HOW A RETAILER GREW SALES BY MERCHANDISING DIFFERENT PRODUCTS BY MARKET

THE BUSINESS CHALLENGE

Consumers in different markets have different preferences. While that may seem obvious, knowing what will sell best market by market isn’t always apparent. A retailer recently turned to us for help in its effort to ramp up sales in the fan category. Do consumers in densely populated areas prefer the adjustable height and oscillation of stand fans, or the space-saving, portable nature of box fans? Do shoppers in southern markets who may use fans year-round go for the quiet, sleek design of tower fans?

HOW WE HELPED

Our Store-Level Enabled tracking provides the most granular view of the market, showing what types of fans sell fastest, and where. Since this information is processed at the store level, it provides visibility into velocity—the rate at which products are selling—below a national level.

With a number of options to choose from, our client needed to know how to merchandise and promote stand fans, box fans, and tower fans—in each market. It needed concrete evidence to reach the right decisions.

This is an illustrative case study, inspired by our actual work with clients, but fictionalized to protect client confidentiality.
It’s not just how much you’re selling; it’s how fast. By capturing store-level data feeds directly from retailers, we’re able to offer new metrics, at new levels. We now measure velocity, which tells you the rate at which products are selling for a better measure of performance. And, we can report below a national level, so you can monitor sales by retailer, region, or territory. Want to know if consumers love what you make? Velocity can tell you. What’s the upside potential, if any, of winning wider distribution for a particular item? Velocity can tell you.

About NPD’s Store-Level Enabled Retail Tracking

Store-Level Enabled data also illuminated local preferences. Box fans sold fastest in many urban markets, including New York and Chicago. Since city living often means space is at a premium, the fan’s streamlined design, which fits in a window, may have helped it sell faster.

Armed with objective information in sales productivity and local market preferences, our client successfully customized its merchandising and marketing plans by market, growing sales by 25 percent.

How Velocity Works

Velocity tells you how well your product sells where it’s available for consumers to purchase.

Contact your NPD account representative, call 866-444-1411, or email contactnpd@npd.com.