



# Planogram Optimization - Perfect Store Execution

[www.sigmoid.com](http://www.sigmoid.com)





## About Sigmoid

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# Sigmoid is an emerging leader in data engineering and AI solutions.



**750+**  
Employees



Work with **30+**  
Fortune 500 firms



**>97%**  
CSAT score



**200+**  
ML models operationalized



**5000+**  
Data pipelines built

Backed by

**SEQUOIA**

## Awards and Recognition

**500™**

Technology **Fast 500**  
2023 NORTH AMERICA  
Deloitte.

**\* ISG**

Provider Lens 2023 Quadrant

**Analytics Services**  
Rising Star, U.S. ★

Report releasing Jan 2024



**America's  
Fastest-Growing  
Private Companies**



**Open Source data  
solution provider  
of the year**



**FORRESTER**  
**Now Tech:**  
**AI Consultancies,**  
Q1, 2021 Report

Major Contender in

**EVEREST GROUP**

**Analytics and AI Services Specialists**  
PEAK Matrix (2022)

## Offices



New York



San Francisco



Dallas



Lima



Bangalore



Amsterdam

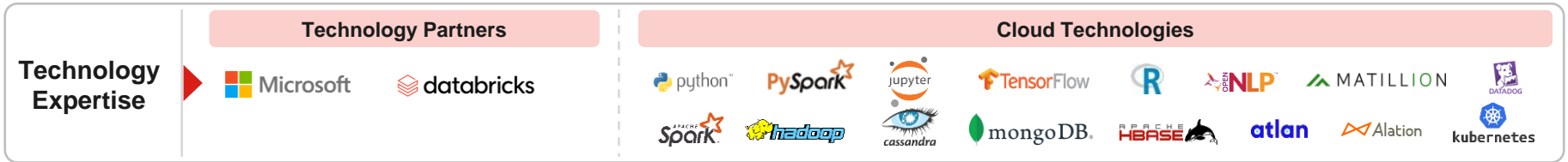
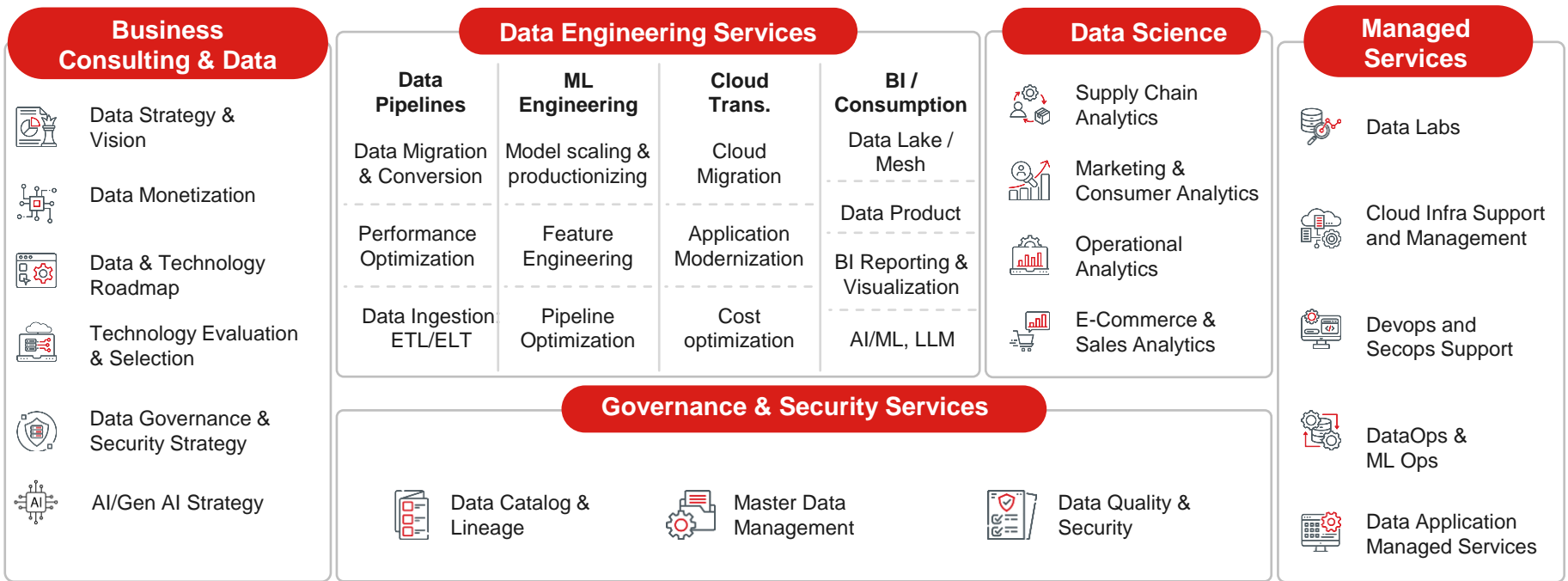


London



Sao Paulo

# Enabling Business Transformation with Full-Service Capability Suite



# Sigmoid Capabilities - Experience in implementing data solutions in Azure

Sigmoid has worked with more than Five large customers to design, build and deploy solutions in Azure

## Data Processing & Transformation:

- **Azure Databricks:** Collaborative Apache Spark-based analytics platform to be used for big data processing and machine learning.
- **Azure HDInsight:** Managed cloud service for processing big data using popular open-source frameworks like Hadoop and Spark.

## Data Analytics & Visualization:

- **Azure Synapse Analytics:** Analytics service which will be used for analyzing large amounts of data using either serverless or provisioned resources.
- **Power BI:** Business intelligence tool to be used for creating interactive visualizations and reports.

## Data Storage & Management:

- **Azure Data Lake Storage:** Scalable and secure data lake for storing large amounts of structured and unstructured data would be considered.
- **Azure SQL Database:** Managed relational database service for structured data storage.

## Data Ingestion & Integration:

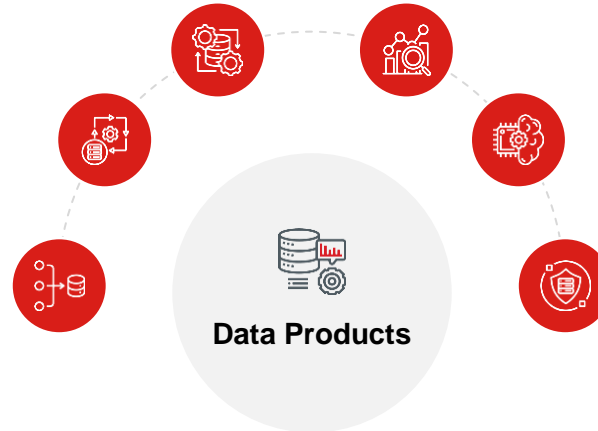
- **Azure Data Factory:** Creating data pipelines to move and transform data from various sources.
- **Azure Event Hubs:** Real-time data ingestion from applications, devices, or any data streams would be done.

## Machine Learning & AI:

- **Azure Machine Learning:** End-to-end platform for building, training, and deploying machine learning models.
- **Cognitive Services:** Pre-built AI services for vision, speech, language, and decision-making.

## Security & Compliance:

- **Azure Active Directory:** Identity and access management service.
- **Azure Policy & Blueprints:** Tools for implementing governance and compliance across Azure resources.



Sigmoid's implementation of solutions in Azure involves leveraging a combination of services and tools tailored to specific business needs. Sigmoid would collaborate between data engineers, data scientists, business analysts, and other stakeholders as it is essential to align the implementation with business goals and ensure success.





# Perfect Store Analytics - Planogram Optimization

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# Leveraging Sigmoid's capabilities into the wider Perfect Store execution system



*Sigmoid has extensive experience in building & scaling Retail use-cases in leading CPG players in both developed & emerging markets*



## Compliance

**How does my store execution fair with my picture of "perfect store"?**

- Are MSLs on shelf always
- Planogram Compliance
- Are promos in line with agreed terms
- Are my products getting the right Share of Shelf etc.



## Insight

**What are the insights generated leveraging this database?**

- Is Low OSA impacting sales
- Which stores are deviating from agreed shelf designs
- Non-Compliance trends in Key Accounts or region as per TT etc.



## Recommendation

**How to improve overall shelf design and sales performance?**

- Ideal Product Assortment
- Ideal Shelf Design & Planogram
- Ideal Number of Facings
- Ideal Display Positions
- Recommended Trade Terms etc.

# Planogram Assortment Optimization – Perfect Store Analytics



## Headwinds in Achieving the Perfect Planogram

### Opaque and rigid media strategy

**Long term vision** to be included as assortment and planograms are updated once/twice every year

Considering **evolving needs of category managers** on specific constraints, strategies and goals

Significantly **higher and complex databases** without sophisticated data connectors to streamline analytics

### Poor ROI due to Reactive decisions

Expected to ensure fair and justifiable treatment of all brands while also **prioritizing the best path for category growth**

Retailers are transitioning to **store-specific modulars**, adding complexity without proportional impact on revenue.



## Solved by our Planogram Optimization Solution

### Optimizing Store Specific Assortment Categories with our ML-based solution

The solution is able to provide robust, **actionable modular scenarios** aligned with sales, profit, and operational priorities

Moves beyond third-party tools, creating a durable competitive edge, leading to **increased market share and substantial cost savings**

Frees up valuable time for Category Advisors to delve deeper into **value-driven insights at a granular level**

### Unraveling enhanced opportunities

Positions client to secure additional **Category Adviserships or Captainships** while defending existing ones..

Equips sales teams to think and act like Category Managers, utilizing available sales data effectively.



## Benefits realized by a F500 CPG

**3-5% increase** in sales and share of brands across categories

**30% cost savings** due to reduction of inventory costs by identifying the most profitable category

**3 weeks** for the integration of a new brand - scalability realized



# Planogram Assortment Excellence for a F500 major CPG

## Case Background

- The customer is one of the major CPG players for whom Modern Trade happened to be a major channel.
- They were collaborating with Big Box retailers, for providing the best configuration of planograms, for all the parties, to drive revenue, taking into consideration the highlighted constraints.
- The customer wanted a solution to give recommendations based on long term visions ( planograms update twice a year only), taking into account the evolving needs of the category managers and challenges of data availability for decision making.

## Sigmoid Solution

Sigmoid is building a solution to optimize store specific assortment categories through data science techniques

Deliverables		
KPI	Existing POG	Optimized POG
# distinct upcs	181	192
Potential sales (as per DOS)	\$ 887.39	\$ 880.34
Incremental potential sales %	-	4.87%
Items Removed	0	
Items Added		11

Scenario planning is with respect to growth, profit, revenue maximization metrics with specific optimization rules that identifies optimum configuration of products at cluster level

The output of the exercise would be a list or csv file. The information present in the list is as illustrated.

SKU ID	SKU DESCRIPTION	FINANCIAL CONTRIBUTION %	COST TO SERVICE %	PROFITABILITY PERFORMANCE - RANGES	SIZE	HEIGHT	WEIGHT	UOM	LOCATION			
									Shelf	Day	Fix	
*	*	*	*	High	30 CT	5.5 inch	3.3 inch	Unit	7	1	6	9
*	*	*	*	*	*	*	*	*	*	*	*	*
*	*	*	*	*	*	*	*	*	*	*	*	*
*	*	*	*	*	*	*	*	*	*	*	*	*
*	*	*	*	*	*	*	*	*	*	*	*	*

Clustering similar stores to discover similar opportunities, the solution leverages advanced data analytics and machine learning algorithms to drive retail excellence, increase sales, reduce inventory costs, and minimize store labor costs as well.

## Business Impact

3-5% improvement in category sales (USD 14-25m)

Reduction in **Category Advisors Planogramming Effort**

Moves beyond third-party tools, creating a durable competitive edge, leading to **increased market share and substantial cost savings**



# Engagement Models

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# Sigmoid's Engagement Models

## Project Based



- Starts with consulting/scoping (2-3 weeks)
- Delivery Program Management
- Interim review
- Success criteria met and IP handover
- Option to continue with product support
- Fixed bid contract
- 3-5 months duration given complexity of problem

### Benefits

- Cost effective
- KPI/SLA/Outcome driven
- Suitable for Fixed scope of work
- Less overheads

## Staff Augmentation



- Understanding of skill requirements
- Profile match and rate card
- Onboarding and monthly billing
- Focused training based on client tech stack
- Project Management support
- 10% backup resources unbilled and trained

### Benefits

- Scalability
- Flexibility in resourcing
- Ability to change/redefine scope

## Hybrid-Flexi Model/Data Labs/CoE



- Mix of project and staff augmentation engagements
- Requirement gathering
- Requirement classification - as project or staff augmentation
- Joint delivery plan
- Secure resources internally from Sigmoid and bill monthly
- Dedicated PM, Engineering Managers
- Dedicated Management Consultant(s)
- Dedicated Team Leads and Product Owners

### Benefits

- Cost effectiveness by focus on output
- Ability to change/redefine scope/Change requests
- Risk/Reward linked to KPI/SLA

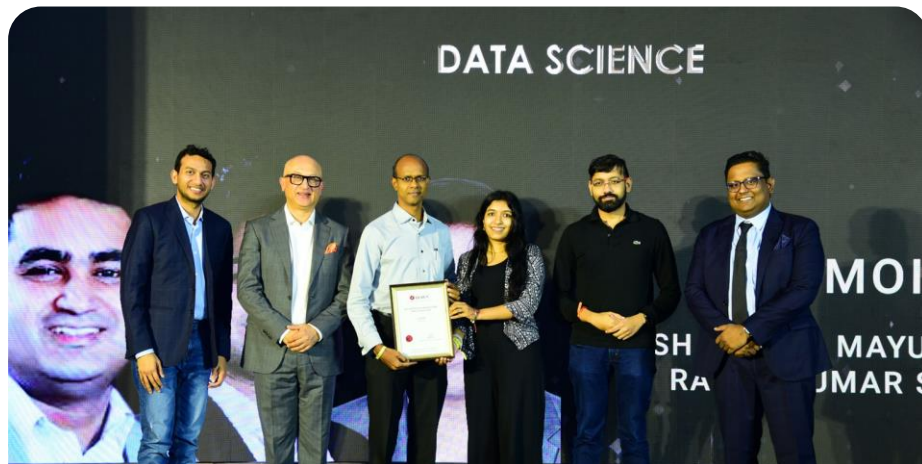
# Thank you



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Website: [www.sigmoid.com](http://www.sigmoid.com)



**'India Future Unicorn Award'**  
in Data Science category by Hurun India

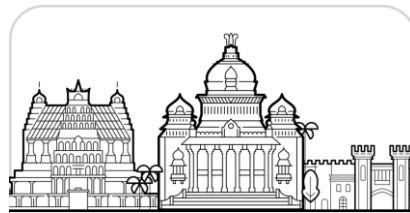
## Global presence:



**USA** (NY, SF, Dallas, Chicago)



**EU** (Amsterdam, London)



**India**  
(Bengaluru)



**LATAM** (Lima)