



Retail Insight

WasteInsight Overview

Microsoft



Software Process

We do this by taking large volumes of data and processing it through proprietary algorithms, producing insight and direction for users to action

RETAILER DATA WAREHOUSE

Ingests high volumes of complex data from multiple sources in near real-time

Works as a “skeleton key” that can access and integrate with a broad range of data warehouses, sources and platforms

RETAIL INSIGHT SOFTWARE PLATFORM

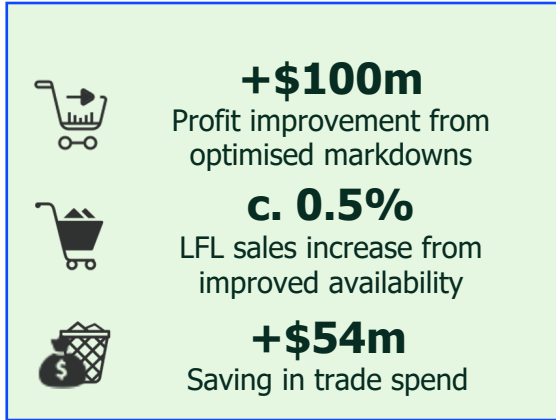
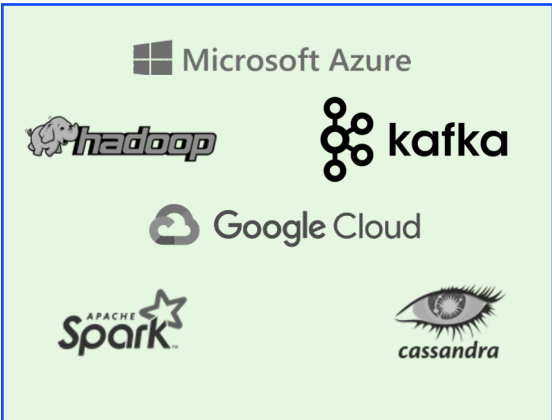
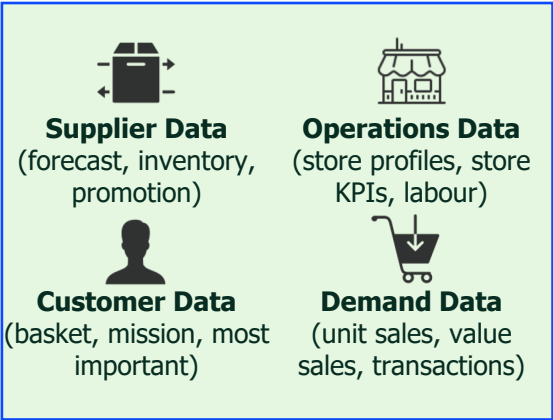
Data continuously imported to Retail Insight’s software platform:

- Range of system configuration options (public cloud, private cloud, on-premise)

Apply highly sophisticated, proprietary statistical models to data in near real-time

ACTIONABLE INSIGHTS FOR ALL

Outputs real-time insights and recommendations to users throughout organisations – integrating with existing management processes and technology systems





Product Overview: **WasteInsight**

The **WasteInsight** product provides a dynamic pricing algorithm that enables grocers to discount expiring inventory to maximise profit

> PROBLEM

Context

- Food has sell-by dates – if it is not sold by this date it must be thrown away
- However retailers also want high “availability” of product on shelf, as the sales opportunity cost of being “out of stock” is considerable – so availability and wastage are opposing factors
- Wastage can be the greatest cost for a grocery store P&L after labour

Current Actions Grocers Take

- Retailers typically markdown or discount products on or near their sell-by date to encourage customers to buy these products
- Approaches vary by retailer – they may do a single markdown or several deeper markdowns over the course of a day
- The timing, absolute and relative depth of discounts impact how customers respond

Challenges of Current Approach

- The timing and depth of markdowns is usually blunt and unsophisticated, often not accounting for other variables that affect sales velocity and profit (e.g. weather, amount of stock to sell, etc)
- Store labour is often overstretched, and compliance with markdown procedures can be very low

> SOLUTION

	Ingest SKU-level retailer data from multiple sources, combined with external demand drivers
	Based on data, establish a default set of markdowns at a SKU-level
	Apply markdown drivers: volume, day of week, time of day, store, inventory, iteration, seasonality
	Create price and demand curves to generate optimal price point at the best time of day
	Push calculated new markdown price to store markdown systems
	Store colleagues apply 1st markdown
	With optimal yield extracted at optimal willingness-to-pay, any remaining unsold product is disposed of by the retailer

> TYPICAL ROI

50x ROI
And 1% Reduction in Waste Costs

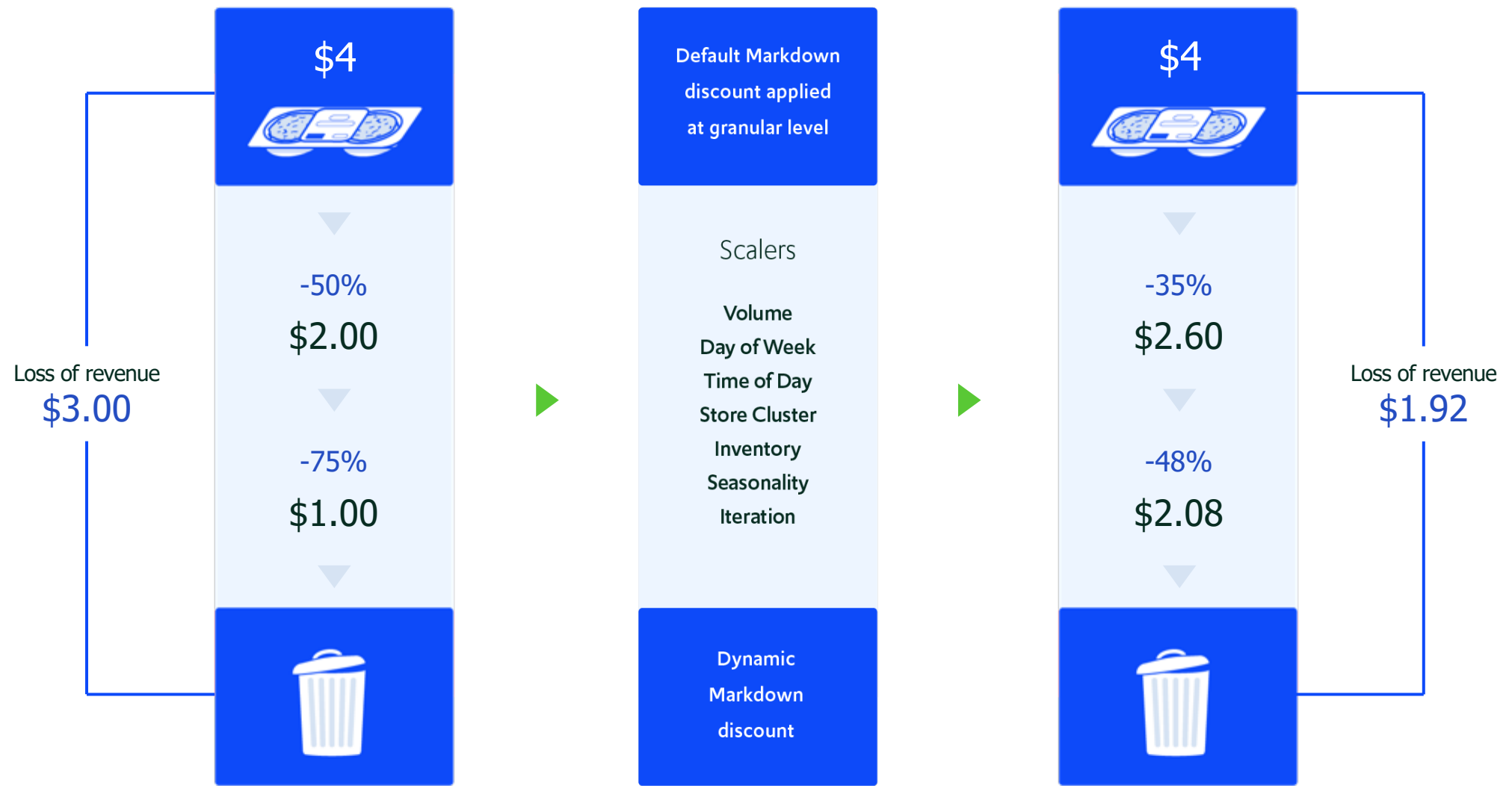
"The solution delivers ongoing benefits as we work closely together to optimise performance"

Customer Interview



WasteInsight Walkthrough

The solution takes account of all relevant trading factors and store-specific characteristics to provide the optimal product markdown value to minimise disposals and maintain profit margin.

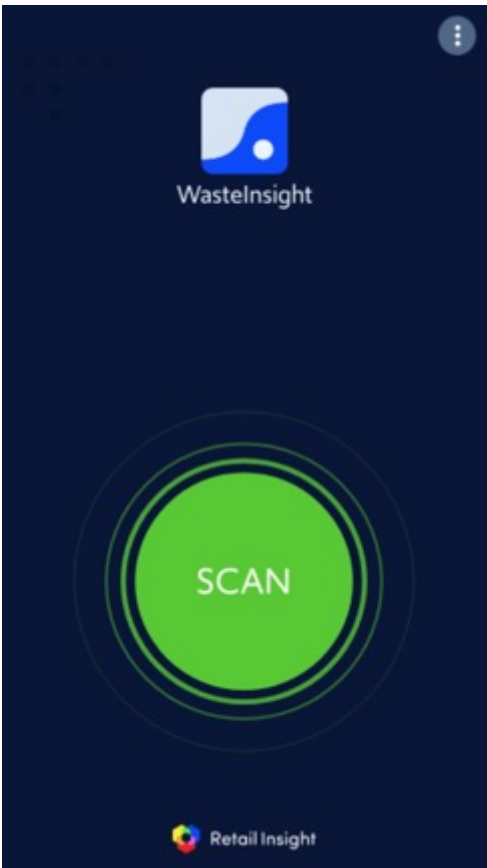




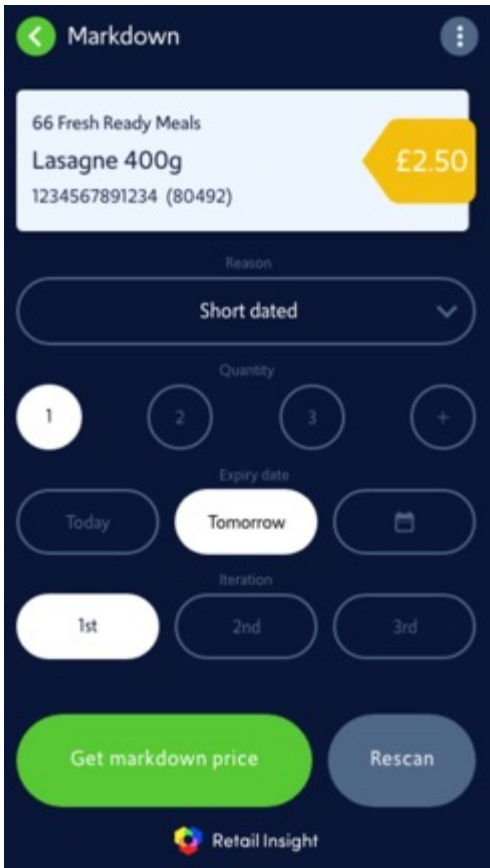
WasteInsight Walkthrough

A simple way to manage waste that fits seamlessly alongside your current processes. We can integrate with an existing store application or provide the RI application

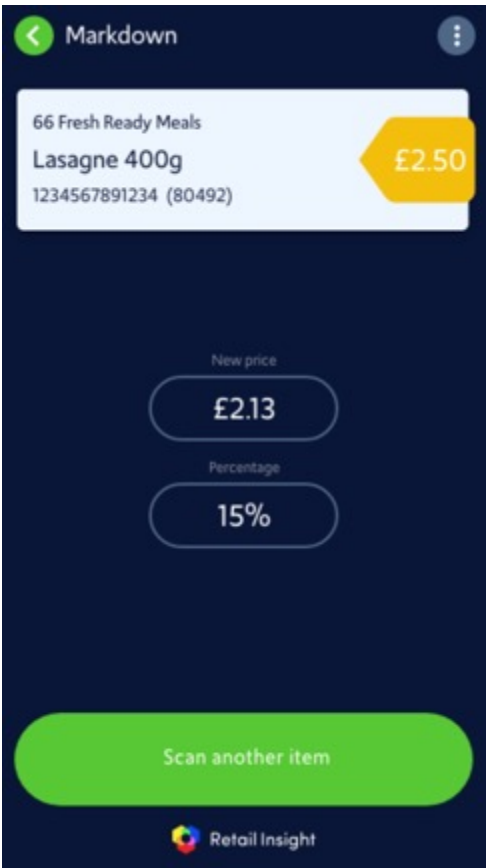
SCAN AN ITEM TO VIEW PRODUCT DETAILS



SELECT THE APPROPRIATE REDUCTION REASON, EXPIRY DATE AND QUANTITY



CLICK TO RECEIVE THE OPTIMIZED REDUCTION PRICE



Thank you

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