Trade Promotion Optimization Solution
for Retail and CPG Industries

Solution Overview

Tiger Analytics' Trade Promotion Optimization solution assists organizations in calculating baseline sales, accurately measuring the impact of promotions, identifying cannibalization effects within and across product categories, and optimizing trade spend to boost sales, margins, and return on investment (ROI)

Features

Optimization modules specifically tuned to generate optimized trade calendar using underlying ML models, accounting for all the relevant constraints

Scalable Solution that has the ability to scale to additional retailers in same market, additional PPGs, and new customer markets/regions

Intuitive User Interface that makes it easy for business stakeholders to use

Overall Solution Overview

01
Market Data Assessment & Understanding

- Understand key business objectives and challenges
- Conduct a market assessment to understand data landscape and relevant sources of data
- Identify potential external data sources needed to perform analysis

02
Data Preparation & Exploratory Analysis

- Perform data quality checks and transform data
- Perform exploratory analysis to understand business event trends
- Determine level of granularity of the solution (# models, category, market)
- Understand business constraints for optimization, market guardrails for TPO
- Identify key variables and perform feature engineering

03
Model Baseline Sales & Understanding Promotions

- Build scalable models to establish baseline and incremental sales & elasticities
- Understand the impact of promotions on lift and ROI accounting for cannibalization
- Effectiveness of different promotion types across all items within the selected store will be measured and reported based on Lift, ROI, Margins

04
Optimize Promo Calendar & Scenario Planner

- Develop optimization models to optimize and recommend Promotion events/calendar
- Iterative optimization runs based on feedback from business and additional constraints
- Promotion scenario planner to show incremental sales cannibalization etc. based on input values

Value Proposition and Success Stories

Tiger Analytics' solution offers a significant 30-50% acceleration in implementation time compared to traditional bespoke approaches. It leverages best-in-class modeling techniques to drive superior results, having delivered potential savings of around $80 million in trade spend over a span of five years for a leading CPG company. The solution takes into account a wide range of datasets - such as seasonality index, base price, discounts, display/catalogue, cannibalization, holidays/events, and distribution - to accurately assess their impact on dependent and outcome variables, ensuring a comprehensive and effective optimization of trade spend.

Value Delivered

Large F&B Company

Estimated **10% increase** in sales on a business value of **$10 B** and **6%** improvement on ROI on trade spends of **$1 B**

Leading Global Confectionery Company

Established a scalable and robust methodology for performing trade impact analysis that is currently being deployed across the globe (completed 5 markets so far, representing **$250 Million+** of confectionery category sales, with a planned global rollout)
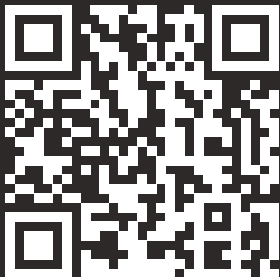
About Tiger Analytics - AWS

We offer full-stack AI and analytics services & solutions to help businesses achieve real outcomes and value at scale. We are on a mission to push the boundaries of what AI and analytics can do to help enterprises navigate uncertainty and move forward decisively. Our purpose is to provide certainty to shape a better tomorrow.

US | UK | Canada | India | Singapore | Australia

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Tiger Analytics™