Category Solutions for Consumer Goods:
Optimize product mix through big data and advanced analytics

Category Solutions helps consumer goods manufacturers turn big data into insight to understand and act on the needs and buying behaviors of real shoppers.
Category Solutions helps manufacturers analyze buyer behavior and market trends to determine which portfolio additions will fulfill consumer needs and which products negatively impact overall category profits.

Many consumer goods manufacturers approach product assortment decisions as more art than science. They add and drop SKU’s by past experience and intuition without clear methods of forecasting factors like cannibalization, loyalty, and brand perception.

Category Solutions solves this problem by using big data and advanced analytics to determine optimal product assortment. Consumer goods companies can strengthen their relationships with retailers by fulfilling the needs of their shoppers, and enhance customer loyalty by consistently providing the right products. Our solutions address two areas of category optimization:

**In-store**
We leverage retailers’ point-of-sale data, as well as syndicated data from third party providers like Nielsen and IRI, to determine a shelf assortment strategy that boosts product sales and improves the overall category's effectiveness.

**Online**
Our tools crawl the internet to evaluate how the client’s virtual shelves compare to the competition, and identify which assortment initiatives will improve online sales.

**Why Category Solutions?**

**Word-class technology**
Category Solutions embeds world-leading intellectual property and McKinsey know-how in a single platform that provides a granular view of the customer’s needs, and allows category managers to test how each portfolio change addresses those needs and affects overall sales.

**Proprietary online insights**
Our e-category management tools crawl e-commerce sites to determine what products, features, and configurations consumers prefer. From the data, we provide manufacturers online market maps that visualize the factors that drive sales, the products and brands customers consider during the purchase process, and the strength of their own brands.

**Access to retailer data**
Retailers and manufacturers mutually benefit from assortment optimization, which is why we work with retailers to incorporate their POS data into the platform we offer manufacturers. By analyzing real shopper buying behavior, category managers ensure their portfolio decisions enhance their brand.

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**Consumer Goods Category Solutions in numbers:**

- **7%** Sales lift
- **1.5%** Annual increase in margins
- **30:1** Typical investment payback

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Get started
To learn more about our suite of consumer goods category solutions, contact us at contact@periscope-solutions.com or visit www.mckinsey.com/periscope