

## Optimizing retail performance in small appliances



A small domestic appliances brand.

Our research helps our client allocate resources to the most effective retail strategies.

### Situation

Our client operates in a competitive market segment with a heavily contested promotions environment. It needed to understand the sales efficiency of different promotional activities so it could optimize return on investment. In particular, it wanted to run an upcoming campaign with fewer but more effective activations.

### Approach

We analyzed the sales performance of the brand over 52 weeks. We tracked promotional activity such as printed flyers and other in-store executions across all stores, and matched it with our point of sales data.

Our model allowed us to calculate the sales impact of each promotional mechanic, controlling for factors such as store size, competitive activity, trends and seasonality.

### Outcome

After estimating how much promotional activity contributed to our client's sales, we could rank its mechanics by sales uplift. We could also show how different activations interacted with each other. For example, flyers were the most effective mechanics to drive sales and were twice as effective when combined with cash-back offers and in-store demonstrations.

The study also helped the brand identify the best periods of the year to activate different mechanics for better return on investment.