Dick's Sporting Goods saves $20M annually with PromoSmart

OPPORTUNITY

Dick's Sporting Goods, the 3rd largest sporting goods retailer with over 850 locations across US, runs 10000 + promotions in a month. DSG has extremely seasonal departments and sub-departments like outerwear, fleece and golf balls which leads to a large number of products with very short lifetime/shelf time. This make promo optimization very important as the time is limited to maximize margin.

With over 470000 SKUs and a good number of regional promotions, they realized they had margin opportunity by turning towards science and advanced analytics to help them plan the most optimal promotion strategy. This also gave them the opportunity to move away from repeating the same promotions as last year. In order to execute against this, they needed a robust promo planning solution that was backed by science and advanced analytics to help curb the current inefficiencies in formulating profitable promotional strategies.

> "
> PromoSmart helped us turn to science to build the most optimized promotional strategy. This has allowed us to see real margin dollar growth in key promotionally driven categories.
> "

ACTION

DSG implemented PromoSmart to help delineate the impact of various promos (complex and simple), seasonality and trend and helped capture the net promo impact with affinity and cannibalization. The solution also delivered customized promotion analysis based on business nuances and even provided granular recommendations for unique strategies like EDLP and MAP breaks. PromoSmart equipped DSG with the most granular recommendations at a style-promotion-week level that allowed for the largest margin gains.

OUTCOME

With this solution, DSG now has access to historical data, multiple machine learning models and recommendations available in a self serve product

~20M
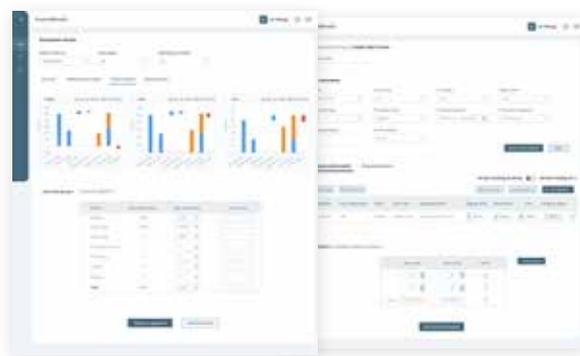annual savings with optimized promos

< 10secs
to simulate various promo points

< 10mins
to create optimized promo campaign

WHAT'S NEXT?

Today DSG is working with Impact Analytics on automating their product attribution. The backbone of great data is accurate and rich product attributes. AttributeSmart will allow DSG to make the smartest decisions for their customers.

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