



Advantage 360™

On-Shelf Availability: The Hidden Revenue Leak

Turning disrupted demand into captured growth through execution

May 2026

We keep commerce and life moving™

YourADV.com

What is the On-Shelf Availability Problem?

A shopper reaches for the product they buy every week. It's not there.

The shopper substitutes, switches brands, delays the purchase, or walks out. The intent to buy was real. The sale was lost. And it plays out millions of times a day across every major retail banner in North America.

That is the **on-shelf availability (OSA) problem**.

Ironically, in most cases, when a shopper finds an empty facing, the product has already arrived in-store. It has been received and recorded as available but never made it out of the back room.

This is what the industry calls **phantom inventory**: the system believes stock exists, so no corrective action is triggered.

But from the shopper's perspective, the distinction is irrelevant. The item simply isn't on the shelf.



What an Empty Shelf Actually Costs

Out-of-stocks cost consumer packaged goods companies (CPGs) and retailers more than \$180 billion a year. At any given moment, 5% to 10% of SKUs are unavailable on shelf, depending on the category and retailer, with roughly 4% to 5% of total retail sales directly affected.

To put that in perspective: in a \$100M category, an 8% OOS rate translates to \$8M in disrupted demand, causing a persistent drag on performance.

When a product is unavailable, shoppers make quick decisions that redirect demand, often away from the intended brand or retailer:

31%	buy the item at another retailer (reducing the basket size)
26%	switch to a competitor brand
19%	substitute within the same brand
15%	delay the purchase
9%	don't buy at all (impacting brand perception)

WHY THIS MATTERS

For shoppers: out-of-stocks are frustrating, routine-breaking, and trust-eroding. When they happen often enough, shoppers stop giving the store the benefit of the doubt and start buying elsewhere.

For brands: The pain extends beyond a single lost sale. A missed moment of trial can mean a lost consumer for good, which translates directly to lost share and tighter margins.

For retailers: Empty shelves shrink the basket, waste promotional dollars, and make shoppers question whether the retailer is worth the trip.

Three Forces Are Widening the Gap

If OSA is an execution problem that affects many stakeholders, why hasn't it been solved?

It's complicated. The COVID-19 pandemic exposed how fragile shelf conditions become under pressure. It triggered a wave of investment in forecasting, inventory systems, and monitoring.

Visibility got better. But execution did not.

The industry became more aware of the problem, but without real corrective action, three forces continue to make it worse:

Staffing and demand are misaligned.

Shelf replenishment is still highly manual, and in-store staffing doesn't match demand patterns. Peak traffic hits on weekends, holidays, and during promotional events, exactly when labor is thinnest. Shelves empty fast, and the cost of those out-of-stocks adds up quickly.

Assortment keeps growing.

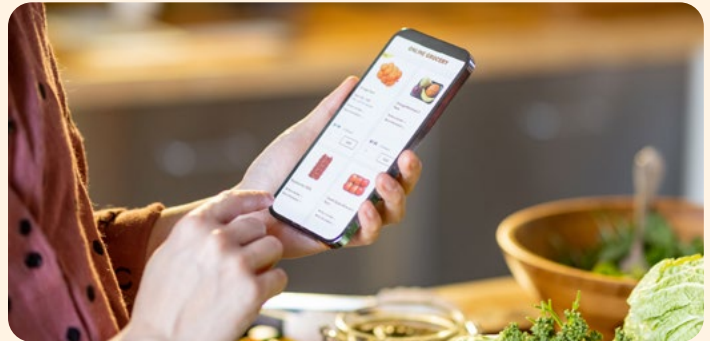
More SKUs per store means more chances for misplacement and empty facings, even when inventory is in the building. Every new item on the planogram increases the likelihood of something getting missed.

Margin pressure limits options.

Retailers and brands are operating on slim margins. Inflation, tariffs, and rising costs across the board mean neither side has room to add labor or absorb inefficiency.

WHY THIS MATTERS

These aren't temporary pressures. They're structural and compounding. The gap between knowing where the problem is and being able to fix it keeps widening. And every day it does, revenue walks out the door.



Digital Channel Amplifies Every Miss

There is another factor making the OSA problem harder to contain: e-commerce.

Store-level inventory no longer serves only the physical shelf. It powers click-and-collect, same-day delivery, and marketplace availability.

When execution breaks down in-store, those missing items can disappear from digital channels too. That triggers more substitution and, in some cases, causes brands to lose visibility in search and recommendation algorithms altogether.

WHY THIS MATTERS

An out-of-stock in aisle 7 can mean an out-of-stock on every delivery app in the market. Once a product drops out of a search algorithm, getting back takes time and money most brands can't afford. A single execution miss at the shelf now ripples across channels, making the problem bigger and longer lasting.

DSD Categories Carry the Highest Risk

Not all categories face the same level of exposure.

Direct Store Delivery (DSD) categories like bread, snacks, beverages, and dairy operate with the thinnest margin for error. High velocity, shorter shelf life, and distributed ownership of replenishment mean that one gap in execution quickly turns into a visible empty shelf.

These categories consistently run up to 5 incremental percentage points higher in OOS rates than total CPG, a gap that gets even wider during peak selling periods. Brands and retailers need a different approach to tackle this problem.

How Advantage Solutions Closes the Gap

The OSA problem lives between retailer operations and supplier logistics. No single team fully owns it, which is exactly why it persists.

This is where a partner that works across both sides makes a real difference. Advantage operates at that intersection, with visibility into retailer operations and brand priorities, so issues get identified and addressed before they reach the shopper. We're here to solve it.

SAS Retail Services: The Retailer Side

SAS, a division of Advantage Solutions, works directly inside retailer organizations, embedded in category management, replenishment, and store operations where execution decisions are made.

SAS supports a broad range of in-store execution, including category updates and resets, product placement and rotation, audits, analytics and planogram services, supplemental labor, and store-level data collection.

Because SAS operates at the store and banner level, these efforts scale across the system rather than remaining isolated fixes.

The Weekend Execution Gap

Out-of-stocks peak on weekends, right when shopper traffic is highest. Sunday out-of-stocks reach an average of 8.4% and Saturday hits 6.9%, translating to an average of \$8.44 in lost revenue per order when items are unavailable.

Store support is often stretched thin during these windows, leaving shelves understocked when it matters most.

ON-SHELF AVAILABILITY

SAS's weekend DSD stocking program can deliver:

4% sales lift
\$3M in incremental sales

HERE'S HOW

Incremental field labor was deployed across a large, triple-digit store base for a leading national retailer, with 6 labor hours per day from Friday through Sunday, focused on DSD categories during peak shopping windows.

The program delivered:

- ✓ ~4% sales lift vs. comparison, generating ~\$3M in incremental sales
- ✓ Improved in-stock scores year over year across suppliers and store types

The program has since scaled across six divisions of this national retailer.

From Coverage to Signal-Driven Execution

This shift toward more precise execution is also redefining how branded retail services create impact in the field.

Strong execution programs today aren't just about covering stores. The real difference comes from combining consistent in-store merchandising with real-time prioritization. Foundational DSD and retail merchandising improve on-shelf availability and display compliance, delivering measurable lift, typically in the 5% to 10% range versus comparison stores.

When you layer in dynamic routing and digital shelf signals, field teams stop running routine store checks and start making targeted interventions at the locations where out-of-stocks and execution gaps have already been flagged. This focused approach can deliver 2x to 3x the incremental lift compared to execution alone. Advantage supports this through a layered model that combines consistent coverage with signal-based prioritization to improve field deployment.

Branded Retail Services: The CPG Side

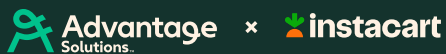
Building on this shift from coverage to more precise, signal-informed execution, our Branded Retail Services teams play a key role in driving results at the store level.

Our teams go beyond basic in-store support. They focus on the fundamentals that drive performance: keeping products in stock, improving promotional compliance, and strengthening inventory position. Getting the basics right captures demand in the moment and creates the conditions for smarter, more targeted execution over time.

We have a track record of outperforming direct-managed retail execution and delivering brands a positive ROI. Our new partnership raises the bar even further.

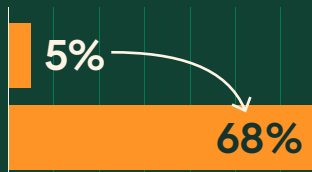


ON-SHELF AVAILABILITY

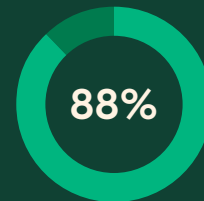


The proof is in the pilot.

A global CPG partner, conducted a pilot with 165 stores (and counting) at select major retailers.



Display penetration increased from 5% to 68% in just 3 days



Our reps corrected 88% of OOS alerts

Pilot results from Advantage Solutions x Instacart engagement, [March 2026]. Past performance does not guarantee future results.



Advantage x Instacart: Facilitating 'Perfect' Execution

Through our partnership with Instacart, Advantage Solutions accesses up-to-date shelf signals from Instacart's network of 600K+ shoppers - alerts when a product is marked unavailable, consistently out of stock, or substituted at unusually high rates at a specific store.

These signals, combined with other inputs, dynamically direct Advantage teammates to stores and aisles where they will have maximum impact

The proof is in the pilot. With a global CPG partner, this new model yielded increased display penetration **(5% to 68% in just three days)** and **high-volume OOS correction (88% of alerts)**.

Instacart shoppers detect the problem. Advantage teammates fix it. Brands benefit directly.

Let's Talk About Your Shelf...

The brands and retailers who act on item-level data fastest will create an advantage versus their competitors. Let's start the conversation and keep your brands ahead of the curve. Reach out to learn more at youradv.com.

Advantage 360™

Advantage360™ harnesses thought leaders from within Advantage Solutions to bring you actionable insights informed by data, proprietary technology and expertise that stretches across CPG manufacturers, retailer and E-commerce. Equally at home with national, private and emerging brands, Advantage360™ leads from the center of commerce, offering solutions that scale to businesses of any size, helping navigate uncertainties in the market and converting shoppers into buyers.



Advantage Solutions is the leading omnichannel retail solutions agency in North America, uniquely positioned at the intersection of consumer-packaged goods (CPG) brands and retailers. With its data- and technology-powered services, Advantage leverages its unparalleled insights, expertise and scale to help brands and retailers of all sizes generate demand and get products into the hands of consumers, wherever they shop. Whether it's creating meaningful moments and experiences in-store and online, optimizing assortment and merchandising, or accelerating e-commerce and digital capabilities, Advantage is the trusted partner that keeps commerce and life moving. Advantage has offices throughout North America and strategic investments and owned operations in select international markets. For more information, visit YourADV.com.