Scintilla

Case Study

Calculating Modular Level Assortment Change Impacts Using Shopper Behavior Assortment Deep Dive and Channel Performance Charter

Post CONSUMER BRANDS

Inspire 2023 This case study was shared live at the **Walmart Data Ventures Inspire Event**, October 17, 2023.

Scintilla has elevated the assortment recommendations we make to Walmart.

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Scintilla Case Study: Post Consumer Brands

The approach: Use Scintilla to fine tune assortment recommendations that align with modular level execution

This case study will showcase modular level expansion/reduction recommendations, including how the team leveraged:

- A combination of reports within Scintilla to create a baseline model of current in store assortment
- **Scintilla Shopper Behavior Assortment Deep Dive** to model modular level assortment changes and calculate impacts to the category

Scintilla Case Study: Post Consumer Brands

The opportunity: Make more robust assortment recommendations with Scintilla

Before

- Recommendations based on **estimated velocity, POS scan metrics**
- **Harder to incorporate incrementality into estimated category impacts** without help of Scintilla's data science

After

- More robust recommendations **factoring in cannibalization and incrementality**
- **More accurate estimations of assortment recommendations' net incremental impact** to the category

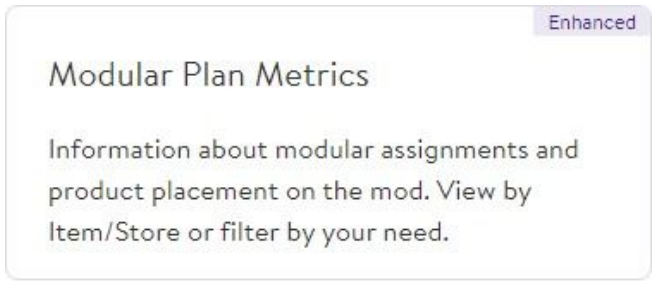
Scintilla Case Study: Post Consumer Brands

The approach: Establish current store modulars and assortment

1

Use **Channel Performance Charter** to get modular info (footage by category and store)

Channel Performance



2

Use **Shopper Behavior Assortment Deep Dive** to calculate category impacts due to assortment changes

Shopper Behavior

Assortment Deep Dive

- Customer Decisions
- Assortment Performance
- Customer Priority

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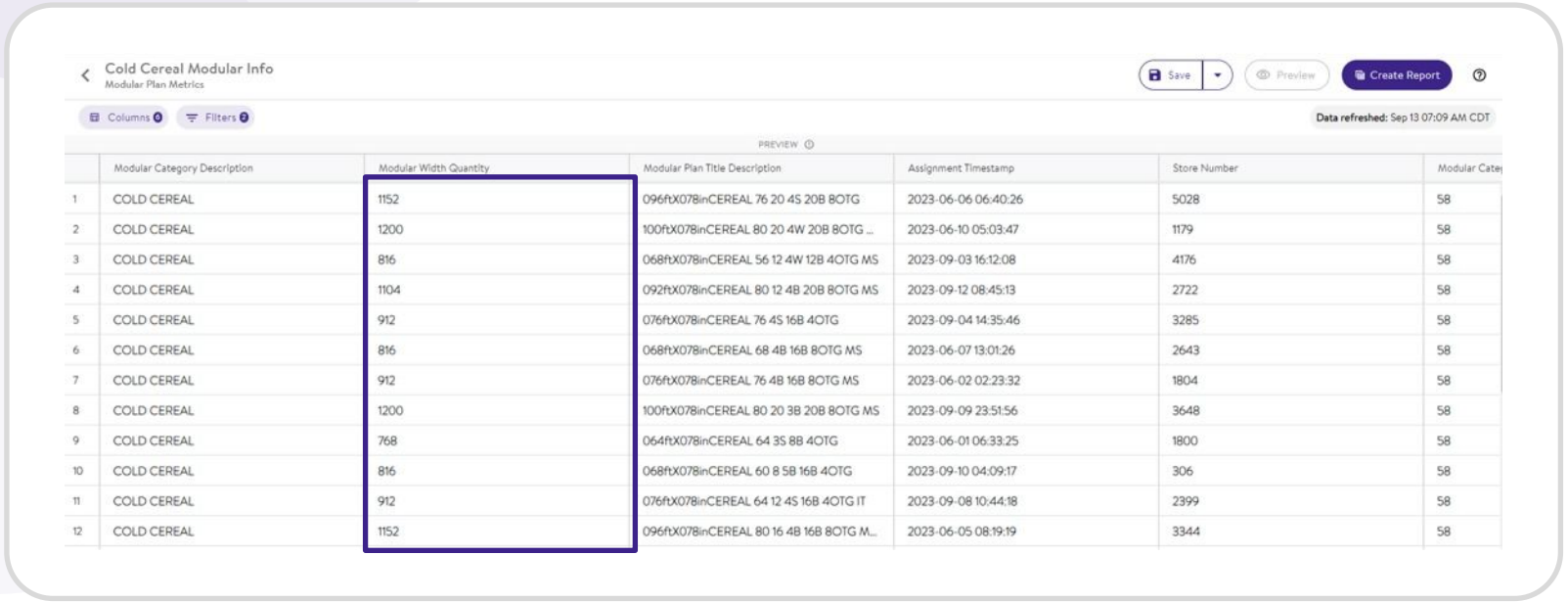
The approach: Use Channel Performance Charter to establish the current in-store assortment to ensure the recommendations are “space based”



Cold Cereal Modular Info
Modular Plan Metrics

Save | Preview | Create Report

Columns 0 | Filters 2

Data refreshed: Sep 13 07:09 AM CDT

PREVIEW

	Modular Category Description	Modular Width Quantity	Modular Plan Title Description	Assignment Timestamp	Store Number	Modular Cate
1	COLD CEREAL	1152	096ftX078inCEREAL 76 20 4S 20B 8OTG	2023-06-06 06:40:26	5028	58
2	COLD CEREAL	1200	100ftX078inCEREAL 80 20 4W 20B 8OTG ...	2023-06-10 05:03:47	1179	58
3	COLD CEREAL	816	068ftX078inCEREAL 56 12 4W 12B 4OTG MS	2023-09-03 16:12:08	4176	58
4	COLD CEREAL	1104	092ftX078inCEREAL 80 12 4B 20B 8OTG MS	2023-09-12 08:45:13	2722	58
5	COLD CEREAL	912	076ftX078inCEREAL 76 4S 16B 4OTG	2023-09-04 14:35:46	3285	58
6	COLD CEREAL	816	068ftX078inCEREAL 68 4B 16B 8OTG MS	2023-06-07 13:01:26	2643	58
7	COLD CEREAL	912	076ftX078inCEREAL 76 4B 16B 8OTG MS	2023-06-02 02:23:32	1804	58
8	COLD CEREAL	1200	100ftX078inCEREAL 80 20 3B 20B 8OTG MS	2023-09-09 23:51:56	3648	58
9	COLD CEREAL	768	064ftX078inCEREAL 64 3S 8B 4OTG	2023-06-01 06:33:25	1800	58
10	COLD CEREAL	816	068ftX078inCEREAL 60 8 5B 16B 4OTG	2023-09-10 04:09:17	306	58
11	COLD CEREAL	912	076ftX078inCEREAL 64 12 4S 16B 4OTG IT	2023-09-08 10:44:18	2399	58
12	COLD CEREAL	1152	096ftX078inCEREAL 80 16 4B 16B 8OTG M...	2023-06-05 08:19:19	3344	58

Modular Plan Metrics Report

- Establish overall modular space by store
- Key metrics used:
  - Modular Category Description
  - **Modular Width**
  - Modular Plan Title Description
  - Assignment Timestamp
  - **Store Number**

Scintilla reporting- Sept’23

Walmart Data Ventures

Scintilla Case Study: Post Consumer Brands

The approach: Use Shopper Behavior Assortment Deep Dive to calculate category impacts due to assortment change recommendations at the modular or modular group level

Assortment Performance

Determine current product assortment and performance

Customer Decisions

Fine tune the consumer decision tree and need states

Customer Priority

Model current assortment and proposed changes to assortment

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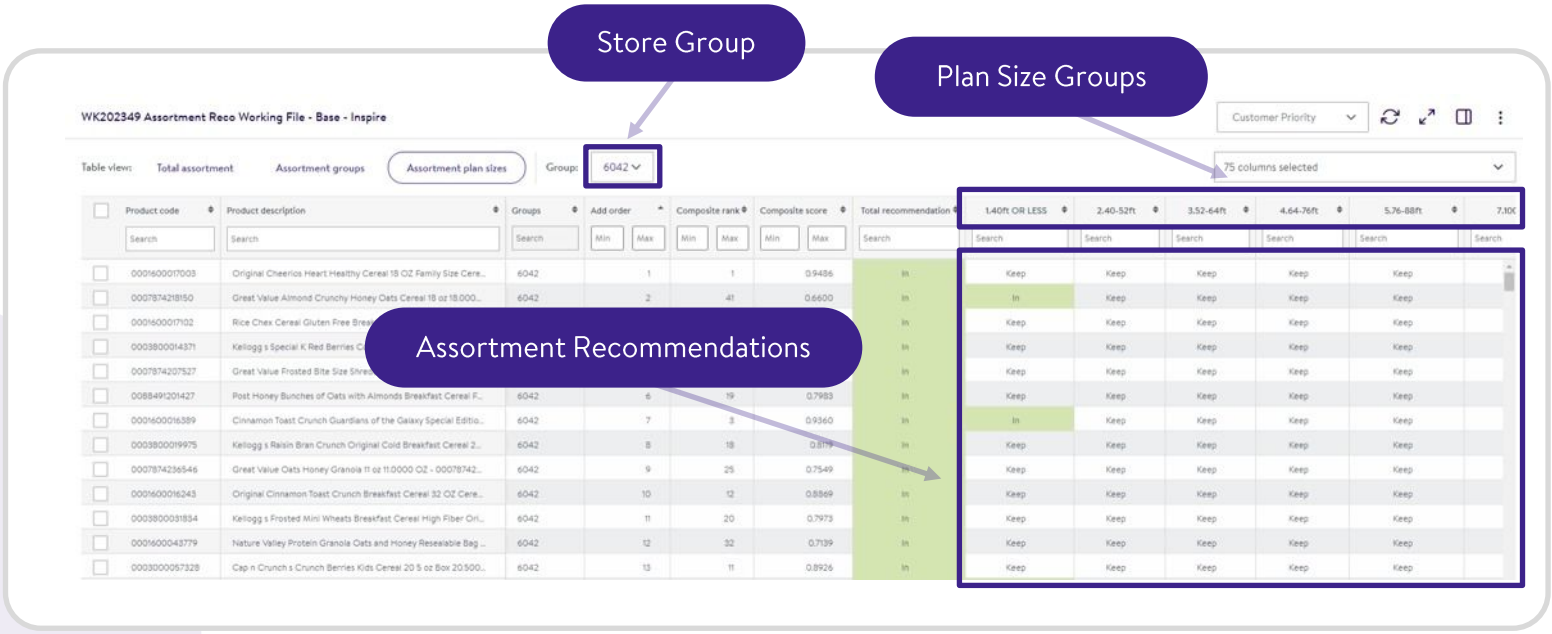
The approach: Combine information to build a baseline model that mimics the actual in-store modulars



Customer Priority Report

- Establish Baseline Model
  - Import store groups
  - Run report
  - Import assortment groups
  - Import plan sizes
  - Import/fine tune Customer Decision Tree
- Test changes to assortment by plan size and store group
  - Changes can be made at the total assortment level or at a modular group level

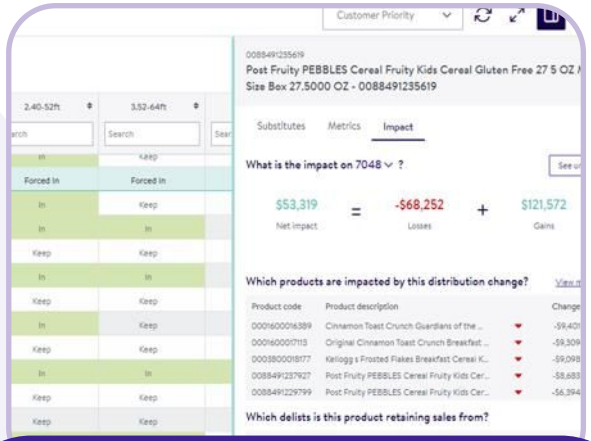
Scintilla reporting- June'23

Walmart Data Ventures

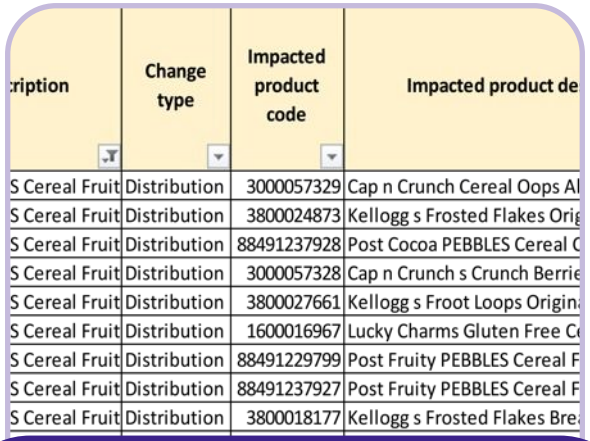
Scintilla Case Study: Post Consumer Brands

Exporting Data and Aggregating Results

Post Consumer Brands applied cannibalization from the Shopper Behavior Assortment Deep Dive analysis to item velocity assumptions to determine incremental impact to the category.

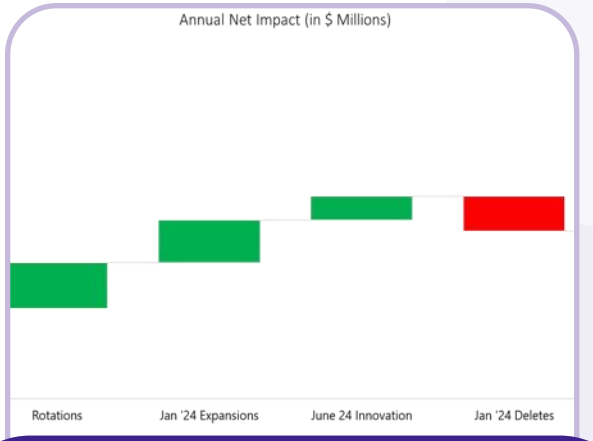


Customer Priority Output



ription	Change type	Impacted product code	Impacted product de
S Cereal Fruit	Distribution	3000057329	Cap n Crunch Cereal Oops Al
S Cereal Fruit	Distribution	3800024873	Kellogg s Frosted Flakes Orig
S Cereal Fruit	Distribution	88491237928	Post Cocoa PEBBLES Cereal C
S Cereal Fruit	Distribution	3000057328	Cap n Crunch s Crunch Berrie
S Cereal Fruit	Distribution	3800027661	Kellogg s Froot Loops Origin
S Cereal Fruit	Distribution	1600016967	Lucky Charms Gluten Free C
S Cereal Fruit	Distribution	88491229799	Post Fruity PEBBLES Cereal F
S Cereal Fruit	Distribution	88491237927	Post Fruity PEBBLES Cereal F
S Cereal Fruit	Distribution	3800018177	Kellogg s Frosted Flakes Bre

Aggregate Data



Category Impact by Assortment Strategy

- New item impacts
- Deleted item impacts
- Rotational item impacts
- Expansion/reduction item impacts

Scintilla Case Study: Post Consumer Brands

The results: Category impacts

Post Consumer Brands was able to see category impacts calculated for each of the assortment initiatives, including cannibalization and deleted volume, for a **more holistic category view**.

Item Level Assortment Recommendations

Suggested Expansion Item	Expansion Item #1	Expansion Item #2	Expansion Item #3	Expansion Item #4	Expansion Item #5	Expansion Item #6
Current Store Count	3,472	3,120	3,953	3,953	2,473	2,472
Recommended Store Count	4,500	4,500	4,500	4,500	3,473 (add to 12fters)	3,472 (add to 12fters)
Est $/S/W Baseline	$108	$81	$107	$74	$56	$48
Suggested Deletes/Reductions						
Potential Delete						
Potential Reduction	Reduction Item #1	Reduction Item #2	Reduction Item #3	Reduction Item #4	Reduction Item #5 (-12fters)	Reduction Item #6 (-12fters)
Sales Impact	$5.8MM	$8.2MM	$2.3MM	$1.6MM	$4.3MM	$4.0MM
Cannibalization Impact	($2.8MM)	($4.0MM)	($838k)	($817k)	($2.1MM)	($1.7MM)
Net Sales Impact	+$2.9MM	+$4.2MM	+$1.5MM	+$736k	+$2.3MM	$2.3MM

Total Category Net Impact