

GROCERY PROBLEM

## Promo Effect on Shrink

### Understanding promotion effect on shrink in grocery

Grocers experience issues forecasting for perishable items, especially due to cannibalisation during promotion events.

For one of Rubikloud's customers, the issue was most heavily indexed on fresh salads and packaged meats, leading to excess waste due to overstock. In some categories product losses of 25-30% are common.

RUBIKLOUD SOLUTION

## AI Demand Forecasting

Rubikloud's Price & Promotion Manager improved the customer's forecast, which drastically reduced perishable loss.

Price & Promotion Manager identified significant cross-product effects to uncover insights about cannibalisation. Many products were being over-forecasted when highly cannibalistic brands were on promotion.

Rubikloud's AI demand forecasting engine intelligently considers accurate demand forecasts at a SKU-Store level.

Price & Promotion Manager has the ability to generate forecasts to consider time-sensitive promotions for perishable items.

IMPACT OF PRICE AND PROMOTION MANAGER

