



“Future Made Simple”

## Tornada Incorporated

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## Client's Industry: Pet Stores

### Market Share of Companies

PetSmart Inc. holds 36.8% where PETCO Animal Supplies Inc holds 23.0%

### Industry Statistics & Market Size

Revenue

**\$19.1bn**

Annual Growth 11-16

**453%**

Wages | Businesses

**\$2.5bn | 13,575**

## Challenges:

- Unpredictable Product Life Cycle
- Excess Inventory
- Margins Impact

## Solution:

- We analyzed sales by category by retail store area to identify customer insights and SKUs that were impacted by regional areas
- We identified promotional campaigns comparing to weekly competitors' promotions to compare pricings per unit cost
- We examined the promotional channels and business processes to determine the root causes of excess inventory

## Result:

- Discovered root caused to excess inventory holding of slow moving SKUs worth a total of \$1.1M for all stores and remaining obligations
- Increased margin by 15% by reducing OPEX and increasing sales through effective promotional process with suppliers
- Eliminated unpredictable cycle products on new items by applying strategies to promotional campaigns including re-labels and combining offers with other promotional values