

CASE STUDY

Sales Timing Insights by DMA

Industry: Home Improvement – Outdoor Category

Challenge

Our client, a seasonal outdoor manufacturing company, historically grouped store sales data by big box retailer and then by sales volume. What they didn't take into account was the length of growing season based on differences in seasonality in various DMAs. Their sales and marketing team needed to work together to develop a more efficient forecasting, sales tracking and marketing execution plan that would impact top line sales at the "Big 3" retailers (Walmart, Home Depot, Lowes).

Project Goals

1. Increase product turnover
2. Optimize marketing spend with an integrated product marketing plan
3. Identify underperforming markets and stores during the season to adjust marketing plans to drive sales

Approach

Our first objective was to rebuild their **Retail Segmentation** in order to provide a more reliable system with which to categorize and measure store performance. To do this we Incorporated Store POS, store attributes (store size), trade area competition, trade area demographics and weather to group the 7,200 "Big 3" locations (Home Depots, Lowes and Walmart) into 7 "Peer Groups" in order to develop a set of manufacturer specific store clusters with the goal of maximizing efficiency, communications and value in the retail partner channel.



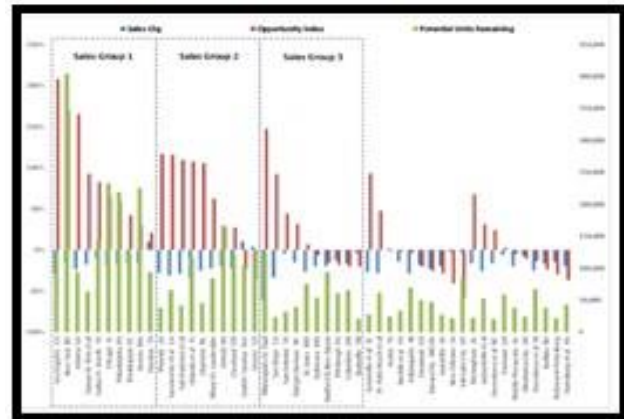
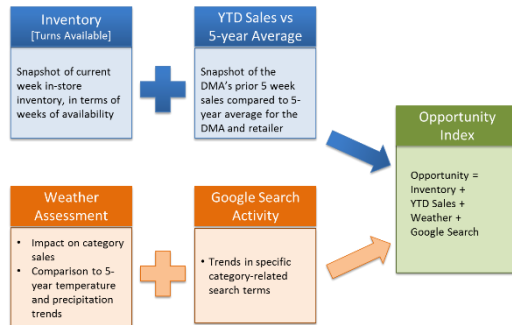
Second, we layered in **Seasonality Trends/Peak Season Curves** to identify the start and stop of the peak season for 9 different categories within 210 DMAs. This is used as the foundation for much of the manufacturers reporting, analytics and media buying

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Approach (Continued)

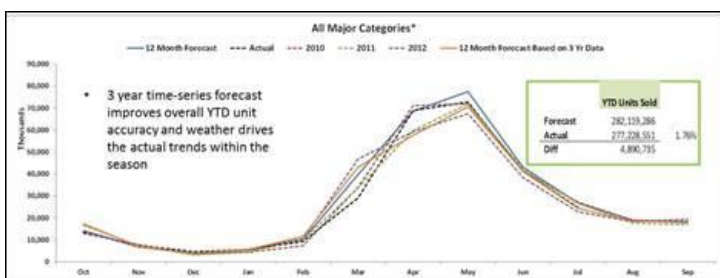
We developed the **Opportunity Tracker** index to identify DMAs under-performing in sales (per category) yet with ample inventory and time in the sales season remaining. This index was updated weekly and used to allocate digital and radio marketing to drive “make up sales”. It also allowed for late shifts in inventory to over-performing stores.



Results

Anthem constructed automated data processes and built weekly reporting that was delivered in **Tableau** that allowed the client to monitor sales performance on a weekly basis. The knowledge derived from these tools allowed the client to build inventory in areas with higher than forecasted demand and shift inventory away from lower performing stores, and reallocated local media spending to provide support where forecasts were falling below plan. This flexibility **reduced inventory losses and provided additional sales opportunities** to meet local demand.

In addition to delivering a better understanding of sales trends, the consultation Anthem performed and tools provided facilitated better planning and higher sales.



Anthem provided new **Forecasting** tools using store level POS data and historical weather data to build time-series models that forecast annual units to be sold (per product category – 9). This information was used as the foundation for the client’s 2015 sales forecasting and continues to be used for future year forecasts.

The work provided leveraged insights that were not previously available while also integrating with Finance to aid in future planning.

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About Anthem Marketing Solutions

Recognized by Inc. Magazine as one of the nation’s fastest growing companies, Anthem Marketing Solutions provides data-driven solutions to today’s omni-channel marketers, focusing on growing long-term customer value.