

Predict.X for Retail

Travis Perkins is building a competitive advantage with data analytics

About Travis Perkins:

With over 600 branches and 200 tool hire outlets supplying more than 100,000 product lines to professional tradespeople and self-builders for more than 200 years, Travis Perkins is the UK's largest timber and builders' merchants.

The challenge:

As is the case for many large retailers, quick access to reliable data was a major issue for the Travis Perkins finance team. With most information stored in data files, usually in Excel format and shared by email, viewing branch information could be a lengthy and arduous process, with no guarantee that the data was up to date or accurate.

Limited customer insights:

Travis Perkins executive team were keen to understand customer buying patterns and address any gaps in their own offering, but had no mechanism for capturing insights on what customers were buying from their branches, and were therefore unable to compare this against the wider market.

Travis Perkins needed an automated reporting tool that would rationalise their existing processes, make vital data more easily available, help the company cut costs, and identify opportunities for growth.

✓ Summary

The issue:

Limited access to sales data

Not only were there problems accessing information, but there was limited ability to extract and analyse specific business data such as:

- Day to day sales
- Sales by date
- Sales by branch
- Year on year sales
- Same day sales comparisons
- Heat maps - which geographical areas are the most profitable, and the reasons for this
- Margins - sales against cost of sales
- Delivery logistics
- Profitability

The solution: PredictX

Following a testing phase using live data, the analytics platform was swiftly implemented in the Autumn of 2015.

During the scoping phase, Travis Perkins and PredictX agreed on a set of service components that Travis Perkins would use to evaluate the partnership and understand the extent of the potential ROI from the service. This 6 month evaluation included all of the main data feeds Travis Perkins would need for both the initial pilot as well as the service rollout. This means once Travis Perkins had successfully validated the service would deliver what was required, the ability to onboard the wider team through service rollout was extremely straightforward.

The result:

Data from all sources across Travis Perkins' business operations were successfully integrated, including:

- Multiple transaction EPOS databases
- Profit and loss account management data
- Feeds from utilities and transport data sources

This means that Travis Perkins now has access to live data analytics. The analytics provide targeted alerts on a daily basis to identify key problem areas they can address. This gives the finance team confidence that the business can really instigate change and support key finance objectives. Whilst it is still early days, the company is already starting to see significant improvements in sales and margins, as well as reducing costs.

Next steps:

As the Travis Perkins and PredictX relationship continues, the company's data analytics solution will continue to evolve. For example, basket analysis is currently at user acceptance stage, while other developments planned for the near future include:

- Customer focus reporting – analysis of where customers have traded
- Trends on new, returning and lost customers
- New customers login from account to invoicing
- Identification of customers who buy from multiple branches
- Seasonal trade offers and their impact on profit and sales
- Extended range reporting
- Trading profit and cost of range centres

For Travis Perkins, the building blocks are set in place, but the journey towards complete automation. Working with PredictX is just beginning.



Increased access to data has definitely given us additional profit. Being able to sell things at the right price has generated something like £18 or £19 million in profit. Through other initiatives and reporting, that's generated another £8 or £9 million in profit. It's all really good stuff.

Hemal Morjaria
Finance Manager
Travis Perkins

