

Illuminating Value

Retail Analytics

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A New Vision

Questions towards a revenue growth business

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What if Splunk didn't just monitor transactions, but also created them?

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What if Splunk was selected based on value generation, not just consumption?

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What if Splunk could disrupt and displace traditional business operations solutions?

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What if Splunk could automate processes that have been manual since the beginning of time?

PIVOTAL QUESTION

What if Splunk was a key driver in generating hundreds of millions of dollars in new revenue across an industry?

An Industry Ripe For Change

The more you know

Did you know?

- ▶ There IS an industry with segments of its business still operating as they did in the previous century.
- ▶ Every company in this industry had at least four distinct operations centers fighting for access to the same data.
- ▶ Previous solutions insist the only answer is to process every transaction sequentially – hours, days and even weeks after the fact.

*“Real-time insights into product sales **unlock hundreds of millions** in revenue currently being lost due to traditional, time latent solutions.”*

Inertia

Invest in better ETL capabilities

“Doing more of the same thing is a very expensive way to get the same results”

Add more compute to operational solutions

We See It Differently

ROI in months

1

Retail and Consumer Goods sales data should be easily accessible across the enterprise

2

Store operations should have real-time visibility into on-hand inventory, sales velocity, delivery schedules, and safety stock

3

DC operations, supply chain, merchandising, and marketing should have a robust set of predictive capabilities to drive efficiencies and sales lift

Better, Faster, Leaner

Industry Research

- ▶ Our research indicates that retailers as a whole lose billions in revenue each year due to operational inefficiencies and lack of visibility into critical consumer buying patterns

- ▶ Conservative estimates suggest that ^{POS}**ZOOM** can capture...

- Stock-out Reduction
- Fresh Food Waste Mitigation
- Suppress Return Leakage
- Fraud Detection & Remediation

\$50M+
Revenue Uplift
YoY



for a \$20B retailer

Industry Challenges

- ▶ Legacy fulfillment forecasting engines lack
 - Recent sales activity (up to a week)
 - Limited visibility into demand influencing factors
 - Promotions / Advertisements
 - Social events (Sports, Entertainment, etc.)
 - Weather
- ▶ Store operations are primarily reactive rather than proactive
- ▶ Customers are resistant to change as change management is uncertain
- ▶ Supply chain operations and store operations can vary by retailer or by vendor
- ▶ Supply chain operations and store operations can vary in real time
- ▶ Customer habits change sporadically
- ▶ Customer channel preferences are tied to technological change and market trends

Illuminating Value Through Real-time POS Analytics



Loyalty & Marketing

Store Inventory

POS



Out of Stock



Waste



Fraud



Returns



Real-time Cart



PCI Compliance

Expansion (Incentives & Increasing Store Traffic)

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What Is It?



- ▶ Eliminates sales data silos across the enterprise
- ▶ Mitigates product fulfillment disruptions to increase sales
- ▶ Identifies inventory anomalies and triggers revenue protecting actions
 - Expediting deliveries for low product inventory balances
 - Real-time customer segmented promotions through email, text and mobile app
 - Real-time demand forecasting leveraging predictive models
- ▶ Segments customers and products to incentivize revenue lift
- ▶ Delivers Regression & Predictive Analytics (Machine Learning)

How It Works

Big data analytics accelerates the ingestion to insight process by collapsing the model, map, transform, write, query paradigm

Disparate Data

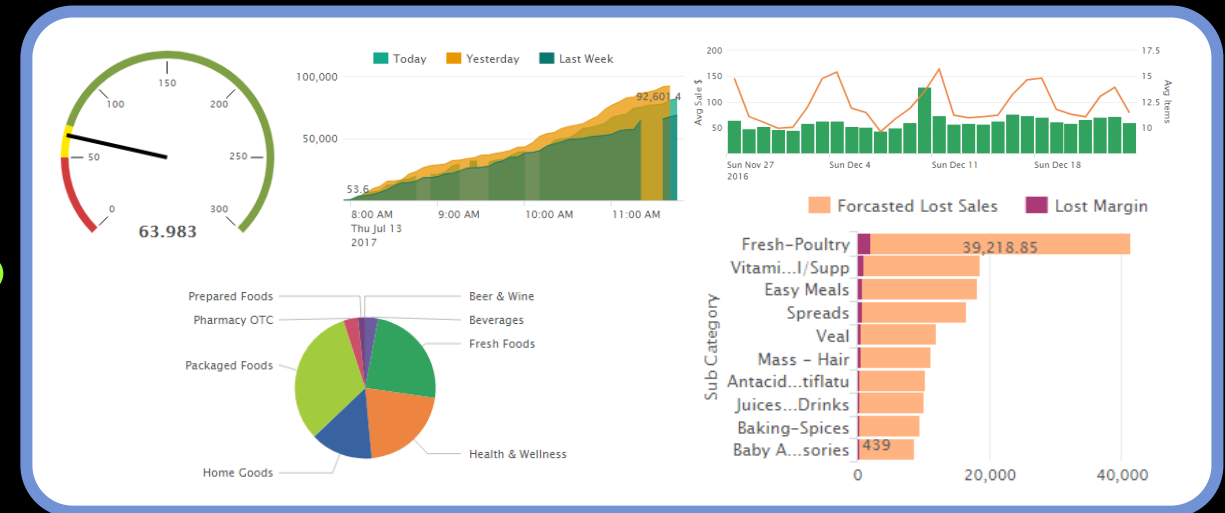
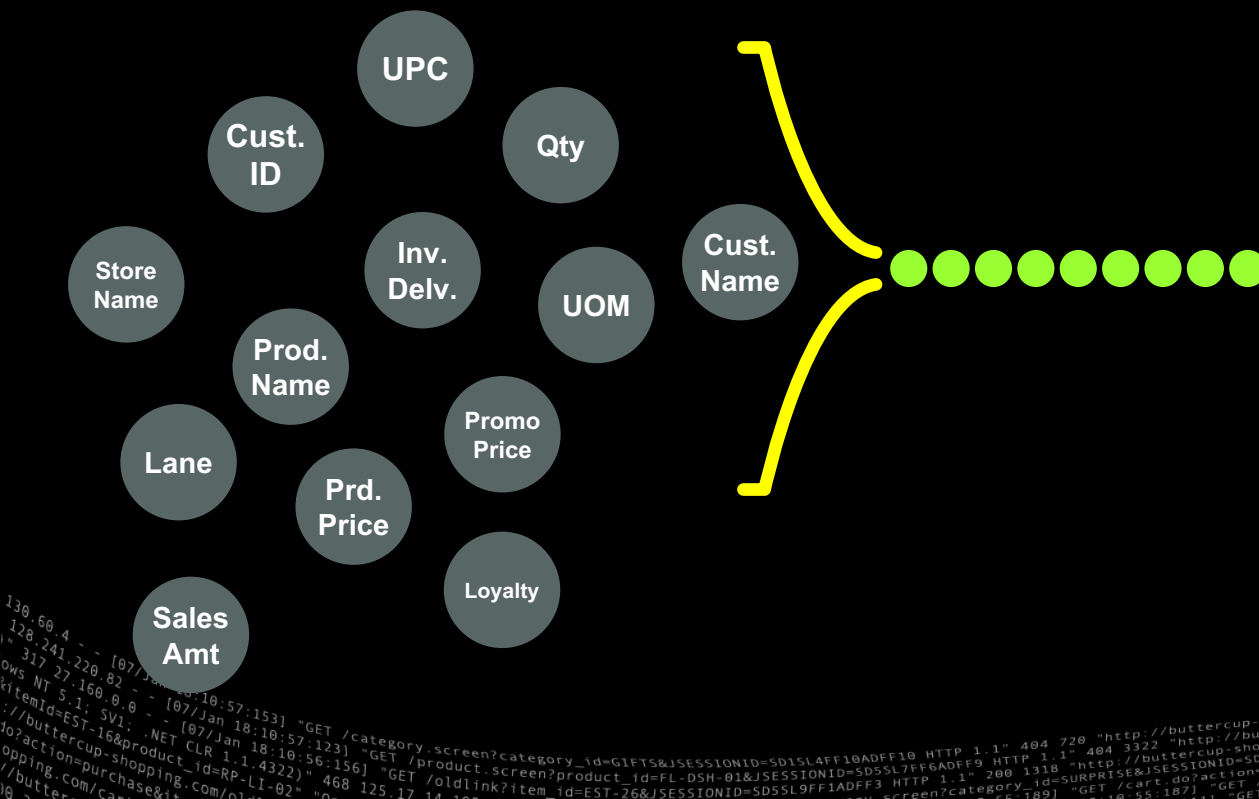
Ingests volumes of data across silos in native formats

Schema @ Read

Applies a logical index to data “as-is” at inquiry, enabling robust correlations in real-time at scale

Insights

Rapidly visualize queries, correlations and KPIs on one platform



- Real-time Replenishment Forecasting
- Customer Sales Incentives
- Return Win/Win Propositions & Incentives
- Fraud Detection

Marketing Lift

Additional Analytics on New Data

MARKET BASKET ANALYTICS



Aims to generate a set of rules that link two or more products together helping the organization to identify frequent purchase pattern, designing upsell/cross-sell strategies and incremental revenue growth opportunities. Will aid in bundling of products as well

CUSTOMER SEGMENTATION



Segmentation divides the customer base into heterogeneous groups basis various attributes like purchasing behavior, demographics etc. creating opportunities for business for targeted customer

CAMPAIGN ANALYTICS



Campaign Analytics Platform is an end-to-end pre/post marketing campaign performance assessment process that encompasses all the steps pre/post the Marketing Campaign launch to analyze whether the campaign was successful or not

DIGITAL CONSUMER ANALYTICS



We can perform all the analytics services on the online data which we are proposing on the transactional customer level data. Primarily to start with Customer segmentation

Marketing Lift

Additional Analytics on New Data

REAL ESTATE OPTIMIZATION



It is a framework which groups stores into networks basis the customer sales behavior and the geography. Among the entire stores in the networks, it rank the stores based on store's ability to transfer sale (maximize), acquire new customer (minimize) and profit margin (minimize). Then identifies the low performing stores and then measures the impact of its closure on the remaining open stores

INVENTORY MANAGEMENT



It aims to improve the sales forecast by incorporating the inventory data and hence aligning the supply and demand

CROSS SELL AND UPSELL ANALYTICS



It optimizes cross sell offer for a customer, using response propensity model, channel strategy and customer segment

Upselling is the practice of encouraging customers to purchase a comparable higher-end product than the one desired using response propensity model

CHURN MANAGEMENT



It helps to identify customers who are more likely to churn, identify root causes, enhances the customer lifecycle value, and drive positive customer experience. Predictive statistical models are used to create customer churn propensity score including logistic regression/random forest, decision tree, etc.

POS Zoom Analytics Roadmap

Land in Store Ops and Expand to Marketing or Vice Versa

42 OR Less

Value Achieved in Weeks

TIMELINE

VALUE

PHASES

← 5-10 Weeks → ← 12-16 Weeks → ← 12-16 Weeks → ← Ongoing →

Land in Store Ops Use Cases

- Stock-out Reduction
- Waste Reduction
- Fraud Mitigation
- Return
- Refine KPIs & correlations
- Create Change Management Plan

- Define architecture
- Identify, translate, ingest data
- Refine KPIs & correlations
- Create Change Management Plan

1 Use Case 1 Pilot

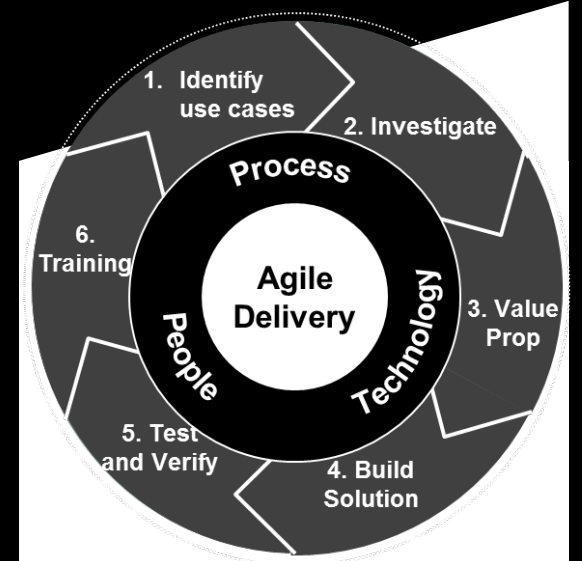
- Use case #1
- Define deployment plan
- Develop scripts & automation
- Obtain governance approvals
- Execute Change Management
- Deploy

2 Deploy to stores

Expand to Marketing

- Prioritize use cases
- Identify data sources
- Ingest & enrich data
- Refine correlations & dashboards
- Deploy

3 Use Case 2

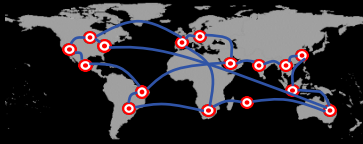


4 Additional Use Cases

Accenture Lift

Accenture and **Splunk** Combine to Multiply Value to Our Retail Clients

Results Matter



90+ Accounts **9+** Countries

2.3k Certified Resources

6.3k Trained Resources

85+ Additional Splunk Engagements

Projects Delivered in All
5 Vertical Markets

Accenture Honored as **Splunk's**
2017 Partner of the Year

- ▶ C-Level Trusted Advisor Relationships
- ▶ Supply Chain Domain Subject Matter Advisors
- ▶ Inventory Subject Matter Advisors
- ▶ Marketing Domain Subject Matter Advisors
- ▶ Remote Data Sciences Team – Expertise in Predictive Modelling and Machine Learning

COE / Adoption Enablement



Digital
Enterprise

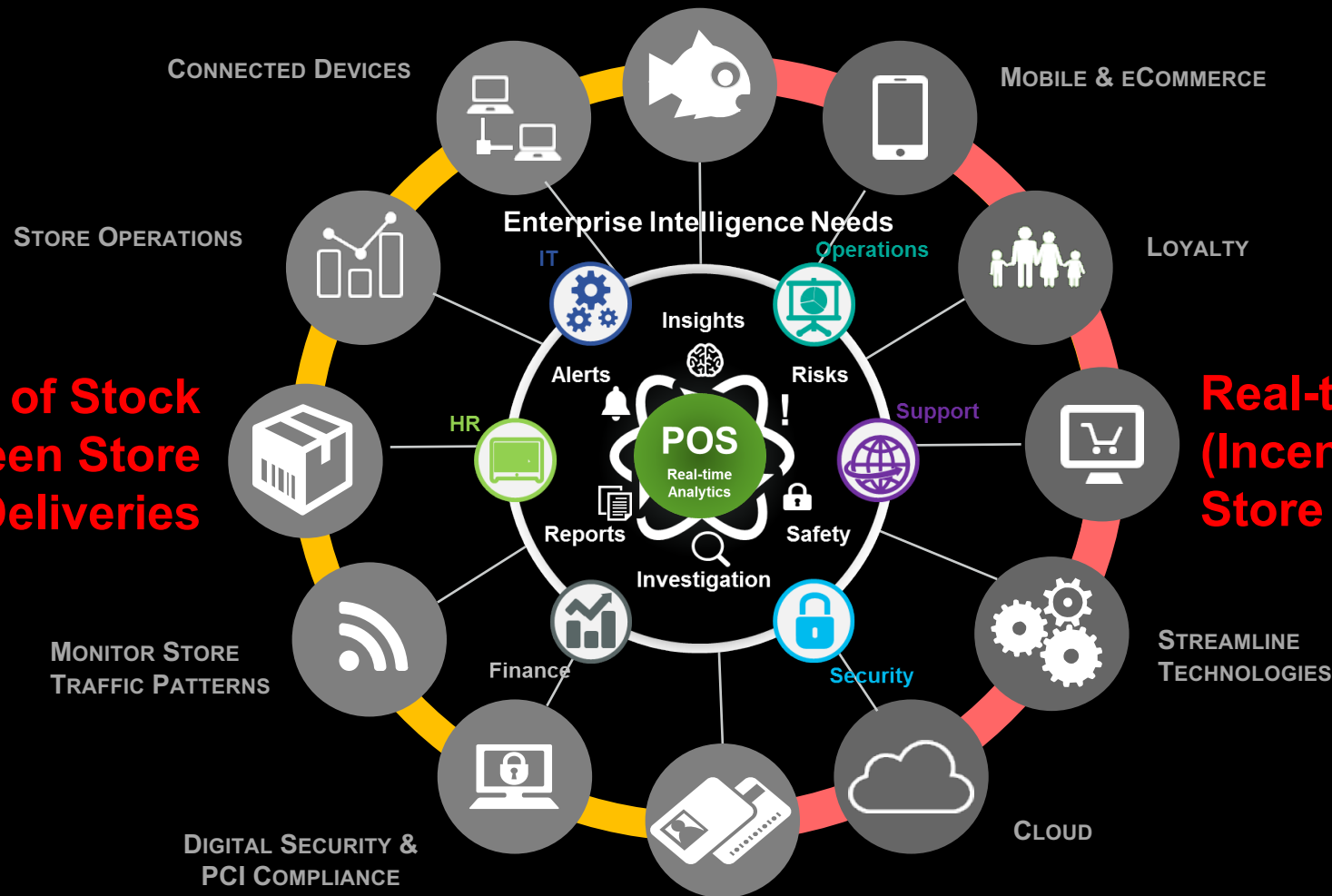
Digital
Customer



Waste Reduction

Reduced Out of Stock
Between Store
Deliveries

Real-time Cart Expansion
(Incentives & Increasing
Store Traffic)



FRAUD

**LIVE
DEMO**

Splunk Capability Demo: Point of Sale Analytics

Any Questions?

Thank You

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