

Deploying a Retail Predictive Sales Model

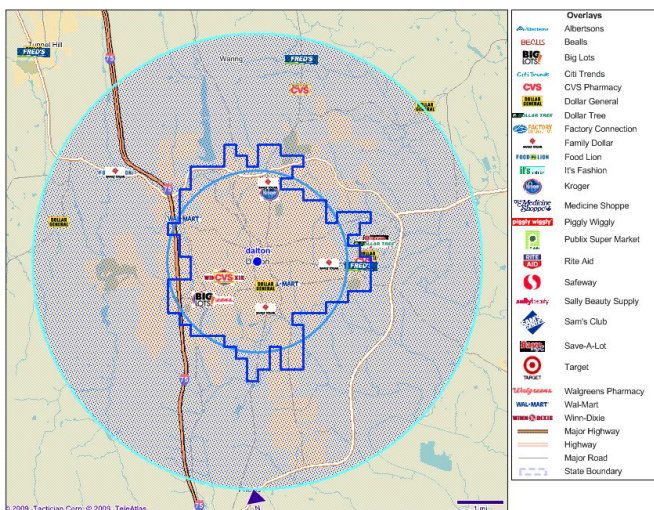
“When I found Tactician I not only found an easy map software to pinpoint each store but a tool to help manage our business. The ease of the tool is the best part for me. Within minutes I have not only what they think they need but even more!”
 – Lauren Vickers - Carters Clothing

Challenge / Goal:

A US retailer was finding it more and more difficult to accurately predict the performance of its new stores in both new and existing markets. Because of the significant costs incurred when adding new locations, it needed an accurate method for gauging both the revenue opportunity for proposed locations in new markets, as well as assessing and identifying profitable proposed store locations in its existing markets that would not compete with and cannibalize existing stores.

Tactician in Action:

A Predictive Sales Model was created and deployed within a custom, Tactician Online-based delivery system. The system is used by real estate personnel in the field to quickly assess prospective store locations. It is also used to target opportunity areas where the criteria required to support a successful store have been identified.



Model Generated Trade Areas

Tactician Home Modeling Tools Manage Sign Out Help

Manage
SECTION: System Admin Functions > Manage Model Parameters

Select Model: Sales Potential Model

Model Parameters		Site	
Weight		Name	Aberdeen
Intercept	-7597.5173	RF Centre ID	60-001
Weighted Index	716.746918	RF Amount	732
Car Park Accessibility	-10601.829	Sales Potential	
Location Type	-37893.8	Estimated Sales Potential	211,229
Centre Rating	25697.013	Site Characteristics	
		Car Park Accessibility	3
		Location Type	3
		Travel Time	60
		Trade Area Demand	
		Primary Trade Area	
		Population (Weighted by Gravity Model)	277,173
		Customer Index (100 = average)	122
		Population (Weighted by Index)	338,736

Managing The Model Parameters

Sample Model Results

Results:

- A Tactician Online-based predictive sales model is used to generate a regression-based revenue prediction for any existing or proposed location in a matter of minutes.
- Sales predictions are quickly and easily generated for hundreds of sites each year
- The underlying business rules / drivers that impact store performance and define successful vs. unsuccessful store have been defined and can be quantified for any proposed or existing location
- The appropriate actions to be employed against the existing store network are continually assessed: keep open, close ,relocate, renovate, etc.

Email: sales@tactician.com

Call: 1-800-927-7666 x115