INFOSYS SKU RATIONALIZATION SOLUTION

Predict trends in demand, respond with the right mix, and evolve your supply strategy

Offering the right selection of products is more important today than ever before. The COVID-19 crisis has created the need to balance cost and choice. While consumers seemingly prefer lower cost to increased choice of products, it will take rapid insights into the sales and supply chains to ensure that the right products are offered, stocked and sold.

The Infosys SKU rationalization solution offers analytics-driven modules to understand the impact of adding, ending, or maintaining a particular product or product line, to streamline stock keeping units (SKUs). From grouping similar substitutable products to offering fewer flavors and variants to suit customer preferences better and balance that with supply realities to offer the most optimum mix, Infosys can help navigate during these unprecedented times.
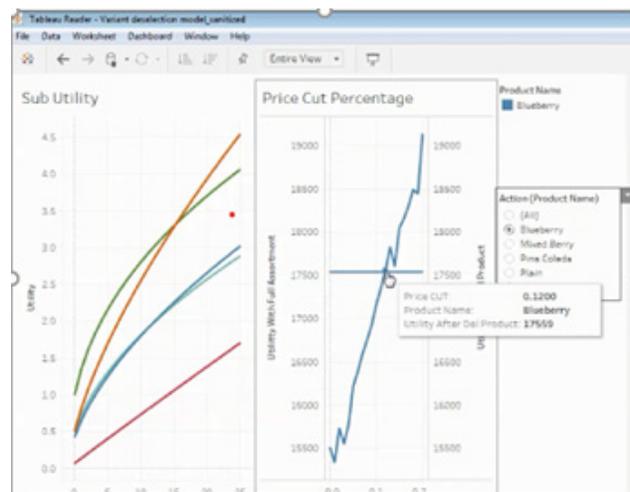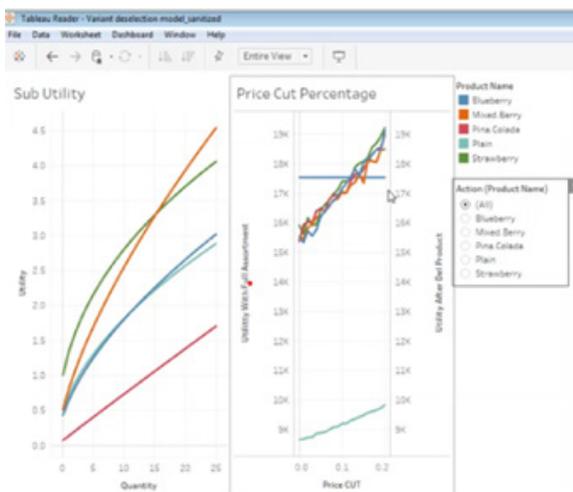
1) The Infosys SKU Rationalization solution provides three intelligent modules to help optimize SKU's:Grouping together similar substitutable products: From POS data and existing product hierarchy using proprietary algorithms Also supplements the POS data with customer data and loyalty card identifiers from transaction data, to get deeper insights.

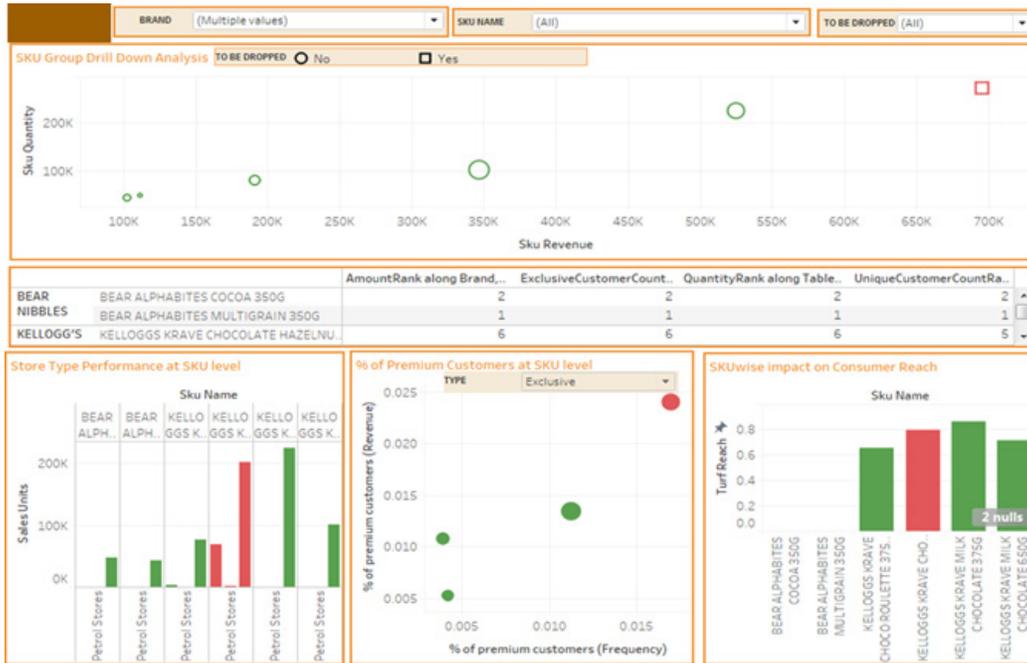2) Variant de-selection models: To enable informed decisions on reduction of flavors, colors, and more with minimum impact to customer utility and sales using variant de-selection models.

3) Assortment gaps and linked supply complexity models: Identifying assortment gaps and link supply complexity using loyalty card identifiers on transactions to discover products that can fulfil demand for certain sections of customers and rationalize their current sub-optimal choices. Sub-optimality is based on supply chain complexity as well.

Analyze fast, visualize faster

The solution provides self help visualization to allow users to interact with the insights. . The dashboards developed for these models also include what-if simulators. Our retail clients in the US and Europe are leveraging these dashboards to view granular and segmented views of performance as well as rationalizations that are necessary.

Helping retailers rationalize change as it happens

A large food retailer	A large supermarket	A leading apparel brand	A leading dairy brand
Provided recommendations on merchandising including promotions to prioritize, SKUs to rationalize across the chain, and the impact expected on basket types and store types	Provided recommendations on price and promotion grouping based on potential cannibalization and substitution among products	Provided insights on color choice e to rationalize various apparel products, potentially reducing SKU complexity by 10%	Provided recommendations on category product portfolio for SKUs with attributes such as high protein, health and personal sizes leading to market share defense

The Infosys SKU Rationalization Solution is an essential tool for retail giants trying to optimize costs and meet consumer demands during these trying times. While the need for analytics is imperative,it is equally important to implement it in a limited timeframe and recognize value at the earliest.

Contact us for a customized plan: we are committed to putting in place a solution that works to understand the intricacies of your supply chain and is configured to deliver the outcomes you need.

For more information, contact askus@infosys.com

Infosys®
Navigate your next