

A Case Study

Integrated Merchandise Planning

Client

A specialty multi-channel retailer of services and products for the needs of pets and leading online provider of pet supplies and pet care information.

Challenge

The retailer currently has four different organizations that all execute some form of planning; however, the timing of when plans are developed is not synchronized nor are these activities integrated into a single planning calendar. In addition, the metrics that are used within the various plans are not calculated using the same methodology and there is not a structured reconciliation process.

The Parker Avery Group

The Parker Avery Group is a boutique strategy and management consulting firm. We are a leading provider of strategy and business consulting services to retail and consumer goods companies. We work with our clients to help them research and develop strategies, design improved processes and execute change. We specialize in integrating customer insights and multi-channel business models.

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Parker Avery Solution

The Parker Avery Group developed a three-step course of action that impacted the success of the client's future merchandising planning processes:



- Defined planning strategy and high level planning processes
- Completed organization readiness
- Developed a roadmap, business case and tactical plan

Through this process, Parker Avery was able to deliver recommendations and associated challenges to help resolve gaps, a review of alternative process and technology roll-out strategies, an outlined high level change management plan and a detailed business case and roadmap.

Results

As a result of the project, the client expects to see a \$35-\$50m net annual cash benefit from reduction in inventory carrying costs, increased margin on existing sales volume, and new margin on increased sales volume.

Benefit Summary:

	Best	Likely	Worst
Yr 1	\$15m	\$12m	\$10m
Yr 2	\$30m	\$25m	\$20m
Yr 3	\$45m	\$37m	\$30m
On-Going	\$60m	\$49m	\$40m