

Promotional Capabilities Assessment

Assessing a client's existing promotional capabilities and organization and developing a prioritized roadmap to improve promotional planning and execution.



The Client

A \$6+ billion specialty multi-channel retailer of services and products for the needs of pets and the leading online provider of pet supplies and pet care information.

The Challenge

The client had escalated their amount of promotional activity but was concerned by the inconsistency of promotional performance and the inefficiency of processes and systems for planning, executing and analyzing promotions.

Furthermore, organizational roles and responsibilities related to promotions were unclear, resulting in missed deadlines and frustration. Client leadership recognized the need to better understand and optimize promotional capabilities across the enterprise.

The Parker Avery Solution

In partnership with client leaders, The Parker Avery Group undertook the following activities:

- Reviewed and identified challenges with the client's current promotions management organization, tools, and practices; this included analyzing current promotional vehicles, visiting client and competitor stores, and investigating major corporate initiatives that might impact promotions.
- Benchmarked current promotions capabilities against leading industry practices.

- Defined future promotions capabilities and synthesized them in cohesive initiatives.
- Developed an estimate of the financial benefit of each initiative.
- Prioritized and sequenced initiatives into a roadmap that would deliver the future capabilities.

Parker Avery's recommendations included "quick wins" to build momentum upfront and longer-term strategic programs that span 3+ fiscal years.

The Result

After completion of the roadmap's initiatives, the client expects EBITDA improvement of more than \$130 million, with significant benefit driven by better margin performance on promotional items, improvements in store labor and inventory efficiencies, and reductions in marketing production costs.