



MONITORING THE DISTRIBUTION OF NEW ITEMS

Overview

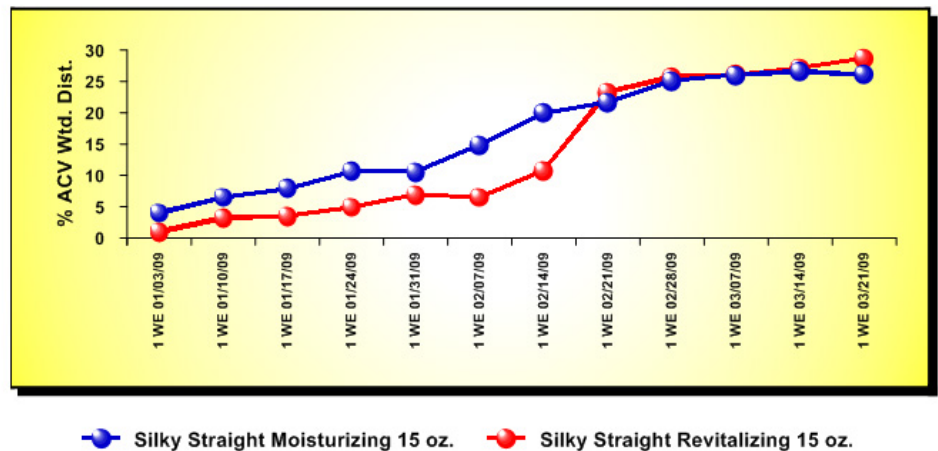
My Brand, a leading manufacturer of hair care products has a new product launch for two shampoos, Silky Straight Moisturizing and Silky Straight Revitalizing. My Brand's category manager used alqemyiQ's DataAlchemy data analysis software to quickly gain feedback on the new products' distribution during the early stages of the launch process. A series of automated reports was used to evaluate the distribution performance of the new product line as well as the overall brand performance throughout the regions and markets. DataAlchemy's dynamic reporting features allowed the category manager to easily retrieve and monitor data from various regions all the way down to the retailer level. This enabled My Brand's category and sales managers to take corrective action at a particular retailer early in the campaign. These adjustments were made prior to the launch of the advertising and other promotional efforts, which diverted any significant negative impact to the successful introduction of these new products. The dynamic reporting features of DataAlchemy also allowed the category manager to evaluate the impact of the sales of the new products on the base brand's business.

Preliminary Results of the First Quarter Distribution Builds

With the use of DataAlchemy, the category manager was able to import raw data from a content provider's data feed. By importing sales data into DataAlchemy, the category manager was able to track the distribution build of the two products within specific markets and retailers. Using DataAlchemy's charts and graphs to monitor the product launch quickly revealed that the distribution of the new shampoos within the northeast segment of the eastern region was falling short of projected goals that had been set by the eastern region manager (see graph 1). The DataAlchemy reports related to the distribution builds demonstrated that the sales of the new product lines were fairly flat for the first month and that the products were not gaining the momentum that had been forecasted for the following two months.

**New Silky Straight Shampoo Distribution Build
Northeast Food**

Graph 1

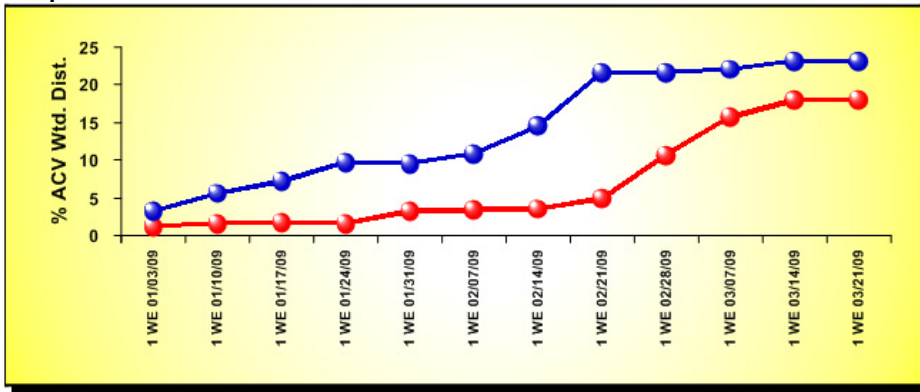




Knowing that this region was of concern, the category manager drilled further down into the northeast region distribution data with the use of DataAlchemy's dynamic reporting capabilities.

**New Silky Straight Shampoo Distribution Build
Boston Food**

Graph 2



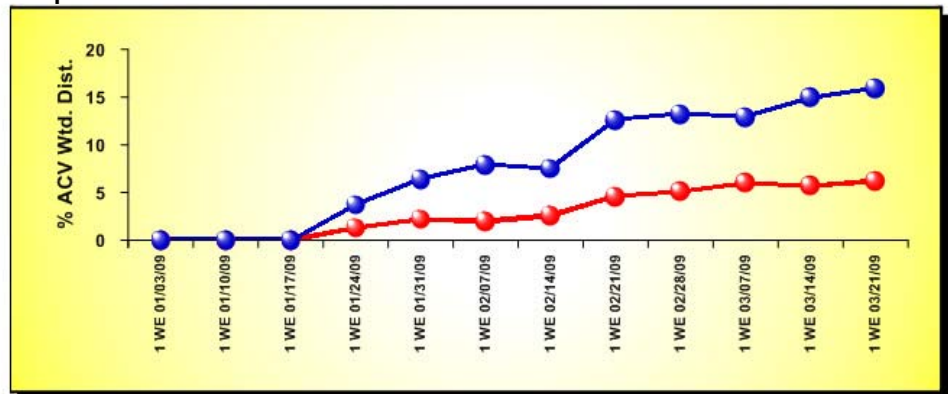
● Silky Straight Moisturizing 15 oz. ● Silky Straight Revitalizing 15 oz.

He discovered that the Boston market was contributing to the shortfall (see graph 2). The Boston market had the slowest distribution build in the northeast region. Having discovered this, the analyst used the dynamic reporting capabilities of DataAlchemy to dig deeper and focused on the retailers within the Boston market.

DataAlchemy quickly demonstrated that there was a significant problem within the Super Foods retailer (see graph 3).

**New Silky Straight Shampoo Distribution Build
Super Foods**

Graph 3



● Silky Straight Moisturizing 15 oz. ● Silky Straight Revitalizing 15 oz.

This retailer's distribution build was dramatically lower than other leading Boston market food retailers and a real concern was shown in regards to the Silky Straight- Revitalizing product. This one retailer was significantly lowering the overall sales in the Boston market and in turn was bringing down the

northeast region's sales goal as a whole. The analyst provided this information to the eastern region manager via a DataAlchemy presentation bundle, a freely available self- extracting program that gives him access to dynamic PowerPoint reports. This presentation bundle allowed the eastern region manager to not only compare his region with others, but also allowed him to drill down on specific retailer sales results. Subsequently, attention was quickly given to the Super Foods retailer before the TV advertising campaign began.

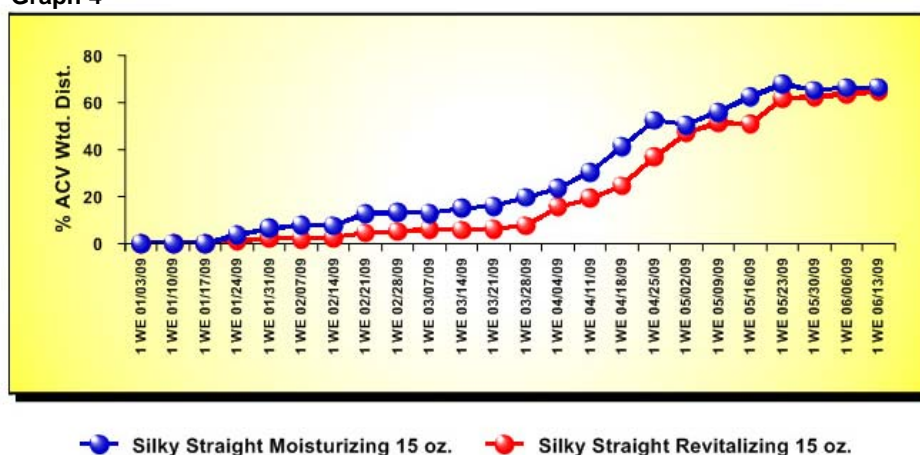


By having the sales results from the first quarter for the Super Foods retailer, My Brand was able to focus on the retailer that was negatively impacting the northeast region's launch of the two new products. Using the information that the eastern region manager obtained from the category manager, he took proactive measures to generate growth of the shampoos within The Super Foods retailer. He coordinated a retail store blitz to secure product placement and shelf tags in all the Super Food stores. From these automated reports, the category manager was able to monitor the impact that the sales blitz had on the Super Foods retailer. The reports identified that this strategy helped to significantly increase their distribution for both new Silky Straight products (see graph 4).

New Silky Straight Shampoo Distribution Build

Super Foods

Graph 4



Effect of the New Products on Base Business

The category manager and eastern region manager also analyzed the effect that these two new product lines had on the Silky Straight base business. They wanted to determine if these new products were adding value to the product line or were cannibalizing the original products. Using DataAlchemy, the category manager compared the historical sales data of the Silky Straight Original SKUs to current data which also included Silky Straight Moisturizing and Silky Straight Revitalizing SKUs.

The category manager was able to quickly compare similar 24 week periods from 2008 and 2009 by utilizing the dynamic reporting capabilities of DataAlchemy. With the use of DataAlchemy, he was also able to drill down into various regions, markets, and retailers to compare product performance. Through the use of DataAlchemy, the category manager customized reports and created 3 graphs (shown on the following page) to reflect the SKUs in the Northeast Food Region, the Boston Food Market, and the Super Foods Retailer. These SKUs compare the sales of all four Silky Straight products to last year's sales of just the Silky Straight original items. From the information retrieved, it was determined that the sales of the new Silky Straight SKUs were incremental to the brand's base business, although there appears to be some cannibalization at Super Foods. My Brands will continue to use DataAlchemy to monitor the overall brand performance over the next 24 weeks and a strategy regarding the cannibalization at Super Foods may be implemented if necessary.



Brand Performance

Northeast Food Region



■ Silky Straight Original SKU's
 ■ Silky Straight New SKU's

Boston Food Market



■ Silky Straight Original SKU's
 ■ Silky Straight New SKU's

Super Foods



■ Silky Straight Original SKU's
 ■ Silky Straight New SKU's

Conclusions

As an alqemyiQ customer, My Brand is constantly using DataAlchemy to transform intelligence into actionable insights. In this case study, the category manager used DataAlchemy to set up automated reports to track the initial launch of My Brand's two new shampoos, Silky Straight Moisturizing and Silky Straight Revitalizing. Once distribution reports were created, the category manager was able to quickly update the reports as data became available. DataAlchemy's distribution builds allowed the category manager to instantly track the distribution of the two new shampoos throughout multiple regions, markets, and retailers. Through the dynamic reporting of DataAlchemy, the category manager was able to link the lack of sales in the northeast segment down to one specific retailer from within the Boston market, Super Foods.

Having identified the problematic distribution at the retailer level, a proactive sales strategy was then implemented at The Super Foods retailer. The automated reports were a tool that helped



the category manager monitor the progress that this new strategy was having on the retailer, market and region as a whole. Over the next six months, this data showed that, due to the proactive measures at Super Foods, distribution significantly increased on both new Silky Straight products. The Boston market subsequently was no longer bringing down the distribution within the northeast segment and this, in turn, boosted the distribution sales for the eastern region overall. By being able to easily monitor the distribution of the two products and compare the data amongst regions, markets and retailers, My Brand was able to adjust its marketing strategy and proactively gain distribution share within the region. Once the problematic areas were addressed, My Brand was prepared for its TV advertising campaign when it hit and will further utilize the powerful reporting capabilities of DataAlchemy as it tracks the advertising campaign's impact on sales over the next few quarters.

Having determined that the sales of the new Silky Straight SKUs were incremental to the brand's base business, My Brand will continue with their strategy regarding the new products while closely monitoring the cannibalization at the Super Foods Retailer. As an alqemyiQ customer, My Brand is confident that they will be able to quickly turn insight into action with the use of the dynamic reporting capabilities of DataAlchemy as they continue to closely monitor the new Silky Straight products.

About alqemyiQ

alqemyiQ, a Process Software Company, is DataAlchemy evolved. alqemyiQ is leading the consumer goods industry with enterprise solutions designed to empower manufacturers, retailers and sales agents to analyze and profit from critical information. The company's flagship product, DataAlchemy is a user-friendly desktop application that automates the data analytics process by providing a single platform for disparate data sources. Its dynamic PowerPoint presentations and Excel charts make it easy to provide actionable and timely insights that are critical to the business decision process. DataAlchemy has been helping category managers in the consumer goods industry make better business decisions for over ten years.