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The Importance of Assortment Discipline in the Retail Environment

By

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An Honors Thesis in partial fulfillment of the requirements for the degree Bachelor of Science in Business Administration in Marketing and Supply Chain.

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Table of Contents

<i>Abstract</i>	3
<i>Introduction to Retail Merchandising</i>	3
<i>Literature Review</i>	3
<i>Methodology</i>	7
<i>Analysis and Implications</i>	9
<i>Conclusion and Reflection</i>	11

Abstract

The primary objective of this paper is to emphasize and explain the importance of assortment optimization while analyzing a plan to create a disciplined assortment in United States retail stores. Assortment optimization has a direct effect on consumer decisions as this paper looks at some examples of success and failure while demonstrating the use of data processing systems created to help assist with assortment optimization for companies. Finally, an independent study through the execution of an internship was conducted that completed an assortment optimization project within Walmart. All recommendations given to the company were accepted which led to increased customer satisfaction and increased sales. Any data or information used during the thesis paper and process is all property of Walmart Inc. and very few real figures and statistics were allowed to be included in this paper.

Introduction to Retail Merchandising

What started sometime back in 3000 B.C., as being the first instance of “retail trade”, has changed quite drastically since then. Instead of trading cows and sheep, we now have autonomous robots walking us through the aisles telling us where to find what we are looking for in a 180,000 square foot supermarket (Meyer, 2021). In simpler terms though, retail is just simply defined as the sale of different goods and services to customers with the intention to make a profit. Merchandising is defined as the “practice and process of displaying and selling products to customers” (Reflektion, 2021). People always have and always will continue to buy things, but what people choose to buy and at what price is constantly in flux. Retail shopping has always been a necessity in people’s lives, and now with online shopping becoming increasingly more popular, it doesn’t seem to be going away. Retail industry sales amounted to \$5.49 trillion in 2019 and then decreased to \$4.9 trillion in 2020 due to the coronavirus pandemic but is predicted to be at almost \$6 trillion by 2024 (SSSD, 2012).

Retail merchandising consists of 13 different categories and including auto dealers, online retailers, department stores, apparel, electronics and food to name a few. The common ground that all of these categories hold has been about the relationships between buyers and sellers, where the seller has always been focused on creating enough value to make the sale, while the buyer has been focused on figuring out if the product holds enough value to make the purchase. One of the most important overarching parts of retail merchandising is the supply chain and journey of how products end up on the shelf. It starts with the raw materials being used by the manufacturers to make the products, then the wholesale deal takes place between the supplier and buyer, and finally gets distributed to retailers for it to end up on the shelf for consumers to purchase (Reflektion, 2021). At the end of this chain, we see retailers make use of technology, colors, displays and external surrounding factors in hopes to grab the attention of the consumer to start the relationship between brand and user. Every product and brand is different, but it is through optimization and discipline within the store that can create a competitive advantage for retailers and the reason why merchandising of products in a specific way is so important.

Literature Review

There has been extensive literature published regarding the importance of organizing and optimizing merchandising assortment in brick-and-mortar stores and how to accomplish this to increase sales. Assortment optimization is defined as deciding on “what set of products, from a larger set of possible products, should be offered so as to maximize the firm’s expected revenue when customers exercise their preferences” (Bertsimas, 2015). Having the correct mix of

products at the shelves increases sales and creates consumer loyalty leading to efficient and effective assortment displays. According to the Category Management Association, you need four things to begin figuring out how to optimize assortment and they include: people with the appropriate technical skills, the right combination of data, the right analytical and solution specific tools, as well as a process built around trained people paired with available data and the proper tools. The thing that makes assortment optimization so difficult is that every situation is different, and no two strategies are the same. This is due to the fact that every category, every retailer, and every manufacturer is unique to itself and the strategic and tactical planning behind this goal from all these changing variables is what makes a specific solution difficult.

When finding out the importance of what assortment optimization means to the customer, it is imperative to know that it is one of the main factors in the shopper's journey and is extremely important. Briesch, Chintagunta, and Fox all found in study that "assortments are more important than retail prices in store choice decisions [for customers]" (Briesch, 2009). While the number of brands in a store has a positive correlation with store choice for most people, the number of SKUs (stock keeping unit) per brand and sizes per brand have a negative correlation with store choice. When they conducted this study, they found that the r-value of assortment and travel distance is .43 meaning that the more the customer values assortment in store choices, the less they value convenience, and vice versa (Briesch, Chintagunta, Fox, 2009). Not only does assortment variety affect consumer store choice, but it is one of the biggest challenges according to the ECR committee (Efficient Consumer Response) affecting both costs and shopper demand. The cost isn't related to what the consumer is paying, but what the retailer is paying as assortment is directly related to inventory decisions. Inefficient assortments increase inventory costs and either wastes or clutters shelf space which is one of the biggest assets to retailers (Category Management Association, 2014). The end goal is to satisfy the customer in helping them find what they are looking for while keeping inventory costs and expenses as low as possible but also strategically developing a relationship with consumers to the point of loyalty.

In a rapidly changing society, chasing after what the consumer desires might be a lost battle where you are constantly one step behind in the game of merchandising. Ronica Roth, Forbes Council Member, pointed out an example of a time this has happened before in one of the biggest failures in decades, Google Glass (Roth, 2018). A concept that had never been seen before or even thought of being possible in most people's eyes, with information literally right in front of their eyes to look at and analyze. It was all interesting until it started raising all kinds of concerns such as privacy issues, not having a clear function or audience, horrible marketing associated with it, and worst of all it was just very unnatural looking and unappealing. The execution wasn't there for a product that Google thought the customer would want, instead of looking at what the consumer needed as we entered into a technological filled world back in 2013. It didn't necessarily drive consumers away from using the Google platform, but it definitely didn't succeed in the opportunity of a project that cost the company close to a billion dollars (Minyanville, 2013). An example of a company that is anticipating customers' needs before the customer even knows they need it is Apple. While truly understanding the difference between what the consumer wants and what the consumer needs and how to address it is the biggest key to their success. Tim Cook, CEO of Apple said that customers, "need data security, even though what they want is widespread freedom to use social media", which is making Apple an expert in how to understand the difference between wants and needs (Roth, 2018). It works the same way in the retail environment where it is so important to pay attention to "a combination of customer conversations, market and industry insights, and feedback loops...via

insightful data about user actions” (Roth, 2018). When these few things are utilized the outcome is a very loyal customer base.

On one end of the spectrum, we find a problem where customers are constantly not able to find what they are looking for due to poor display or lack of assortment. On the side of too little assortment, this is the easiest to understand in knowing that if you don’t have what the customer is looking for then you have already lost them to another retailer. When a store is out-of-stock, the customer can’t buy it and sales are lost. Daniel Corsten and Thomas Gruen, of Harvard Business Review, conducted a study to see what really happens when consumers come up empty-handed with the product they want. After conducting data from more than 71,000 consumers across 29 different countries that were left empty-handed, they narrowed the decision tree down to 5 key responses (Figure 1. Customer Response from No Item). 31% of customers just leave and buy the item at another store while 26% of customers are willing to actually substitute with a different brand. 19% of customers will go for a substitute within the same brand, 15% of customers delay their purchase of the product and 9% of customers just don’t buy an item at all (Corsten & Gruen, 2014). They also analyzed some categories in retail that customers respond slightly different to, where customers become more brand loyal, item loyal, or store loyal (Figure 2. Customer Reaction to Certain Sectors of Retail when Product is not on-hand).

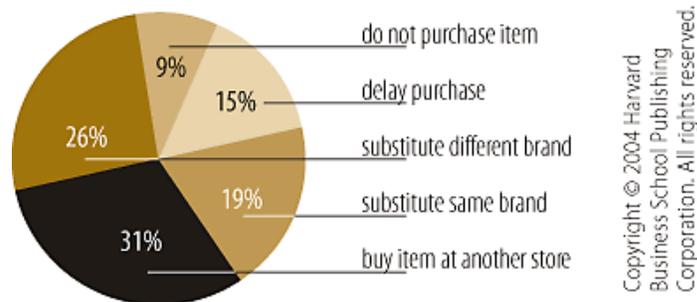


Figure 1. Customer Response from No Item

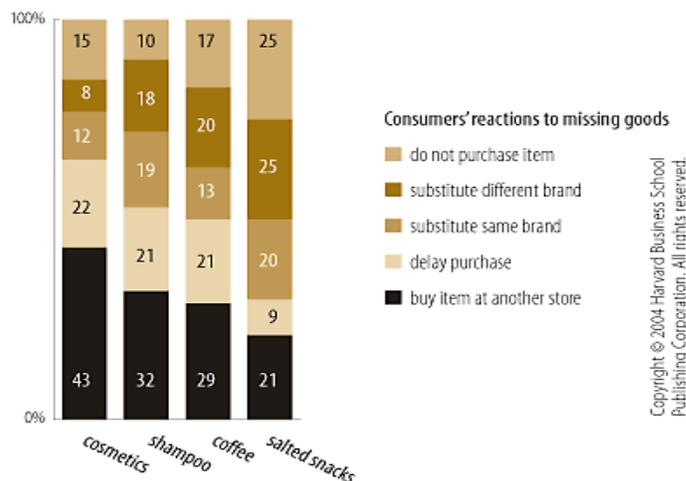


Figure 2. Customer Reaction to Certain Sectors of Retail when Product is not on-hand

Although not to be confused with scarcity, studies have shown “that scarcity increases consumers’ preference for desirable, but not undesirable, goods”, and when you find yourself at the shelf seeing only a couple products left of something, it has a large effect on your decision to purchase before item is gone (Parker, 2011). This is only when consumers believe that scarcity was caused by consumer demand and not failed stocking or other accidental factors.

On the other end of the spectrum, we find the more difficult problem of having too much assortment causing the customer to be overwhelmed by choosing from too many options. In 2004, Barry Schwartz published a book called *The Paradox of Choice*, where he explains how too many options lead to “choice overload,” or consumer anxiety, and ultimately fewer sales. He states that there are two kinds of shoppers, and you are either a ‘Satisficer’, where you look for the first product that you can find that will satisfy your need, or ‘Maximiser’, where you want to get the best product and the best deal available. The problem is that cluttered markets and more choices are creating a “psychological burden that can turn consumers off [from purchasing], because more choice means more time and effort to choose and increased odds that you’ll make the wrong choice and regret it” (Schwartz, 2004). Seventeen years later, in 2021, there seems to be limitless number of variants and brand extensions all over the place no matter where you shop.

To understand the process of optimizing assortment, it is important to remember that no one solution is correct, and each retailer and manufacturer are different, but a solution starts with people containing the appropriate technical skills, the right combination of data, the right analytical and solution specific tools. This creates a process built around trained people paired with available data and the proper tools. The first path in optimizing assortment is by product attribute which is defined as “a brand, package size, flavor, or price point”, and can be paired with data on targeted audiences for each category. This allows for products that will be bought more (based off of the demographics of the retailer location by category) to hold more space on the shelf as opposed to a product that will not be bought as much. An example is in a specific category such as dog food and cat food where if there are drastically more dogs than cats in the area, then obviously it would justify more space and assortment for dog food, and vice versa (Category Management Association, 2014). This is why it is very important for retailers and category specialists to assemble important statistics such as shopper loyalty cards and geo-demographic census data to match assortments with locations. That leads into the next path of optimizing assortment through demand-based clustering. With competition increasing through all channels and forms of retail, “retailers have shown more urgency about responding to differences in the store shopper base by separating their stores into unique clusters”, but the rule of thumb is that “items with a 90% cumulative share of category will be the same in every store”. This means assortment varies at the margin on the smaller share items within segments of the different categories (Category Management Association, 2014).

One of the most essential pieces in all of this is having someone capable of understanding all of the data, the process, and the functionality of the space planning tools when choosing these 2 paths of optimizing by attribute and optimizing by demand-based clustering. As technology is becoming increasingly more useful, the data behind these categories are the next most important part behind having someone who can understand all of it. Some of the data to understand assortment optimization include retailer’s point-of-sale data at the most granular level, retailer’s current store clustering groups, current shelving data for key retail clients, household panel data organized to reveal brand and SKU strengths, and retail loyalty card data (Category Management Association, 2014). To accomplish retrieving these data measurements, it will require

cooperation and openness between the retailer and manufacturer. Upon success of gaining this data, an assortment optimization tool can be utilized. These assortment optimization tools “enable retailers to manage business operations from inventory acquisition to the point of sale” making it possible for the retailer to “accurately identify the optimal merchandise mix” (Imanuel, 2021). Listed below were the top 5 assortment optimization tools of 2020 with the editor’s rating on the left and the user’s rating on the right.

 <p>Analyse2 7.6 7.9 Compare</p>	 <p>JustEnough Assortment Planning 7.6 7.2 Compare</p>	 <p>First Insight 7.6 4.6 Compare</p>
 <p>Aptos Merchandise and Lifecycle Management 7.6 8.4 Compare</p>	 <p>Oracle Retail Assortment and Item Planning 7.6 7.5 Compare</p>	

Each of these differ based off of the company’s strengths and weaknesses and each will provide more in certain areas just as they also have certain key features. Finally, once you have these steps implemented it is important to constantly watch for trends, changes, and consumer feedback as previously stated since this is not the solution that solves all problems, but it is a starting point for something that is important in the success of retail merchandising.

Methodology

I conducted a study focusing on the merchandising and assortment of men’s socks and underwear at Walmart stores across the United States. As I worked for Walmart within a six-person cross-functional team, I compared sales data of men’s underwear in Walmart stores after a large assortment change in the summer of 2020 to see if the deleted items transferred over to new items on the shelf and make recommendations based off of the assortment changes that had been made.

As a merchandising operations intern on the Walmart men’s basics team, I worked alongside a senior buyer, associate buyer, replenishment manager, financial planner, modular specialist, and a divisional merchandise manager. Within my internship I was given the opportunity to analyze the men’s basics section and determine products that were performing well within stores and those that were not. In the past 10 years, Walmart store’s assortment has consisted of more than 1500 different SKUs (stock keeping unit) in hopes of providing more and giving the customer more to choose from. Walmart has always stood behind “Buying for less, selling for less, and operating for less” but solely behind the purpose of meeting the need of the customer and supplying the assortment that customers want. Things would change in the summer of 2019 when senior management told the men’s basics team to cut out half of everything and make it easier for the customer to choose from the assortment that was on hand.

When I came in as an intern in the summer of 2020, every single pack of underwear had been analyzed, tested, and compared very carefully and the top 750 SKUs had just recently been selected and implemented for the start of Walmart week 18, which coincided with my first week on the team. This is where my project for the next 10 weeks was to come into play in analyzing each product that had been deleted and see if its sales had transferred over from Weeks 19-25 of 2019 to Weeks 18-24 of 2020 (leap year adds an extra week onto the calendar). My 10-week long project was to respond with “Here is what you deleted, and this is why you should add it

back and here are some brands to look into to gain new customers”. The importance of cutting out half of the assortment was to not only make it easier for the customer to decide and purchase, but also to make it easier for employees on stocking less products. My job in the midst of it was to make sure a mistake hadn’t been made on certain products. The men’s basics category that consisted of underwear, socks, and thermals amount to over \$2 billion dollars in sales each year and Walmart leads the competition in market share in every category. My focus was mainly on underwear (largest of the three) being around a \$1.3 billion-dollar section, which not only consisted of just underwear but also undershirts and white t-shirts (both fall under the term underwear).

Being an intern during COVID-19 made going in person to the headquarters impossible as well as seeing most of the operations like normal. Fortunately, I was able to go into a couple Walmart stores, safely and voluntarily, not only within the greater Northwest Arkansas area, but also in Dallas, Texas to get an understanding for what I would be working with. This gave me a good idea as to what the shelf looked like, how brands were arranged, what customers saw first, and what products could potentially be having problems. This was so crucial to the success of my project as you never really pay attention to those little details as a consumer until you are really trying to look for them on the other side of business. Being able to speak with men’s basics specialists and even customers who were buying from the men’s basics section was helpful to get different perspectives on what they thought of not only the products, but also the experience of purchasing from the men’s basics section. Each store was different in some shape or form, whether size of section or organization of the aisle, which is of utmost importance when clustering stores and positioning products. By taking notes on certain observations and first findings that I had, it gave me the chance to go back to my manager with not only a better understanding of the men’s basics section, but also a better understanding of my project.

Before the modular change, pack sizes of underwear (number of units per “case”) ranged anywhere from one to twelve and more than 15 brands had products on the shelves within Walmart stores. This made “finding the prize” harder for customers who wondered what the difference was between shirts and underwear that were almost identical but made from 2 different brands. On top of that, the aisles and layout of products were arranged by brands such as Fruit of the Loom, Hanes, etc. which made it hard on customers to find a certain product because socks, boxers, briefs, and undershirts were sectioned together. After the modular shift, shelves were rearranged by silhouette and pack sizes were changed to only include 3 and 6 along with multiple brands being cut out of Walmart stores (. The men’s basics section had a complete reset with many changes being made and it was new territory for many people as a change this big had never been made. My next step was to go into Retail Link and pull data by fineline (group of items within a department that show similar sales patterns) from Walmart weeks 18-23 of 2019 and then pull the data from the new merchandising assortment that had been implemented from Walmart weeks 19-24 of 2020.



When going through the data, I had a list of finelines that had been deleted and the corresponding finelines that sales were supposed to transfer over to, to determine if sales in 2020 for the new products had surpassed the sales of 2019. If this was the case then obviously the deletion would have been considered a success, but the biggest problem in all of this was the impact that COVID-19 had on sales in 2020. As an intern I went to finance employees within Walmart to see what percentage of sales increases and decreases were related to COVID-19 in hopes of getting an accurate representation of comparing the two years. Unfortunately, not even the finance and accounting team could figure out what the number or percent was that had an effect on foot traffic and lost sales in the store on products such as men's basics which played a key role in potentially not getting accurate data (store traffic, increased online shopping preference, etc.).

Analysis and Implications

Although little data and financial numbers were able to be released to me regarding this project, I was able to receive feedback from the Merchandising Director of men's basics on my recommendations and obtain insight into the success of the recommendations of my project and the assortment change by Walmart. Throughout my internship my goal was to make recommendations to the men's basics team on whether the assortment change was a success and if any other brands should be added or changed. After analyzing data and interviewing others, my final presentation consisted of 3 main recommendations to executives and senior managers as well as other interns.

The first recommendation that I made based off of going through the data given to me was the fact that the modular shift did so many good things and, for the most part, the deletion of over half of the assortment successfully transferred into the other half of the assortment. While keeping COVID-19 as a potential factor of sales differentiation, sales between the months of March through May were at a record low due to consumer fear of coming into the store. Fortunately, the modular shift started in the beginning of June where customers would start feeling comfortable coming back into store which would coincide with customers seeing something new for the first time in decades within men's basics. Within the months of my internship, sales would increase drastically as consumers were buying everything they could with the uncertainty of not being able to buy again soon. This was easily seen by customers that were buying from the men's basics section with eliminating duplication and making it easier to find what they were looking for which could have directly resulted in increases sales. Therefore, the answer to the question of "Did we delete the right things?", is a firm yes, except for just one part (Figure 3. Process of Transfer Sales of Finelines (NOT ACTUAL NUMBERS)). Walmart cut out a large portion of customers that lost what they were looking for when pack sizes were lowered down to just 3 and 6 after the modular change. That subset of consumers would be the value customers that don't go to Sam's Club, but instead come to Walmart for the larger buying options. This was clear through NPD sales data that cutting out the 10 packs resulted in a large portion of lost sales that didn't transfer over to the 6 packs (as they were supposed to).

SALES OF KEPT FINELINES						
Column I	Fineline	2019	2020	Profit/Deficit \$		Remaining %
	P3 Hanes Comfort FlexFit Boxer	\$5,234,909.00	\$6,545,898.00		\$1,310,989.00	20.03%
	P6 Fruit of the Loom Assorted Brief	\$2,388,432.00	\$4,788,922.00		\$2,400,490.00	50.13%
	P6 Hanes Men's Knit Boxer	\$4,823,049.00	\$2,549,921.00		(\$2,273,128.00)	-89.15%
	P3 X-Temp Boxer Brief	\$689,329.00	\$2,275,135.00		\$1,585,806.00	69.70%
	P6 AND1 Long Leg Boxer Brief	\$3,875,239.00	\$1,839,294.00		(\$2,035,945.00)	-110.69%
	P6 Gildan Mens Boxer Brief	\$1,489,923.00	\$3,992,723.00		\$2,502,800.00	62.68%

Figure 3. Process of Transfer Sales of Finelines (NOT ACTUAL NUMBERS)

The second recommendation that I made in relation to the new assortment layout was that the change from brand layout to silhouette layout was extremely beneficial to Walmart and consumers. From the consumer perspective, the demographic that shops at Walmart mostly relies on low prices and to be able to see what they are shopping for and compare side-by-side is a pair of underwear and not all Hanes products. As mentioned before, this layout and deletion of products made stocking and checking easier for employees and they also have a better understanding and knowledge of what is on the shelf. Pictures below are taken after the optimization shift from brand to silhouette (Top picture consists of briefs and boxers while the bottom picture consists of active and performance).



The third recommendation that I made to executives and the merchandising team was in relation to looking towards the future. As Walmart relies on usually having the lowest prices, it was interesting to point out the fact that they don't have a premium underwear brand such as Calvin Klein, Polo Ralph Lauren and others. It is surprising though to see what brands and companies are willing to do to be able to sell products inside Walmart due to the fact that Walmart holds a 70% market share in all underwear. To be able to expand to a new segment of consumers of those who are willing to pay a little more for a premium brand would be something that gives them even more success. In my recommendation I pointed out a new up and coming premium brand called, Pair of Thieves which is becoming very popular within the market due to its comfortability, innovation, and visual color differences.

When giving these 3 recommendations back in June, it was very intriguing to me to see how they would be accepted and if they would be implemented or rejected. Recently, I have spoken with the Merchandising Director of men's basics to find out that all 3 of my recommendations are being implemented and utilized currently or within the near future. Consumers have been purchasing men's basics as sales have been increasing and doing very well as compared to years past. With that being said, the assortment will be staying the same except for 10 packs which they are putting back in as well as the layout which will continue to be arranged by silhouette instead of brand. Finally, the upcoming brand Pair of Thieves will be going onto shelves within this next year as a premium product trying to grab the attention of customers who are willing to pay for that higher price. With all 3 of these recommendations there are statistics and data present to back these things up, but the financials and numbers couldn't be disclosed or used within the thesis process.

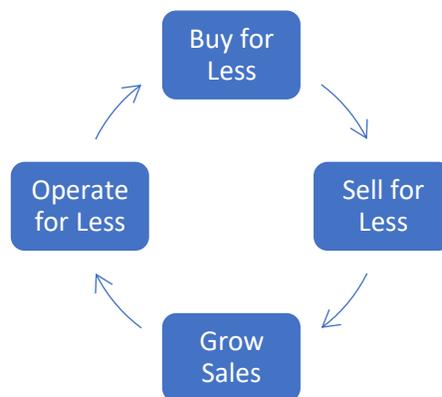
Conclusion and Reflection

Merchandising planning and assortment optimization have increasingly been more important to address as it has become easier to understand what the shopper is looking for during the shopping experience through data analytics. When finding out what is too much or not enough assortment, there are many tools to be able to utilize in hopes of maximizing sales and customer satisfaction while minimizing inventory costs. By working as an intern with Walmart as a Merchandising Operations Intern, I got the opportunity to see firsthand how the process of assortment optimization works as well as learning many things personally and professionally along the way.

As I got to hear from industry leaders within the company, such as Doug McMillon, Judith McKenna, Marc Lore, John Furner, and many others, I learned many things along the way as a person which have helped shape the way I approach situations. From all these incredible leaders I got a once in a lifetime opportunity, but one of the most impactful zoom calls that I had throughout my internship was from a Senior Director in Merchandising named Steve Schultheis. Instead of feeling worried about my project and going over how to look at data or certain categories, he decided to talk to the interns and go over seven ways to be successful in more than just one's job. I have been trying to implement these seven things into my life since my internship, whether in jobs that I am given or with friends and situations outside of work. The first thing he told us was to discuss our weaknesses and let go of our ego, because if you never talk about your weaknesses then you'll never know how to improve and get better. Second, he encouraged us to be a change agent and get ready for anything while embracing it because the moment you stay the same, you'll start to decline. Next, he told us to have a passion in whatever we are doing and do it 110% which we will never regret doing. Fourth on the list was to

challenge ourselves in situations while also challenging those around us; because if we expect a lot, then we will get a lot in return whereas if we expect a little, then we are going to get exactly that in return. The fifth thing he encouraged us to start doing in today's society was to celebrate the victories more often because now we are lucky to get even 15 seconds to celebrate a win. The sixth thing that Steve wanted us to know was what it took to be successful in any situation by giving us three character qualities and those included working hard, respecting others, and having integrity all the time. The final piece of advice, and maybe most important was to make time for relationships and focus on the people around us in our lives, because the world revolves around people and if you don't have people you don't have anything.

Working for the #1 company in the world (success wise), I also learned and picked up many professional skills which, coming into my internship, was the goal; ultimately the entire time to build me into a better businessman for the real world when I have a full-time job. One thing my manager made very clear to me on day one, was to ask as many questions as possible; if I don't know the answer, make sure and ask. If I don't ask or understand something at the time, then I won't understand it the next time it comes up or any time after that making it so critical to ask immediately. Working at the "Fortune 1" company of the world, as Walmart calls it, gave me a completely new perspective of what I was getting myself into as an intern. At Walmart, the 4 core values that everything is based off of is this: Service to the customer is everything and the customer is always first, have respect for every individual you come in contact with, strive for excellence in everything you do, and act with integrity in every situation you are involved in. Just 4 values which sounds simple, but it's something that companies have tried to replicate for decades and can't figure out as well as Walmart has been able to execute. Everything falls into place in the importance of meeting the needs of customers through supplying the assortment that customers want and having it there when the customer wants it while making it available at a price the customer is willing to pay. Sounds easy until you actually have to look at all the moving parts within the equation. Something I learned along the way is known as the productivity loop shown below which is strategically how Walmart is able to consistently accomplish the goals they set.



During my time in merchandising, I learned how to execute a category analysis while reflecting on how the business did last year, but also looking forward to how the company can improve over the next one to three years. Some key questions to ask on past performance include:

- What areas or initiatives were prioritized last year and what progress and outcomes were achieved?

- What is our financial performance (sales and margin)?
- What is our category/item/space performance?
- Where is the current growth coming from (product, regions, suppliers)?
- What customer segments were we most successful with?

Something that really stuck out to me was the importance of being goal-oriented at Walmart and making sure to constantly check performance in all aspects. For all of these questions the main things that I had to keep in mind was to understand the context of the customer and product, create the right display, and get rid of clutter while drawing attention to the category. Finally, the most important was to make sure to tell a powerful story with your product(s) and even when doing all these things it probably won't happen perfectly the first time, but practice makes perfect. In terms of being forward-looking to the next 1-3 years, here are the questions that I learned to ask myself:

- What are the boundaries of our current business?
- Within our current business, what growth areas are we prioritizing or investing in?
- Outside our current business, what new growth opportunities are we exploring?

Because of the many things that I learned throughout my internship, personally and professionally, it has helped me earn a full-time position with Walmart as a Merchandising Operations Analyst. Everyday these decisions regarding assortment are made in more than just Walmart, but companies around the world. No two situations are the same regarding assortment optimization in what is the correct number of products, brands and layout, therefore no two solutions are the same. By utilizing assortment discipline in merchandising plans it gives companies their best chance at success through certain categories.

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