

simbe x  SpartanNash

How global grocer & distributor SpartanNash accelerated customer-centric innovation with Simbe

SpartanNash (Nasdaq: SPTN) engaged Simbe to improve store performance and elevate the experiences of store associates & shoppers. Following an initial deployment that dramatically exceeded success metrics, SpartanNash expanded Simbe technology to over half its owned fleet.



METRICS AT A GLANCE

Reduced out-of-stock (OOS) rates by 60%

Achieved industry-leading 98% on-shelf availability

Slashed inventory on-hand (addressable) OOS rates by 80%

Freed >2.5 hours / store / day to better serve shoppers



The Retail Leader

A publicly traded grocer and distributor, SpartanNash serves over 2,100 independent, military and owned locations in 44 states, as well as Europe, Latin America, and the Middle East. It is the largest distributor to military commissaries in the US.



The Challenge

“Labor shortages are still the number one reason why internally, we [were] having trouble getting product to the floor. So [we wanted to figure out] how you deploy technology to get those products out there, what we call the addressable out-of-stocks.”

SPARTANNASH
VP FINANCE
TYLER KING



Grocers lose a chance at a sale every time a shopper is unable to find the items they wish to purchase.

OOS can result from retail shrink, labor shortage and/or phantom inventory. At SpartanNash the primary culprit for OOS was labor shortages, said SpartanNash VP Finance Tyler King at a presentation at GroceryShop in 2023. Using handheld devices, employees scanned holes, aisle by aisle, thousands of times over the course of a month, to determine if items were in the store. Once all items were scanned, employees generated a comprehensive pick list.

The manual process was tedious, time-consuming, and prone to mistakes. In

fact, said King, employees spent 2.5 hours per day addressing OOS issues, and the mind-numbing work impacted morale and retention. In addition, reorders were not happening on time. At every step of the process, SpartanNash noticed a chance not only to increase sales — but to delight their shoppers and empower their store teams.

Price consistency was also a problem. The prices that customers saw on price tags did not always match flyer prices or what registered at checkout. The stores struggled to stay on top of hundreds of thousands of price changes every week, which impacted inventory sales and customer satisfaction.

Key Takeaways

1
OOS and price inconsistencies were expensive

2
Manual methods were tedious and error-prone

3
Labor shortages compounded the problem

The Solution

SpartanNash decided to use Simbe's Store Intelligence™ Platform, consisting of cutting-edge AI and robotics that power business-critical intelligence to streamline inventory management and store operations, while elevating store teams and shoppers' experiences.

After seeing rapid results from its first 5 stores, SpartanNash deployed Simbe's technology to a total of 15 locations in 2023 to verify business-wide value. The team quickly requested a follow-on expansion to 75 stores total in 2024 and has plans to install the business-critical platform in all SpartanNash locations in the near future.

Simbe's comprehensive platform includes the world's first autonomous item-scanning robot, Tally, which identifies exact product location, stock level, and pricing & promotion information with market-leading computer vision. The quiet, slim robot traverses store aisles 2-3 times a day, scanning 15,000 to 30,000 products an hour, ensuring products remain in-stock, in the correct location, and accurately priced. Tally senses barcodes, price tags, available shelf and pallet space and verifies and directs teams to item locations with market-leading accuracy.



DEPLOYMENT TIMELINE

LATE 2022
5 stores



2023
15 stores



EARLY 2024
75 stores

For each store, Tally generates a Price Verification and OOS Report by traversing the store three times a day, citing addressable issues.

Thanks to such store intelligence, associates can quickly and strategically fill OOS for highest volume items and optimize sales. Alerts and prioritized task lists improve efficiency. SpartanNash stores have optimized their stocking processes across all locations. They can also tell the cause for OOS and fix the problems faster.

SCANNABLE
BARCODES

EXPECTED
& OBSERVED
PRICES

SCENE ID

CATEGORY

“You can tell when you walk down the aisle, Tally is keeping us on task, so we have products to sell to customers.”

SPARTANNASH
CENTER STORE
MANAGER
DIANE OLSEN



To fix pricing inconsistencies, Tally also generates a Price Verification Report that includes:



PICTURE OF
ACTUAL TAG



SCANNABLE
BARCODES



AISLE
LOCATION



EXPECTED VS.
OBSERVED PRICE

The Simbe Store Intelligence Difference

“The results are tremendous. Simbe has made a big, big difference for us.”

SPARTANNASH
EXECUTIVE
VICE PRESIDENT,
CORPORATE RETAIL
TOM SWANSON



REDUCED
OUT-OF-STOCKS
BY 60%



SLASHED
INVENTORY
ON-HAND
(ADDRESSABLE)
OOS RATES
BY 80%



FREED
>2.5 HOURS /
STORE / DAY TO
BETTER SERVE
SHOPPERS



ACHIEVED
INDUSTRY-LEADING
98% ON-SHELF
AVAILABILITY



IMPROVED
PRICING
& PROMOTION
ACCURACY
TO 99.5%





A better experience for both associates and guests

Auditing inventory had been a monotonous part of store associates' jobs, said King, so accessing store intelligence from the Simbe platform and having Tally on the team has positively impacted morale and retention.

Prioritized worklists, up-to-the-minute product location data, and optimized pick paths make associates' work easier and more accurate. And with data from the intelligence platform, the shopping experience is better tailored for guests, too. The advantages for both associates and guests has made SpartanNash eager to deploy the technology across more locations.



Easy adoption

Simbe provides store intelligence to track the performance and improvement trends for stores using Tally data. SpartanNash benchmarks weekly performance across its stores, creating fun, healthy competition across the fleet.

Because the technology is so easy to use and accretive to store associates' work, SpartanNash teams now have many more hours each day to focus more on the customer. Setup requires only a wifi connection and electric outlet — no planograms or IT teams.

Future Plans

In the future, SpartanNash anticipates leveraging Simbe in additional ways:

VENDOR PERFORMANCE

SpartanNash will use Simbe to evaluate vendor performance and share useful data about shelf merchandising strategies. Vendors will also be able to compare performance by region and by district.

PROGRAM COMPLIANCE

Tally digitizes store areas with a high-density scan. By precisely counting all products on shelves and in store, it creates a comprehensive database of product images. Using this data, algorithms perform product recognition in areas such as end caps and promotional displays. Such an approach gives vendors visibility to ensure compliance with sales agreements.

“Tally saves a lot of time.”

SPARTANNASH
ASSOCIATE
STORE DIRECTOR
JOEL MOON



STORE MERCHANDISING EXECUTION

Since Tally can deliver near real-time views even remotely, SpartanNash plans on using data to keep relevant managers such as store directors, deli managers, and others updated about stocking and displays, so they can ensure all units are ready for prime time.

INCOME OPPORTUNITIES

Retail intelligence about product performance is valuable. Today, Direct Store Delivery and CPG brands have to send associates to stores to manually collect shelf intelligence. In the future, SpartanNash plans to monetize Simbe insights by giving brands and suppliers visibility to optimize sales, conduct competitive intelligence and monetize trends over time with virtual views.



“Understanding where the labor market and competitive landscape are, we are all in on this technology.

We have found through our own analytics that [Simbe] really does pay for itself through higher sales, lower labor costs, and pricing accuracy.”

SPARTANNASH
VP FINANCE
TYLER KING



“Our strategy is enabled through innovation and technology. Tally delivers on all of that, through analytics and data and the overall experience it delivers every day.”

SPARTANNASH
EVP & CHIEF
INFORMATION
& STRATEGY OFFICER
MASIAR TAYEBI



“The real-time data intelligence Tally provides helps ensure our store guests’ favorite items always stay fresh, are adequately stocked and priced competitively, helping us deliver the ingredients for a better life.”

SPARTANNASH
EXECUTIVE
VICE PRESIDENT,
CORPORATE RETAIL
TOM SWANSON

Only Simbe’s store intelligence has:

- 1 Customers who’ve been satisfied for years
- 2 Been tested across chain-wide deployments
- 3 Delivered quantifiable ROI

Our robotics & AI automation platform does not:

- Only work on your shelves
- Require planograms and IT teams for setup
- Break down consistently

For more information, visit simberobotics.com.

simbe