



Periscope for Retail: Drive retail performance with big data and advanced analytics

Periscope by McKinsey drives revenue growth for retailers by addressing all core commercial levers. Our solutions focused on insights creation, marketing, pricing, category optimization, and customer experience improvement generate a lift of 2-5% in sales and 1-2% in margin.

Periscope for Retail enables you to integrate real-time data from internal and external sources into daily decision making to optimize and manage a nearly unlimited number of products and prices.

It delivers sustainable margin and sales improvement through actionable insights, marketing optimization, and better pricing, promotion, and assortment strategies.

Marketing Solutions

Get cutting-edge insights into customers' needs and make data-driven decisions to optimize marketing spend and personalize customer communication that drive sustainable growth and outperform competitors

Customer Experience Solutions

Enhance customer experience by capturing feedback from all your customers, across every channel

Category Solutions

Become category captain, understand customer behavior, and optimize assortment and space allocation accordingly

Pricing Solutions

Leverage competitive insights, optimize pricing, promotions and markdown in a fast-changing market environment across all seasons

Periscope® Platform

Data Management & Enrichment

Insights Expertise

Implementation & Client Service

Capability & Training

Technology Platform and Partnerships

The Periscope platform combines world-leading intellectual property, prescriptive analytics, and cloud-based tools with expert support and training. It is a unique combination that drives revenue growth, both now and into the future.

Marketing Solutions:

1.5%

Margin improvement
per year

15-30%

Marketing spend reduction

5-15%

Revenue uplift with personalized
customer recommendations

Helps retailers identify what customers want and when they want it. It forms a 360 degree view of customers by integrating hard scientific methods, objective facts, and cutting-edge analytics.

- Online information monitoring platform to assess competitive positioning at SKU level in real time
- Improves understanding of how shoppers interact with brands and also identifies category dynamics and new market entrants in online channels

Helps retailers set a mix of marketing instruments that optimizes cost and returns and personalizes engagement to build deeper relationships with their customers.

- Provides full transparency on marketing performance
- Enables companies to make better decisions on brand positioning and marketing investment allocation, leading to increased marketing return on investment
- Helps to build deeper relationships with customers through end-to-end personalization and digital service offering

Customer Experience Solutions:

10-15%

Revenue growth

25%

Reduction in churn

20%

Uplift in customer
conversion

Benchmarks performance by customer journey, prioritizes improvement initiatives, and measures their impact on customer satisfaction over time.

- Prioritizes customer journeys based on current performance and importance to customers
- Measures real-time impact of improvement initiatives on customer satisfaction

Category Solutions:

Up to

7%

sales lift

2-4%

Category growth

Helps retailers use shopper behavior data, market insights, and store logistics to improve category assortment across stores and digital channels.

- Analyzes consumer behavior to create next product-to-buy, consumer cross-shopping, and promotion impact analyses
- Generates fast and customized customer decision trees
- Assesses transferable demand and walk rates for each item in a category
- Identifies which products contribute to revenue goals
- Predicts how portfolio changes will affect overall sales

Pricing Solutions:

2-5%

Sales lift

1.5%

Margin uplift

10-20%

Increase in trade spend effectiveness

Provides retail executives with the analytics, automation, and expert insights they need to optimize pricing, promotions and markdown based on demand, margins, and competition.

- Provides a flexible price-setting model to calculate target and list prices
- Identifies areas of under- and over-promotion investment
- Adjusts markdown prices in real time for underperforming events and analyzes the patterns of successful past promotions to improve planning and execution in the future
- Microtests multiple offers on digital platforms before rolling out at scale

Impact Created

Furniture retailer:

Enabled the **recovery of millions of dollars in margin loss** and built capabilities to plan the following year's collections and categories by delivering timely and detailed market intelligence on competitor pricing and assortments using **Category Solutions**.

Multi-billion retail company:

Achieved **15% reduction in marketing spend and identified USD >40 million incremental sales**, freed up \$15m to invest in digital vehicles through targeted reduction in legacy media and built lasting MROI capabilities within the company using **Marketing Solutions**.

Large regional grocer:

Rapidly enabled the company to **negotiate \$8 million more in vendor funding** from its 20+ vendors in 6 categories and a **projected 4-8% combined sales lift** by optimizing assortment and promotions, enhancing vendor negotiation, and increasing customer loyalty using **Category Solutions**.

Department store:

Quickly **identified a 2-3% sales uplift and 1-2% gross profit** increase by restructuring the marketing calendar to focus on highvalue promotions that drive sales and margin, plus building and embedding an integrated approach to making pricing decisions using **Pricing Solutions**.

Home improvement retailer:

Identified a 2.5% lift in sales and developed a new pricing strategy by enabling a price-zone based approach based on store cluster analysis, creating a heuristic scoring method to deliver competitive price recommendations, and building pricing capabilities using **Pricing Solutions**.

Get started

To learn more about our offering for the manufacturing industry, contact us at contact@periscope-solutions.com or visit www.mckinsey.com/periscope