



# JOANN

## How an analytics-based solution helped automate current allocation methods, to considerably reduce manual effort and time taken for allocation

### OPPORTUNITY

JoAnn operates more than 850 retail stores across the U.S and sells over 150K SKUs in a year, close to a third of which are seasonal. Apart from the large magnitude of SKUs, the allocation process is also significantly different for seasonal vs. non-seasonal products. For seasonal, a fixed quantity is essentially allocated over a standard season.

JoAnn felt that their existing allocation process was tedious, repetitive and time consuming and prone to human error. It was also very dependent on individual analyst experience, intuition and process efficiency. Spending over 5 mins to allocate a single seasonal SKU, different process followed by planners, time taken for multiple SKUs etc., made them recognize the need for a superior allocation solution

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In order to make every store the best version of itself, we had to evaluate how we've been allocating product and how we can improve this for our team members and customers. With this advanced allocation solution, we save more than 50% of the time it takes us to allocate a product. This means, for the first time in JOANN history, we will be able to allocate fashion and seasonal product to stores every week

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### ACTION

JoAnn implemented an automated analytics solution that simplified the allocation process for the analysts, ensured faster allocation and reduced human error. They were also able to bring further refinement to the process by replacing the current store tiers (which were based on revenue alone) with Impact Analytics' intelligent store clustering, that uses statistically robust techniques and accounts for multiple variables (like revenue during season, pre-cleanout revenue, store density, competitor density etc.), to group similar stores together.

### OUTCOME

With this intelligent and automated solution, JoAnn was able to automate the current multi-step allocation process, reduce excel involvement and manual effort, and integrate the output with their buy plans and other non system generated files to make allocation seamless

100

articles allocated in one go with an improved product

10mins

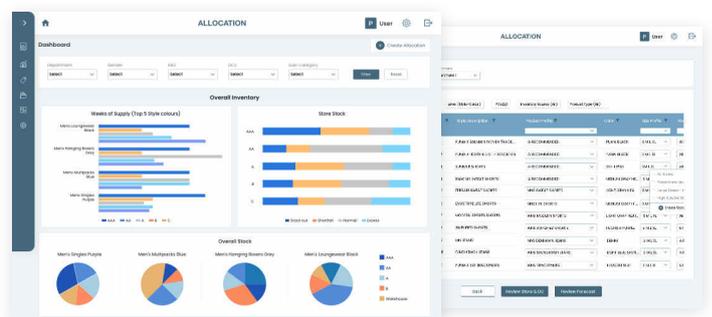
to allocate 100 articles vs 5 mins to allocate 1 article

10x

Increase in user feedback owing to the flexibility of the tool

### WHAT'S NEXT?

We are partnering with JoAnn on upgrades that will take into account the effects of promos, pricing, seasons, competitive effects and use customer demand forecasting to make the current accuracy better.



### About Impact Analytics

Impact Analytics is a fast-growing, AI-powered software solutions company. A leading provider of planning, merchandising and forecasting tools for the retail, CPG and grocery sectors. Its suite of products for Assortment Planning, Allocation Optimization, Markdown Optimization and Promotion Planning is empowering leading retailers to make smart data-based decisions and transform their businesses and achieve substantial business benefits. To learn more, visit [www.impactanalytics.co](http://www.impactanalytics.co)