



RETAIL DATA: UNLOCKING ITS FULL VALUE

ROI Use Cases

Data from retailers, brokers, syndicated data providers, merchandisers, and other sources is undoubtedly plentiful across the omnichannel retail landscape.

As point of sale (POS) and inventory data continue to increase at a rapid pace, it becomes imperative that consumer goods manufacturers and retailers adopt sales, marketing, and supply chain strategies that fully leverage precise retail data to ensure success both in-store and online.

Since 1994, Retail Velocity has been a leader in providing [retail data collection and management solutions](#) that help consumer goods companies gain deeper insights from advanced analytics based on a complete, current view of demand and performance of products, categories, stores, retailers, and regions. Using VELOCITY®, our cloud-based retail data platform that automatically collects, cleanses, harmonizes, and analyzes cross-retail demand and inventory data at an SKU and store level, brands and retailers can make confident, data-driven decisions that drive profitable growth.

Armed with the most timely, accurate data and reliable, actionable insights, you can respond quickly to demand and shifts in market conditions, ensure on-shelf availability, successfully introduce new products, optimize trade spending and promotions, improve retail execution, and build your brand.



OPTIMIZING TRADE SPEND

\$1.3M-\$2.6M ANNUAL SAVINGS + \$2M-\$18M INCREASED REVENUES

Business Proposition:

Take 1%-2% of your poorest-performing trade promotions and reinvest those savings in your top 1%-2% promotions.

Business Scenario:

Assume company annual revenues = \$1B

The industry average for trade promotion investment = 13%-27% of annual revenues and can be as high as 33%.
(Source: 2022 Hand Promotion Management Study)

\$1B revenues x 13% = \$130M promotional spend per year

A typical trade promotion event realizes a 150%-700% lift.

Solution and Results:

Using VELOCITY®, Retail Velocity helps the client continuously analyze all trade promotions to identify the 1%-2% poorest-performing promotions, with the client providing insights into the cause of low performance.



REDUCING UNSALEABLES

\$6M-\$24M ANNUAL SAVINGS

Business Issue:

Unsaleables are 0.09%-1.5% of gross sales in the industry; best in class is 0.005%.

Business Scenario:

Assume company annual revenues = \$1B

Assume unsaleables = \$10M-\$15M per year (if company is within industry benchmarks)

Solution and Results:

Retail Velocity recommends a proof of concept using VELOCITY® to help eliminate 15%-40% of unsaleables specifically related to upcoming out-of-season products and slow-moving products.



IMPROVING RETAIL EXECUTION

\$0.5M-\$18M ANNUAL SAVINGS

Business Proposition:

Use real-time, item- and store-level POS and inventory data and retail data analytics to identify—on the first day—that a store has unsuccessfully rolled out a trade promotion.

Business Scenario:

Assume company annual revenues = \$1B

On average, excellent retail execution of a trade event = 70% of stores rolling out the promotion properly or marking down the price(s) on time. The industry benchmark is 50%-60%.

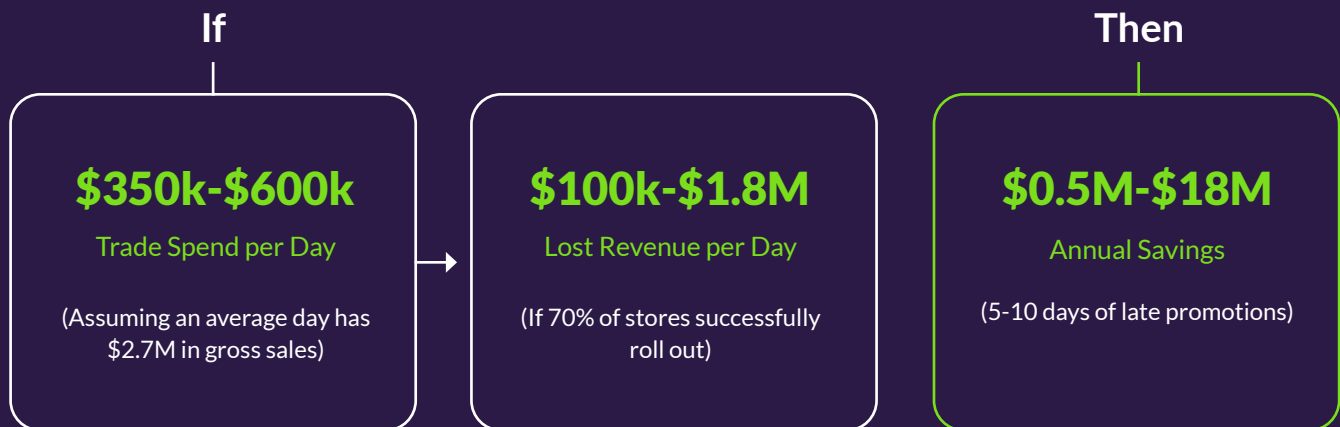
The industry average for trade promotion investment = 13%-27% of gross sales. (2022 Hand Promotion Management Study)

Most CPG companies provide trade dollars to retailers as though the supplier would receive 100% store coverage.

At \$1B annual revenues, company trade spending = \$130M-\$270M per year.

Solution and Results:

Imagine if, by implementing VELOCITY®, Retail Velocity helps the client recover only one day of lost opportunity for only 30% of the stores.



ASSESSING NEW PRODUCT LAUNCH PERFORMANCE

\$1.7M ADDITIONAL SALES

Business Proposition:

Accurately evaluate the success of a new product launch by identifying the source of business (e.g., current brand users vs. new customers, identifying client cannibalization and halos).

Business Scenario:

Assume company annual revenues = \$1B

Assume number of company SKUs = 6,000

The industry benchmark for new product launch failures = 75%.

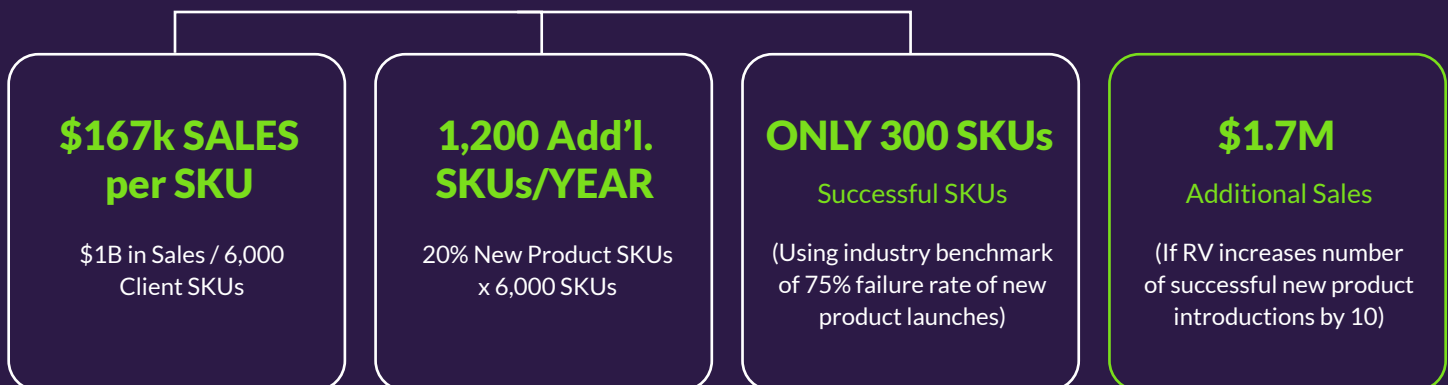
Use digital co-creation platforms to rapidly test new product ideas with consumers (e.g., social media-based focus groups).

Try to optimize ROI on new product marketing spend by targeting efforts toward early adopter consumer segments.

Deploy digital media to catalyze marketing from early adopters to drive sales (e.g., user reviews on websites).

Solution and Results:

Assuming 20%-25% of all products are new for the company and that VELOCITY® helps drive only ½ of 1% improvement, the client will gain \$1.7M in additional sales for each \$1B in revenue.



RELIABLE RETAIL DATA AT THE SPEED OF NOW

By gaining actionable insights faster through automated retail data aggregation and harmonization, consumer goods companies and retailers can improve collaborative decision-making that increases sales and revenue, reduces costs, improves operational efficiencies, and helps them realize substantial bottom-line results and maximum return on investment.

Using **VELOCITY**[®] and more than 600 retail data adaptors, you can automatically ingest, clean, harmonize, and enrich large volumes of disparate data from any retail partner, internal and/or ERP system, or third-party data vendor. This proven and streamlined process provides you with one version of the truth—unified, reliable, near real-time retail data—that can be easily shared, used, and leveraged across your company and your retailer partners.

TO LEARN MORE, CONTACT US TODAY



For 28 years, Retail Velocity has helped consumer brands accelerate their business growth by providing the cleanest, most reliable demand and supply data for unparalleled analytics, actionable insights, and critical decision-making. If you'd like to learn more about how we can do the same for your business, **we'd love to talk with you.**

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