

| Success Stories

Retail

Our client, a well-established retail chain with multiple locations across the region, faced declining sales in several stores. The challenge was to determine which stores to close to optimize their retail footprint without sacrificing overall market presence. The client needed to make a data-driven decision but lacked the detailed analysis required to consider all relevant factors, including competitor presence, local market trends, and store performance.

Our Solution

Leveraging our expertise in data analytics and retail strategy, we developed a comprehensive data model that incorporated various datasets:

- **Sales Data Analysis:** We gathered and analyzed historical sales data from each store location to identify trends, performance metrics, and profitability.
- **Competitor Analysis:** Utilizing external market research and location data, we mapped competitor locations, their proximity to our client's stores, and estimated their market share and influence.
- **Demographic and Market Trends:** We integrated local demographic data and consumer behavior trends to assess the market potential and customer base for each store location.
- **Geospatial Analysis:** Our team employed geospatial analytics to visualize data overlays of sales performance, competitor locations, and customer demographics.



Impactful Insights

Our analysis revealed several key insights:

- ❑ Certain underperforming stores were directly competing with newer, more popular retail options, leading to unavoidable sales cannibalization.
- ❑ Some stores were located in areas where demographic shifts had resulted in a less ideal customer base for our client's product offerings.
- ❑ A few stores showed a downward trend in sales that was inconsistent with broader market trends, suggesting operational issues or local market saturation.

Decision and Outcome

Based on our detailed analysis, we recommended the closure of specific stores that were either underperforming due to high competition, poor market fit, or both. We also suggested strategic enhancements for remaining stores to boost their market share, including targeted marketing campaigns, layout redesigns, and localized merchandise adjustments.

The client implemented our recommendations, resulting in:

- ❑ A streamlined portfolio of store locations with enhanced focus on high-performing areas.
- ❑ Reduced operational costs from closures, allowing for reinvestment into marketing and store improvements.
- ❑ A noticeable improvement in overall profitability and market presence in the following quarters.

