

Assortment Intelligence: So you think you know your offerings?

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BY DATAWEAVE

In retail, product assortment plays a critical role in selling effectively. It impacts the everyday decision making of category managers, brand managers, the merchandising, planning, and logistics teams. A good assortment mix helps achieve the following objectives:

- Reduce acquisition costs for new customers (as well as retain existing customers)
- Increase penetration by catering to a variety of customer segments
- Optimize planning and inventory management costs.

Increasingly, retailers are moving away from a generic one-size-fits all assortment planning model, to a more dynamic and data driven approach. As a result, assortment benchmarking followed by assortment planning are activities that take place round the year. The breadth and depth of one's assortment achieved through assortment benchmarking can define how and when products get bought.

A number of factors are crucial for assortment planning: analytics over internal data, intuition, experience, and understanding gained through trends. In addition to these, tracking assortment changes on competitors' websites helps retailers track and adjust their product mix by adjusting features such as brands, colors, variants, and pricing. The goal is to help users find exactly what they are looking for, the moment they are looking for it.

Let's see how we can achieve this through Assortment Intelligence tools in a moment. But first, some basics.

What is Assortment Intelligence?

Assortment intelligence refers to online retailers tracking, analysing a competitor's assortment, and benchmarking it against one's own assortment. Assortment intelligence tools make this process efficient. A good assortment intelligence tool such as PriceWeave gives you information the breadth and depth of your competitors' assortment across categories and brands. It helps you analyze assortment through different lenses: colors, variants, sizes, shapes, and other technical specifications. With the help of an assortment intelligence tool, a retailer can get a good understanding about what products competitors have, how they perform and whether they should add these products to their existing catalog.

Who uses Assortment Intelligence?

Assortment tracking is used by retailers operating across categories as varied as footwear, electronics, jewelry, household goods, appliances, accessories, tools, handbags, furniture, clothing, baby products, and books among others.

Some Uses of Assortment Intelligence

Gaps in Catalog: Discover products/brands your competitors are offering that are not on your catalog, and add them.

Unique Offerings: Find products/brands that only you are offering and decide whether you are pricing them right. Maybe you want to bump up their prices.

Compare and analyze product assortment across dimensions: Benchmark your assortments across different dimensions and combinations thereof. Understand your as well as competitors' focus areas. You can do this in aggregate as well as at the category/brand/feature level. Below we show a few examples.

Effectively measure discount distributions across brands and/or sources. Understand your competitors' "sweet spots" in terms of discounts.

Understand assortment spread across price ranges. Are you focusing on all price ranges or only a few? Is that a decision you made consciously?

Deep dive using smart filters—monitor specific competitors, brands and sets of products with filters such as colors, variants, sizes and other product features.

Why do it?

Assortment Intelligence not only increases sales and improves margins, but also helps reduce planning and inventory costs. It allows retailers to strike the right balance between assortment and inventory while maximizing sales. Retailers can take informed decisions by analyzing one's own as well as

competitors' assortments. Businesses gain an edge by identifying opportunities around changes in product mix and make quick decisions. By identifying areas that need focus, and taking timely actions, an assortment intelligence tool will help improve the bottom line.

What does PriceWeave bring in?

With a feature-rich product such as PriceWeave, you can do all of the above and more everyday (or more frequently if you like). In addition, you can get all assortment related data as reports in case you want to do your own analysis. You can also set alerts on any changes that you want to track.

PriceWeave lets you drill down as deep as you like. Assortments do not have to be based on high level dimensions or standard features like colors and sizes. You can analyze assortments based on technical specs of products (RAM size, cloth material, style, shape, etc.) or their combinations.

Assortment Intelligence is an important part of the PriceWeave offering. If you'd like us to help you make smarter assortment intelligence decisions talk to us

About Priceweave

PriceWeave provides Competitive Intelligence for retailers, brands, and manufacturers. We're built on top of huge amounts of products data to provide features such as: pricing opportunities (and changes), assortment intelligence, gaps in catalogs, reporting and analytics, and tracking promotions, and product launches. PriceWeave lets you track any number of products across any number of categories against your competitors. If you'd like to try us out request for a demo.

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