



# Promotional Capabilities Assessment Reveals Significant Bottom Line Improvements

## Client Challenge

The client is 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 services. The retailer had escalated its 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, unclear organizational roles and responsibilities related to promotions resulted in missed deadlines and frustration. The company's leadership recognized the need to better understand and optimize promotional capabilities across the enterprise.

## Parker Avery Solution

In partnership with client leadership, The Parker Avery Group reviewed and identified challenges with the client's current promotions management organization, tools, and practices.

Specifically, Parker Avery:

- Analyzed current promotional vehicles
- Visited client and competitor stores
- Investigated major corporate initiatives that might impact promotions

Further, Parker Avery:

- Benchmarked current promotions capabilities against leading practices
- Defined future promotions capabilities and synthesized them into cohesive initiatives
- Estimated the financial benefit of each initiative
- Prioritized and sequenced initiatives into a roadmap that would deliver future capabilities

Parker Avery's recommendations included 'quick wins' to build momentum upfront and longer-term strategic programs spanning three fiscal years.

## RESULTS



PROMOTIONAL CHALLENGES IDENTIFIED



CAPABILITIES ROADMAP DEVELOPED



EBITDA IMPROVEMENT EXPECTED

After the completion of the roadmap's initiatives, the client expects an EBITDA improvement of more than \$130 million, with significant benefits driven by:

- Better margin performance on promotional items
- Improvements in store labor and inventory efficiencies
- Reductions in marketing production costs

