



Unilever's AXE Gets Increased Action in Wal-Mart

What does one of the world's largest CPG companies do when one of its best selling brands mysteriously isn't selling in select stores, costing millions?

The AXETM brand of men's personal hygiene products is known for making a hot impression. However, in numerous Wal-Mart stores across the U.S., parent company Unilever was feeling a chill in sales and wanted to understand the cause, and close the opportunity gap.

The Business Issue – A Gap Costing Millions

Brand Managers at Unilever felt there was a significant 15% gap in sales at Wal-Mart stores. It was believed that the primary cause for the gap resulted from the automatic replenishment system not effectively keeping AXETM merchandise on the shelves. Unilever needed to understand the error and how to correct it in order to drive up AXE's sales, within Wal-Mart.

Business Summary:

- 15% sales gap
- Sales potential not realized
- Replenishment orders not accurate
- Needed to quickly understand and correct error

RMX : Merchandising Innovation at Work

Unilever looked to the merchandising experts at Retail Merchandising Xpress (RMX), to rapidly find an accurate answer. Using **NaturalInsightSM** workforce management and reporting services from South49 Solutions, RMX helps Fortune 500 consumer packaged goods (CPG) companies and retail customers increase speed to shelf, improve distribution, reduce salvage costs, enhance brand exposure and drive product movement.

RMX conducted a six week test in 1,800 Wal-Mart stores to pinpoint and analyze problem areas to effectively close the sales gap. Using data captured in NaturalInsight, RMX compared product schematics against what was actually displayed, and worked with store representatives to learn what was on the shelves, on order and in the stock room. Team members then conducted independent inventories to see if the data was correct and immediately fixed the inconsistencies.

NaturalInsight Empowers Success

NaturalInsight gave RMX the ability to automatically schedule and deploy representatives to 1,800 stores on a same day/next day basis. This kind of rapid, uniform approach would not have been possible with the manual scheduling procedures—phone calls and emails—used prior to NaturalInsight.

“The RMX team is at its best with a project that requires immediate action designed to produce immediate results,” according to Terri Stover, Business Development Manager Retail Merchandising Xpress. “Thanks to NaturalInsight, we were on top of the AXE situation in a matter of days.”

To ensure store-by-store accuracy RMX created project instructions and data capture surveys within NaturalInsight for each field representative. The completed surveys were reported on the Web and worksheets with a small bar code identifying each store were faxed in to provide audit records and ensure accuracy.

During the testing period, RMX generated individualized store reports quickly allowing the identification of issues. With NaturalInsight's web-based interface and flexible reporting format, Unilever was able to easily check the data against reported sales data. This process would have taken days or even weeks, had it not been for the automated, standards-driven approach provided by NaturalInsight.



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Gregg P. Demetros

Vice President Retail Excellence, Unilever U.S.

Results – Sales Improved by \$3 million Annually

More than 10,000 store visits were completed over a six week period and at the conclusion of the test or “surge” period; data was compiled, recorded and measured.

Prior to the surge period, sales for the AXE line was running below projections, equaling a sales opportunity gap of almost 15 percent.

After the surge period, AXE’s sales jumped, resulting in approximately \$3 million in annualized additional sales. With the results measured and verified using highly accurate inventory and sales data; the analysis showed that the sales increase was valid and long lasting.

Unilever was enormously pleased with the outcome of the project. According to Gregg P. Demetros, Vice President Retail Excellence, Unilever U.S. “While the RMX team can’t influence how well the product sells they can, and did, influence the product being available to the consumer. Perhaps the most impressive gain was the opportunity gap that was closed. It was excellent...excellent. RMX made a big difference!”

“NaturallInsight was the backbone that supported the RMX teams as they got it done quickly and accurately,” stated Stefan Midford, President and CEO of South49. “We develop solutions that enable our clients to achieve astounding results for companies like Unilever.

Solid Results:

- Fast turn around with detailed data collection
- \$3 million annualized sales gain
- Corrected replenishment order system
- Long-term impact ensures maximum sale potential

The AXE sales challenge was successfully met through the combination of the committed, motivated and retail savvy RMX team and NaturallInsight workforce management and data capture services.

“South49 Solutions is a pivotal partner for us and played an important role in the tremendous success of the AXE project for Unilever,” according to Terri Stover. “There is no other solution in the market as comprehensive as NaturallInsight.”

The AXE results not only speak for themselves, but have created a new set of expectations for Unilever’s retail partner performance.

The AXE results have created a new set of expectations for Unilever’s retail partner performance. “Because of the measurable results realized with the AXE surge test, Unilever now sees this kind of data collection and analysis as a core organizational need,” according to Gregg Demetros at Unilever. “We thank RMX for positively influencing sales for the AXE product, while helping to set a new standard of retail excellence across the Unilever family of brands.”



naturalinsightSM

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