

SOLUTION SHEET

Intelligent clustering

Intelligent clustering

focused on customer demand and preferences

Generic store clusters just won't cut it in an omnichannel world. Use AI to harness consumer demand and uncover new opportunities for growth.

50%

Store
cluster reduction

25%

Improved
workflow efficiency

5%

Category
sales growth

Why choose SymphonyAI for intelligent clustering?

Generate category specific clusters:

Varying clusters by category better reflect customer demand

Leverage secondary data source:

Integrate geography, demographics, customer segments, store attributes and category performance to drive more granular store clustering

Understand the key drivers of segmentation:

Identify the causes of varying customer demand to find the optimal opportunities

Integrated workflow:

Results seamlessly flow to the assortment stage for opportunities to be realized

AI insights:

CINDE integration to drive improved efficiency and decision-making



Not too hot. Not too cold. Just right.

Online retailers can **tailor their assortments to individual customer demand** – optimizing assortment and price for each individual shopper and using massive distribution centers to fulfill orders. It's impossible for brick and mortar retail to take the same approach. Competing in an omnichannel world means making decisions that might have been unheard of years ago. With Artificial Intelligence, retailers can find the sweet spot — having the right mix of core items in every store, unique store-specific SKUs, and an optimal blend of other items for each demand-driven store cluster.



Automation, accuracy, efficiency

Many retailers base their existing store clusters on information like store size, distribution networks, or some other form of historical approach – justifying that it's better to not change than to change and do harm. With our intelligent clustering workflows, retailers can efficiently identify the optimal clusters at scale – across categories, banners, and geographies – allowing them to drive greater category lift and reduce the costly burden of managing more clusters than necessary.



Optimize for cluster demographics

Basing clusters solely on store demographics can lead to assumptions about what customers might want to buy – hardly a precise approach.

But store demographics can provide useful context about what might be driving consumer demand or where the best opportunity might lie to select the optimal assortment. With integrated store demographics, retailers can instantly identify the customer and cluster characteristics to inform the next best action.



Connected to the supply chain

Theoretical exercises are nice, but pragmatic applications of AI-powered insights are better. With the native geographic visualizations, retailers can see how the changes to store clusters may impact the supply chain based on distribution routes or other considerations. This pragmatic approach ensures the sales lift from better meeting customer demand will not be eclipsed by lower margin from supply chain inefficiencies.



About SymphonyAI

SymphonyAI offers FMCG industry's only integrated AI-enabled marketing, merchandising and high-performance supply chain solutions for retailers and CPG manufacturers designed with customer insights to fuel recommendations for profitable growth.