VF OPERATES BY THE MERCHANT'S GOLDEN RULE: GET THE RIGHT PRODUCTS, IN THE RIGHT STORES, AT THE RIGHT TIME, IN THE RIGHT QUANTITIES

IN 10,000 RETAILER LOCATIONS VF CORPORATION TRACKS MORE THAN 100,000 SKU'S AND 200 CUSTOMER LIFESTYLE PROFILES INCREASING PROFITABILITY AND STAYING AHEAD OF THE COMPETITION

VF Corporation is one of the world's largest apparel companies. For more than 100 years, the company has grown by offering consumer's high-quality and high value branded apparel building a portfolio of respected brand names that include: Lee, Wrangler, North Face, Vans, Reef and Vanity Fair. These leading brands span virtually every channel of distribution to stores like Wal-Mart, Nordstrom, Sears, Kohl's and many others. Key reasons for VF Corp.'s success is its diligence in understanding the consumer's needs and working in partnership with retail customers to become recognized as one of the world's most successful apparel companies.

VF Corp.'s core strategies for building a successful apparel company:

- Know consumer markets, needs, wants and lifestyles.
- Target brands to reach a variety of consumer segments across all retail channels.
- Build a portfolio of strong lifestyle brands that deliver great value to consumers.
- Replicate U.S. success strategy to grow internationally.

The Situation

VF Corp. wanted to become an acknowledged world leader in the "localization of merchandising." To do this, they took enhanced responsibility for the successful merchandising, sales and marketing of products to retail partners and consumers – placing the right product, at the right place, at the right time. This quest included maximizing the performance of VF Corp.'s products on the retail floor using its unique Retail Floor Space Management (RFSM) technique.

RFSM is designed to support VF Corp.'s strategic partnerships with key retail customers and distributors. The discipline of RFSM includes the inter-related functions of:

- Point of Sale Validation and Analysis
- Sales Planning
- Product Assortment
- Category Management
- Apparel Flow Replenishment (Re-stocking)

A key part of the RFSM process is analyzing all of the data compiled from consumers (i.e. consumer lifestyle information, demographics, consumer research, web site registration information, sales rebates, coupons, etc.) and retail store information (i.e. point of sale data (POS), store trade areas, etc.)

From this gathered information, VF Corp. wanted to be able to analyze:

- Chain specific POS data down to the individual trade area with lifestyle information and demographics.
- Brand and product preferences matched to consumer lifestyles.
- Web site registrants matched with lifestyle information, demographics and product attributes.
- Match products to consumers and identify specific store clusters or groups of stores that are similar to existing locations.
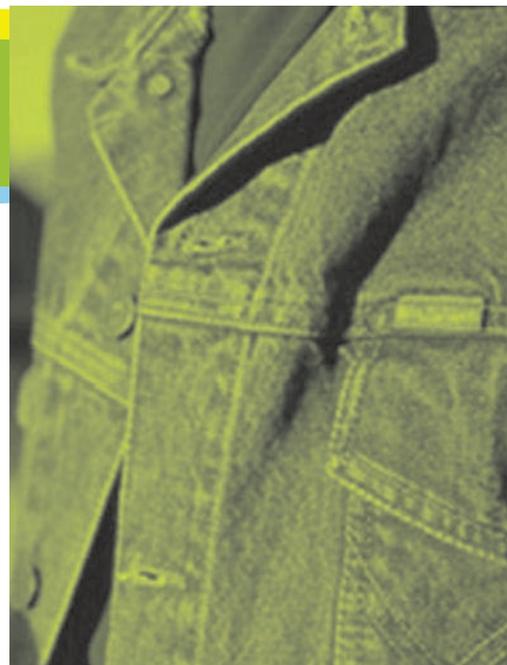
CHALLENGE

VF Corporation wanted to partner with its retail customers and maximize the performance of VF products on the retail floor - delivering the right products, at the right time, at the right stores.

SOLUTION

Alteryx enables VF Corp. to appropriately match products to consumers and to specific stores based on simultaneous analyses of POS data and demographic information. Key considerations for selecting Alteryx:

- Integrated easily with existing applications.
- Ability to import store level POS data in just minutes.
- Accurate geocoding technology.
- Easy-to-use.

RESULTS

The implementation of the Alteryx® solutions led to:

- Successful tracking of 10,000 retailer locations, more than 100,000 SKU's and 200 lifestyle variables for every store.
- Expanded the number of users from less than 5 to 25.
- VF has saved more than 50 percent of their marketing information costs by moving to Alteryx from its previous software provider.

INSPIRING INGENUITY

The Solution

In the past, VF Corp. had used a marketing information product from a well-known supplier along with an internally developed functionality to analyze their retail partnership data and store trade area information. With the other solutions, VF Corp. lacked the ability to perform timely analysis of data and had accuracy concerns with syndicated trade area definitions and geocoding (assigning a latitude and longitude to a specific retail location or consumer household).

"With Alteryx we were able to eliminate and move beyond the limitation of other solutions," said Andy Moncla, geodemographer for VF Corporation. "The Alteryx product is faster and works easily with the different data sets and applications we already had in place - providing more precise mapping of demographic data and point of sale information."

VF Corp. chose Alteryx to enable the RFSM teams to better match products to consumer demand and support their efforts to more accurately predict assortments and other attributes at the individual store trade level. The process of linking and turning their data into knowledge and action has been taken from weeks to just minutes and often seconds.

Alteryx delivers real-time geographic business intelligence® combining advanced and highly robust ETL functionality with spatial processing at true database speeds. Alteryx provides VF Corp. with the ability to access, manipulate and liberate massive volumes of disparate content, turning their internal and external data sources including POS data and trade area information into knowledge, via an easy-to-use interface.

Alteryx provides data storage, retrieval and reporting technology designed specifically to quickly access, store, manage, retrieve and analyze multiple sources of business intelligence regardless of its origin.Alteryx produces reports, tables, charts and map content for any geographically organized data, whether standard or user-defined (i.e. census information, sales revenues, etc.)

The Result

"Alteryx made an immediate business impact by accelerating our abilities for sales analysis by category, styles, size per each defined market, cross referenced against inventories, market demographics and customer drive times," said Moncla. "We are now able to more effectively plan and move inventory into the right locations at the right time for higher sales and lower merchandise mark down and return rates."

In addition to current RFSM strategies, VF Corp. is able to use its consumer demographics for new/proposed store locations to assist planners and category managers with placing merchandise in brand new stores. For some stores, VF Corp. is able to do this up to six months in advance. With this type of analysis capability, VF Corp. is also able to periodically realign existing inventory levels and optimize its product offerings at the style and color level.

Impact of Alteryx technology on VF Corporation:

- "Information democracy" provides additional users fast and easy access to more decision support data than ever before.
- Able to efficiently track 10,000 retailer locations, more than 100,000 SKUs and 200 lifestyle and demographic variables for every store in a master data ware house for comprehensive demographic analysis.
- Data is updated nightly from retail stores.
- Improve prediction accuracy through better geocoding and trade area definitions.
- No trade offs between accuracy, flexibility, speed and ease of use.
- VF Corp. easily runs customized reports and charts with easy data export to other popular business intelligence tools.
- Alteryx provides enhanced functionality at a fraction of the cost of the previous supplier.
- VF Corp. creates customer and channel specific drive time trade area models that improve the precision for assigning stores.

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