage.
- **Regional/Area Managers:** Review audit results and provide guidance for corrective actions.

4. Guidelines and Procedures

4.1 Shelf Layout

- Follow company-issued planograms for each product category and shelf section.
- Allocate shelf space according to product sales performance and visual balance.

4.2 Product Placement

- Place best-selling and high-margin items at eye level for maximum visibility.
- Group similar products together and align with the designated planogram.
- Ensure front-facing, neatly aligned product rows, and avoid overcrowding.

4.3 Stock Rotation (FIFO)

- Rotate stock using First-In-First-Out (FIFO) method to prevent expired items.
- Check dates regularly, removing products nearing expiration.

4.4 Signage Usage

- Ensure all promotional and price signage is current, accurate, and in good condition.
- Follow company branding guidelines for fonts, colors, and placement.

4.5 Cleanliness and Organization

- Keep shelves free of dust, spills, and clutter at all times.
- Report damaged fixtures or out-of-stock situations immediately.

5. Planogram Compliance Audits

- Conduct weekly audits using the standardized checklist.
- Photograph each section before and after restocking or layout changes.
- Report deviations with corrective actions within 24 hours.

6. Documentation & Records

- Maintain updated planogram files in a secure, accessible location.
- Log audit results and corrective actions for at least 12 months.

7. Training

- All new hires must complete planogram and product display training during onboarding.
- Refresher training to be held quarterly or as planograms are updated.

8. Key Performance Indicators (KPIs)

KPI	Description
Planogram Compliance Rate	Percentage adherence based on audit results.
Out-of-Stock Incidents	Number of instances when listed products are not available on assigned shelves.
Audit Completion Rate	Frequency and thoroughness of scheduled planogram audits.

9. Revision History

Date	Version	Description of Change	Author
2024-06-23	1.0	Initial SOP template release	Store Operations Lead