



dunnhumby Assortment

**Efficiently optimise your assortment for any scenario
by building on Customers' purchasing choices**

dunnhumby Assortment utilises our world-leading Customer Data Science to ensure retailer's product assortments meet the needs of their Customers. Making faster, better-informed and consistent choices to put the right products, in the right stores to create an assortment that truly reflects local and Customer preferences.

We have 30 years' experience of optimising assortment for leading retailers around the world, growing their like-for-like sales by 2-5%.

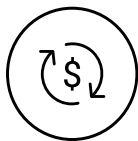
For retailers - category, commercial, space and merchandising teams
For brand owners - enabling collaboration between retailers and CPGs



+2-5%
like-for-like
sales uplift



x10
return on
investment



50%
efficiency
savings

How dunnhumby Assortment helps you

Retailers are under real pressure to grow their sales and share against a backdrop of increasing competition, focus on efficiency savings and low category growth. There are constraints on the number of products that can be stocked due to store and supply chain limitations. Traditional approaches to assortment can delist the wrong products, and the cost reductions are outweighed by the larger sales loss.

The web-based tool ensures you can make better, faster, differentiated decisions on your product assortments, how best to manage inventory, and how to handle space on the shelf.

1. Actual Customer purchase data allows us to understand when product substitutions happen.
2. Automated and data-led - the add-order engine builds efficient recommendations based on a Customer relevancy score, maximising Customers visiting the category to drive total store sales.
3. Optimises the assortment recommendation based on the three drives of **coverage, performance and relevance**:



1

Coverage: ensures that all key Customer needs are met



2

Performance: considers the relative importance of products based on key Customer and sales metrics intervention



3

Relevance: ensures that differentiated assortments can be created by store type covering demographics, store size and geography

This process can be a one-off exercise or embedded within your category optimisation activity to keep on top of changing dynamics, trends and competitive activity.

Return on investment you can expect

Our clients achieve a healthy average of x10 ROI.

- Increase sales and achieve **+2-5% like-for-like sales uplift** by optimising the coverage of Customers' needs with best performing products
- Reduce working capital by de-stocking the unnecessary "substituting" products
- Improve Customer satisfaction from higher instock on key products and a better experience finding products on the shelf
- Drive efficiencies and time savings in the assortment optimisation process with a seamless and fast user experience

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Despite the massive range cut, the overall impact on sales and Customer satisfaction is positive. Average uplift in sales is 2% and in volume 1.4%, whilst we've had next to no Customer complaints.

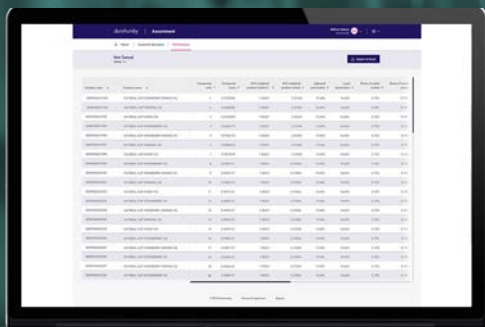
Dave Lewis, CEO, Tesco plc

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How it works

1

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PERFORMANCE



Review the performance of the assortment at SKU level over a given time period – from financial metrics like sales to consumer metrics such as penetration and favourite share. A composite rank gives you clear guidance on the best/worst performers in the category.

CUSTOMER DECISIONS

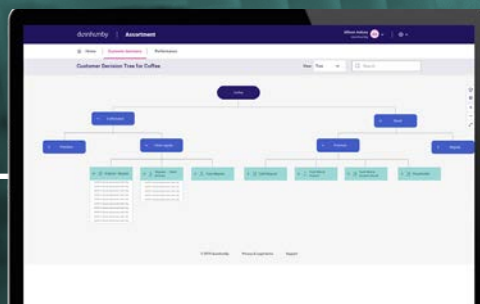
Understanding different Customer needs in a category is essential to building a balanced assortment.



Products are clustered based upon how substitutable they are with each other and groups of products which then allows us to build up a full Customer decision tree, helping you to understand how Customers shop that category and what are their most important decisions are.

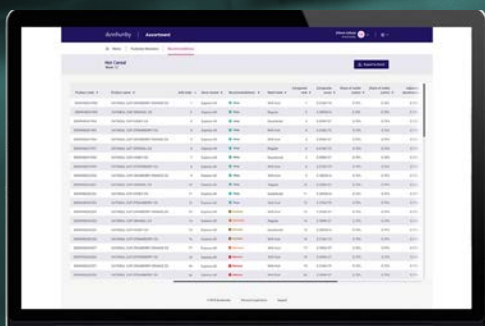
2

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3

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RECOMMENDATIONS



The add-order engine is at the heart of our solution and ensures a Customer-focussed assortment is produced - taking into account Customer needs, product performance and store relevancy.

This step provides recommendations to help design an assortment that achieves maximum sales performance as well as relevance for Customers whilst offering users the ability to 'lock' products in or out of the new assortment.



THE WORLD'S FIRST CUSTOMER DATA SCIENCE PLATFORM

dunnhumby is the global leader in Customer Data Science, empowering businesses everywhere to compete and thrive in the modern data-driven economy. We always put the Customer First. Our mission: to enable businesses to grow and reimagine themselves by becoming advocates and champions for their Customers.

With deep heritage and expertise in retail — one of the world's most competitive markets, with a deluge of multi-dimensional data — dunnhumby today enables businesses all over the world, across industries, to be Customer First.

The dunnhumby Customer Science Platform is our unique mix of technology, software and consulting enabling businesses to increase revenue and profits by delivering exceptional experiences for their Customers — in-store, offline and online. dunnhumby employs over 2,000 experts in offices throughout Europe, Asia, Africa, and the Americas working for transformative, iconic brands such as Tesco, Coca-Cola, Meijer, Procter & Gamble, Raley's, L'Oreal and Monoprix.



Connect with us to start the conversation

dunnhumby.com