



# LiquorKing Adds Fizz To Profit Growth With BIPpro 1.5

In the incredibly competitive liquor retail environment, one chain is toasting the success of a business intelligence tool from BiPredict...

**L**iquorKing is a leading liquor retailer with 42 branches nationally.

The liquor retailing sector is intensely competitive with strong competition coming from the major supermarket chains as well as rival liquor retail chains and corner store liquor outlets.

## The Challenge

In order to stay competitive, LiquorKing was keen to make better use of its data to more accurately set pricing for its promotions catalogue, while at the same time ensuring its pricing was aligned with its other marketing initiatives.

LiquorKing has a data warehouse installed and uses ProClarity Analytics for some of its reporting and analysis.

BiPredict Ltd has developed a price optimisation tool, which takes sales data from a data warehouse or an OLAP cube and models the performance of a particular product over a range of price/quantity points to determine the most likely scenarios and the optimum pricing strategies.

BiPredict utilised the analytical capability of ProClarity to segment the product sets by top/bottom performers, by revenue and by geography.

It then applied BIPpro to the top performing products to find those which are more sensitive to price changes and predict their price either to optimise profit or reduce the stock level.

The elasticity measure gave LiquorKing valuable insights into how individual products would perform based on a range of price points.

The BIPpro analysis provided the company

with the optimum gross margin based on historic demand. LiquorKing was then able to set prices depending on whether the company wanted to go for volume or for gross margin.

## The Result


In the 2005 Easter promotion period, LiquorKing recorded significant uplift on revenue and gross margin for like stores compared to the prior year period.

“The price point is one critical factor in the marketing of liquor products. Revenue and profitability is driven at the store level,” says Martin Graham of LiquorKing Retail.

“BIPpro provided us with an easy to use tool which allowed us to assess the optimum price points both at the national level and at the local store level,” Graham says.

“This has allowed for more in store promotions and price setting. The BIPpro tool integrated easily with our existing data warehouse, and the tool is intuitive to use with minimal training required.”

BiPredict Ltd specialises in the implementation of data warehousing and business intelligence solutions for different vertical industries and development data mining applications for its retail clients.

The company has key relationships with two US based companies, ProClarity Corporation, the leading provider of analytic applications and development platform for building custom applications, and Megaputer Intelligence Inc, a leading data mining company. 



### Business Objective

> To maintain its edge in the highly competitive liquor retailing sector, LiquorKing needed to make better use of its data to more accurately set its promotional pricing.

### Solution

> BIPpro from BiPredict Ltd

### Business Benefits

> The BIPpro analysis provided LiquorKing with insights into the optimum gross margin based on historic demand. This resulted in a significant year-on-year increase in revenue and gross margins.



> BiPredict Limited

www.bipredict.com

09 379 5407

info@bipredict.com