

CASE STUDY



BUSINESS CHALLENGE

Undoubtedly, Kao Brands - including Jergens®, Curél®, Bioré®, Ban®, John Frieda® - are a success. But the Kao Target team felt there was opportunity to grow volume. Because Kao has such a diverse assortment of beauty care brands and SKUs, the Target team needed a means of drilling down to SKU-specific demand data analysis in order to build all the items in all their brands. They needed to present both the big - and little - picture to internal executives, retail team members, buyers and business analysts. And they needed the agility and mobility of a system that allowed them to access, process and report on demand data at any time from anywhere.

SOLUTION

A quick, mobile demand intelligence solution that keeps suppliers connected to historical and current item and brand-specific demand data, without making them stay connected to slow retailer data retrieval systems.

BUSINESS BENEFIT

- Improve retail team efficiencies by cutting data extraction and report formatting time in half
- Identify challenges to, and opportunities for, brand strategies that can be acted upon quickly
- Provide in-depth historical and current demand data trends for every item
- Track new item on-shelf performance
- Identify items with seasonal performance
- Identify hits and misses based on the Joint Business Plan, then drill down to identify why
- Optimize pricing
- Identify instocks and generate build orders that grow sales
- Track and assess promotional event performance
- Improve forecasting for promotional events
- Create Custom Item Groups that better track endcap and sidecap performance
- Provide strategic demand intelligence reports to buyer and business analysts that the retailer can use to assess retail strategies for each brand and item
- Establish effective communication with retailer that builds sales volume for each item in the brand

Insights on demand

Kathy Lawrence, Senior National Account Manager at Kao Brands Company, had used SOLYS in a previous position. "I knew how important it was that I could slice and dice the data. SOLYS provided me with quick insights and I wasn't tied down to InfoRetriever - so I could access demand data whenever and wherever I wanted. Without SOLYS, my job at Kao would have been completely different."

With SOLYS in place, the Target team immediately noted greater team efficiencies. Ben Borrell, Category Management Consultant, notes, "The absolute number one benefit of SOLYS is the time it saves. I used to spend more time formatting

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data and reports than doing the actual analysis. Not any more.”

With time on his side Borrell has been able to score numerous wins for Kao brands and the items within those brands, as well as grow volume for Target. Using the Instock Problems Report and Instock Tracker – which color-codes items that are below acceptable instock levels – Borrell can demonstrate which specific items within a brand require build orders. “While the brand may be performing well as a whole, the Instock Tracker identifies items within the brand that are not – this ensures we build all items in the brand, not just the brand as a whole,” he notes. “And, because SOLYS is a one-stop shop, I don’t have to use different tools to look at product supply and distribution. It’s easy for me to communicate with other internal teams to ensure supply chain is aware of a build order in advance.”

Winning results

Ideally, retailers and suppliers want to see a decrease in build orders – and the Kao Target Team has, as a result of the Instock Tracker. However, other SOLYS reports and dashboards have contributed to this as well. “The ability to create Custom Item Groups based on my own reasoning – be it a TPC or an endcap or sidecap promotion – allows me to quickly track specific items for specific events, rather than having to wade through brand-wide data, and then generate custom reports I can share with the business analyst. For example, we have a sub-line within one of our brands, and we took a price decline on the item that had a nice lift. Because I used a Custom Item Group, I was able to quickly and easily demonstrate to Target that we had fixed a problem with a winning result and ensure we had enough product on the shelf.”

Besides providing insights to the retailer, Borrell is able to provide internal insights that can be used to alter brand strategies on the micro and macro level. Utilizing SOLYS, Borrell has also discovered items that have a seasonality the team wasn’t aware of. “We had a hair care item that would show a significant drop in the historical rankings in fall. This was surprising, so we did a deeper dive with SOLYS and tracked its performance going forward – we noticed the item took off in spring then declined again in autumn. This one product acted very differently than the rest of the line – and we shared this with the brand team.”

Driving strategies

With SOLYS’ SKU rankings report, he can also identify trends and very quickly pinpoint potential problems – for both established and new items. “I share these reports with the brand teams so they can see what’s winning and what’s not. I can easily identify an item that falls into the bottom 20 percent – which means it can potentially be phased out – and alert the trade and marketing group. Then I can drill down and look at the specific item to see what may be causing the problem. By comparing an item’s current performance to its historical performance, I can ask ‘why’ – is it an instock problem, related to promotions, or packaging or messaging. SOLYS helps me direct the right questions to the right people,” he explains.

One of those people is Kathy Lawrence. “We’ve had a lot of success with SOLYS. Business analysts have thousands of items to manage and the analysis Ben provides helps them drive volume based on data. For my part,” she continues, “I use SOLYS daily to get a snapshot – to examine broad, high-level demand trends that can drive brand direction. If Ben is showing POS data that isn’t trending to our forecasts, we can examine whether this is a retailer-specific issue or if it is occurring across all retailers. We ask ourselves if we’ve maximized everything we need to or if there’s something we need to tweak. Then I can take this intelligence to marketing and we can use it to drive brand strategies.”

Building trust, building inventory

Lawrence also utilizes SOLYS to identify hits and misses with the Joint Business Plan. “We can identify gaps and if something falls off our projected plan, we drill down and see why.” This data is then shared with her Buyer and used to project sales,

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current retails, and monitor rollbacks. She also appreciates her ability to use historical data. "Info Retriever's history only allows us to go back two years. With SOLYS we can maintain historical data beyond two years -- looking at all the data we have uploaded to SOLYS, for as long as we've uploaded it."

Improved internal and external communications have built greater trust between supplier and retailer and built a relationship that benefits everyone. Concludes Borrell, "Over time, I've been able to back up my recommendations with data and reports from SOLYS. I've been able to demonstrate with my build orders, for example, that I'm not building inventory that will put Target in a bad position. Especially during a recession, inventory needs to remain pretty tight. I've built trust with them and now that my buyer's assistants are comfortable with the data I present with SOLYS, they don't question it and we can respond to challenges and opportunities faster."