



Case Studies

Customer Success Story: Learn how BIG W Leveraged Algo to Optimize the Most Dynamic Product Segment in Retail

Big W's Story

Algo model and their service provision has been of paramount importance to our success.

Challenges

The Books category is one of the most dynamic product segments in retail. Big W has over 20% market share of the Books category in Australia.

With up to 900 new books to be added to the range on a monthly basis, most with limited shelf life, the ability to process orders quickly and efficiently is of great importance.

The Books category also is faced with huge competitive price and promotions activity from competitors, both physical and online retailers.

Big W needed the ability to have a unique range, that can change quickly, based on store size, demographic and performance.

Solutions



The introduction of the Algo service model has allowed Big W to be more agile to the dynamic nature of the Books category. A fluid range that changes on a weekly basis, along with a dynamic management of the products life cycle has allowed Big W to ensure that the new multiple new lines allocated weekly are distributed to the appropriate store locations based on the consumer demand of similar titles within the outlet.

The Algo allocation and replenishment solution as been tailored to allow for the complex ranging requirements of the Big W Books category.

The outcome being an **optimized inventory position** with maximized sell thru rates, minimal returns and a mark down strategy that allows for minimal exposure for both the retailer and their publishing partners.

Results

+20%

Shelf Availability Improvement

+20%

Weeks of Supply Reduction

+5%

Baseline Sales Increase

+30%

Improvement in return rates



The Algo Service model has allowed Big W to react quickly and efficiently to an ever-changing market. Whether the challenge is to optimize sales and inventory while reducing SKU count; or expand quickly into a new market segment, the flexibility within the Algo model and their service provision has been of paramount importance to our success.

Meredith Drake

Category Manager Books

