

YOUR RESULTS ARE IN...

FOOTWEAR RETAILER

+



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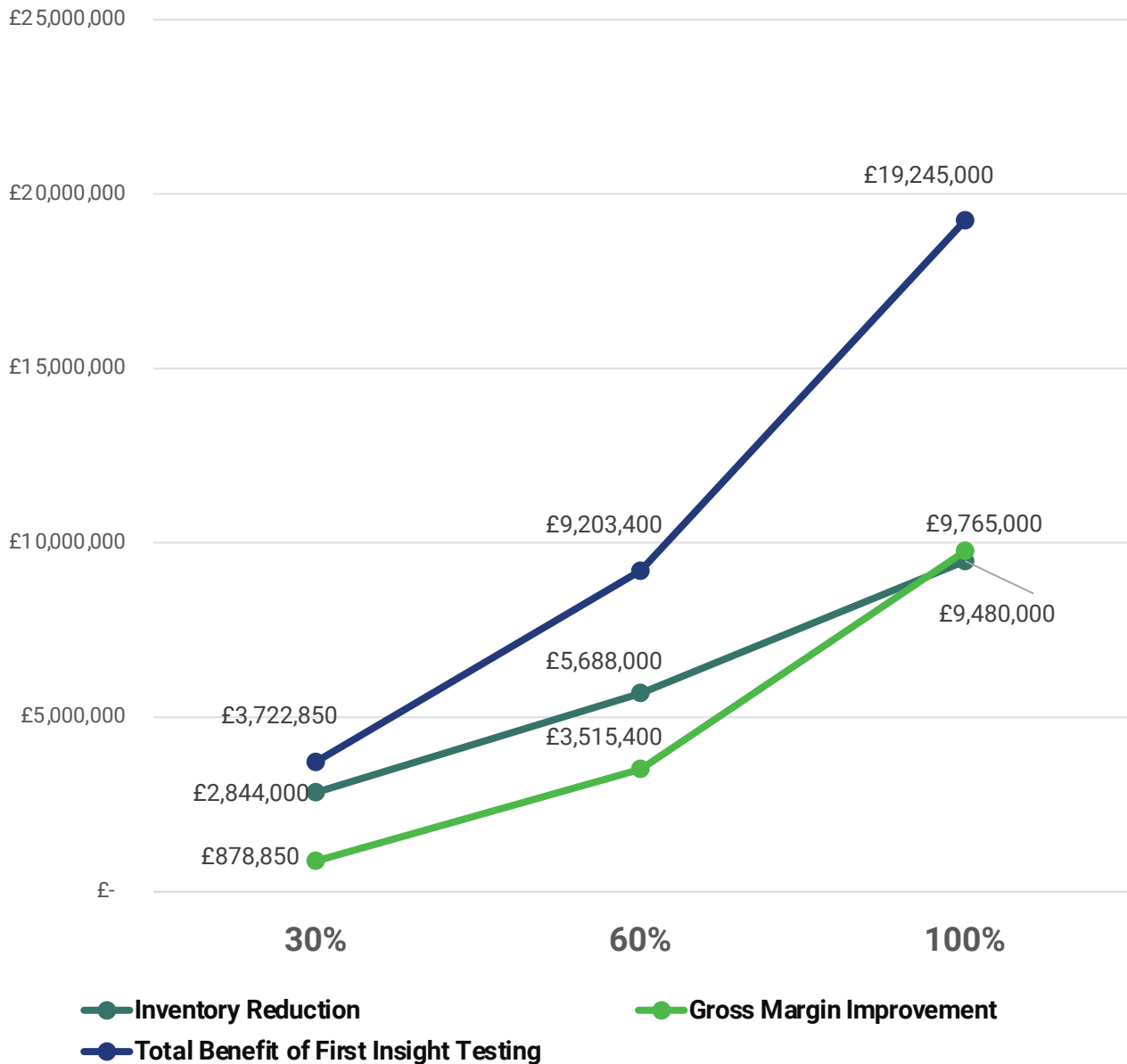


FINANCIAL ANALYSIS

YEAR ONE PROJECTED SUCCESS

PROPOSED FINANCIAL IMPACT

INVENTORY REDUCTION AND GROSS MARGIN IMPROVEMENT



Total First Insight Benefit Year One:

£19,245,000

PROPOSED FINANCIAL IMPACT

INVENTORY REDUCTION AND GROSS MARGIN IMPROVEMENT

	Percent of Product Tested				Source
	30%	60%	100%		
Total Inventory	£ 316,000,000	£ 316,000,000	£ 316,000,000		Inventory
Total Inventory Tested	£ 94,800,000	£ 189,600,000	£ 316,000,000		Calculated
Inventory Reduction Percentage	3%	3%	3%		FI Typical Range
Inventory Reduction	£ 2,844,000	£ 5,688,000	£ 9,480,000		Calculated
Total Annual Revenue	£ 775,000,000	£ 775,000,000	£ 775,000,000		Revenue
Total Annual Revenue of Applicable Product (e.g. New, Private Brand)	£ 232,500,000	£ 465,000,000	£ 775,000,000		Assumption
Gross Margin (%) of Applicable Product	21%	21%	21%		Q3 Earnings Statement
Gross Margin (£) of Applicable Product	£ 48,825,000	£ 97,650,000	£ 162,750,000		Calculated
Gross Margin (£) of Tested Product	£ 14,647,500	£ 58,590,000	£ 162,750,000		Calculated
Gross Margin Improvement from First Insight Testing (%)	6%	6%	6%		FI Typical Range
Gross Margin Improvement	£ 878,850	£ 3,515,400	£ 9,765,000		Calculated
Total Benefit of First Insight Testing	£ 3,722,850	£ 9,203,400	£ 19,245,000		Calculated
<i>Year One</i>					

A photograph of a woman's lower body, wearing a red corduroy skirt and white sneakers. A white rectangular text box is overlaid on the left side of the image, containing the title 'INSIGHT ANALYSIS' and the subtitle 'WOMEN'S CASUAL FOOTWEAR'. The background is a plain, light-colored surface.

INSIGHT ANALYSIS

WOMEN'S CASUAL FOOTWEAR

PROJECT SCOPE AND SUMMARY

Methodology: We heard from over 450 of your customers in a few hours

Tested an assortment of Women's casual footwear styles to determine style/design preference, willingness to pay and potential opportunities for assortment rationalization. Engaged 450+ customers on 9 styles using our platform.

Insight Launch Date: 1/12/2023

Insight Close Date: 1/12/2023

1
TEST

9
ITEMS

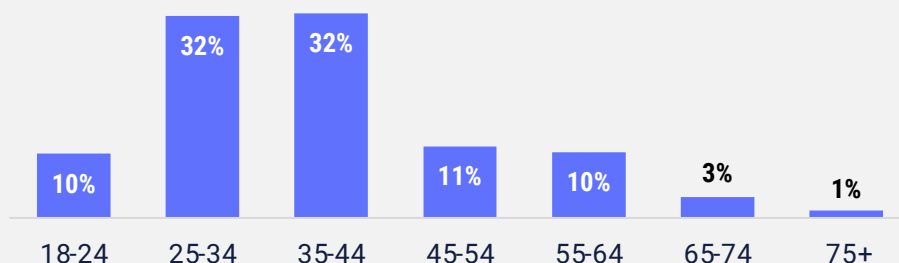
1 LOCALE
 UK

1500+
COMMENTS

460
RESPONDENTS

Females between the ages of 18-75 who have purchased footwear from Clarks within the last 12 months

RESPONDENT AGE BREAKDOWN



INSIGHT RESULTS HIGHLIGHTS

▶ MOST IMPORTANT FACTORS

- 1 Comfort
- 2 Price
- 3 Quality

▶ LEAST IMPORTANT FACTORS

- 1 Visible logo/branding
- 2 Technology

81%

HAVE PURCHASED RETAILER'S SHOES FROM EITHER NEXT, JOHN LEWIS, HOUSE OF FRASER & VERY WITHIN THE LAST 12 MONTHS.

TOP 4 OTHER BRANDS THAT CONSUMERS HAVE PURCHASED CASUAL FOOTWEAR FROM ARE NIKE, ADIDAS, SKECHERS & NEW BALANCE

▶ TOP RATED



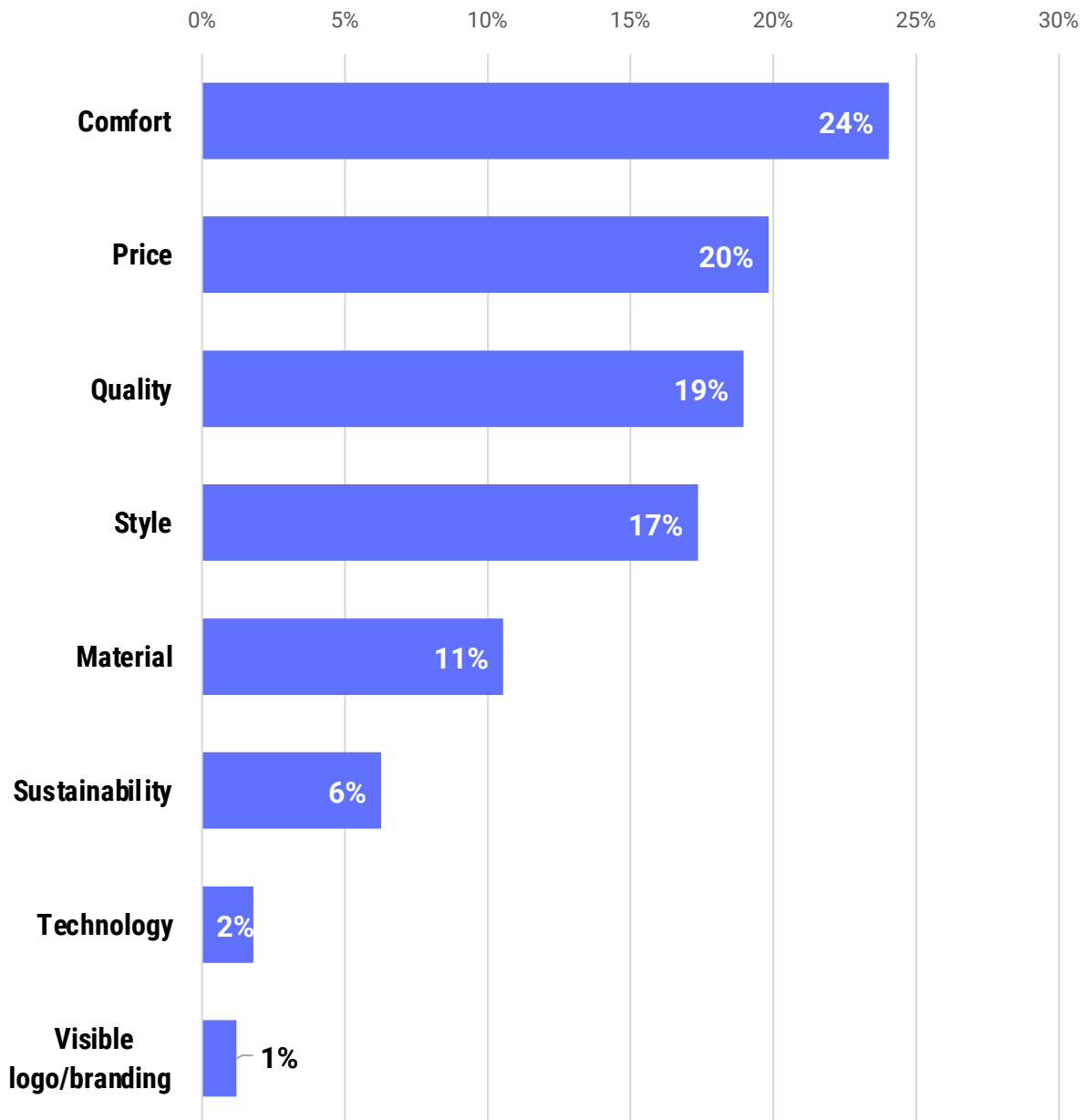
▶ BOTTOM RATED



PRODUCT ATTRIBUTE ANALYSIS

Q: When purchasing casual footwear (trainers/sneakers), what are the most important factors that help inform your decision to purchase?

MOST IMPORTANT FACTORS WHEN PURCHASING CASUAL FOOTWEAR



TOP RATED STYLES

Value Score Guide: First Insight's Predicted Measure of Success

7-10 High	Buy deeply with confidence or increase price
4-6 Medium	Maintain current pricing and average buy depths
1-3 Low/Avoid	Drop these styles, buy lower than category average, or consider lowering the price

		Value Score	Test Price	Model Price (GBR)	Positive Sentiment	Negative Sentiment
	Un Maui White Leather	9 TOTAL VALUE	£80.00	£76.42	66%	12%
	Dash Lite Jazz Black Nubuck	7 TOTAL VALUE	£75.00	£60.25	48%	24%
	Un Maui Blush Leather	6 TOTAL VALUE	£80.00	£62.79	54%	20%
	Barleigh Lace Black Nubuck	6 TOTAL VALUE	£85.00	£65.39	52%	22%

LOWEST RATED STYLES

		Value Score	Test Price	Model Price (GBR)	Positive Sentiment	Negative Sentiment
	Un Rio Zip Light Sand Nubuck	4 TOTAL VALUE	£80.00	£54.55	45%	28%
	Nalle Lace Navy Nubuck	4 TOTAL VALUE	£90.00	£54.44	49%	29%
	Barleigh Lace Light Tan Nubuck	3 TOTAL VALUE	£80.00	£47.87	34%	44%
	Nalle Lace Black Leather	3 TOTAL VALUE	£90.00	£53.66	38%	39%

COMMENTS

9

TOTAL VALUE

- ▶ Looks comfortable and versatile
- ▶ Classic, modern and a good style
- ▶ Absolutely love the trainer and colour, looks comfortable as well
- ▶ Looks really supportive and the colour is great
- ▶ Looks premium
- ▶ Can wear with anything
- ▶ Cute and simple, clean modern design and easy to pair with an outfit



KEY TAKEAWAYS

- ▶ Consumers like the overall style of the shoe, saying it's versatile and modern.
- ▶ As it receives a high Value Score of 9, a recommendation would be to increase price or quantity.

3

TOTAL VALUE

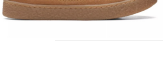


- ▶ The colour though bland and boring is good to match with almost anything
- ▶ Good material but not stylish
- ▶ A good basic shoe but nothing special
- ▶ Looks like a school shoe and too utilitarian
- ▶ Not a modern style. Quite plain
- ▶ Looks like school shoes
- ▶ I don't like the zip or material

KEY TAKEAWAYS

- ▶ Consumers have commented on not liking the zip, so a suggestion would be to remove this detail.
- ▶ Consumers aren't seeing the value in this style.
- ▶ As it receives a Value Score of 3, a recommendation would be to not buy this style, or keep the quantity small/look at reducing the price if must buy.

HOUSE OF FRASER CONSUMERS VALUE CASUAL FOOTWEAR MORE THAN JOHN LEWIS, NEXT & VERY CONSUMERS.

	House of Fraser	John Lewis	Next	Very
	9	9	7	9
	6	5	7	5
	6	6	6	4
	7	7	6	7
	7	6	5	5
	5	4	4	4
	4	4	3	2
	4	3	3	4
	5	4	3	3

KEY TAKEAWAY

► Use this heatmap to to see where you can increase quantities/sell-in certain products for different wholesalers and department stores.

RESULTS BY DEPARTMENT STORE CONSUMER

DASH LITE JAZZ BLACK NUBUCK



7
TOTAL VALUE

£75.00
TEST PRICE

£60.25
MODEL PRICE
(GBP)

48%
POSITIVE
SENTIMENT

24%
NEGATIVE
SENTIMENT

	Value Score	Test Price	Model Price (GBP)	Positive Sentiment	Negative Sentiment
NEXT	7 TOTAL VALUE	£75.00	£63.83	56%	18%
HOUSE OF FRASER	6 TOTAL VALUE	£75.00	£58.67	61%	18%
JOHN LEWIS	5 TOTAL VALUE	£75.00	£54.49	55%	23%
VERY	5 TOTAL VALUE	£75.00	£55.87	51%	25%

KEY TAKEAWAYS

- ▶ Next and House of Fraser consumers see more value in DASH LITE and it receives higher positive sentiment and lower negative sentiment, compared to John Lewis and Very consumers.
- ▶ Opportunity to increase buy quantities of this style when selling to Next & House of Fraser, by using the feedback from the results data.

OPPORTUNITY TO INCREASE PRICES BASED ON CONSUMER FEEDBACK



Initial Price	Demand at Full Price	25% off	50% off	75% off	95% off	Unit Sale Price
£102	18%	51%	91%	98%	100%	£66.19



Women's Casual Shoe 1673623152950-31



9

TOTAL VALUE

£80.00

TEST PRICE (GBP)

Initial Price	Demand at Full Price	25% Off	50% Off	75% Off	95% Off	Unit Sale Price
£78.40	48%	82%	97%	98%	100%	£63.87
£86.40	35%	73%	96%	98%	100%	£65.29
£94.40	25%	62%	94%	98%	100%	£65.97
Recommended Initial Price						
£102	18%	51%	91%	98%	100%	£66.19
£110	13%	41%	87%	98%	100%	£65.99
£118	9%	32%	82%	98%	100%	£65.43
£126	6%	25%	75%	98%	100%	£64.71

KEY TAKEAWAY

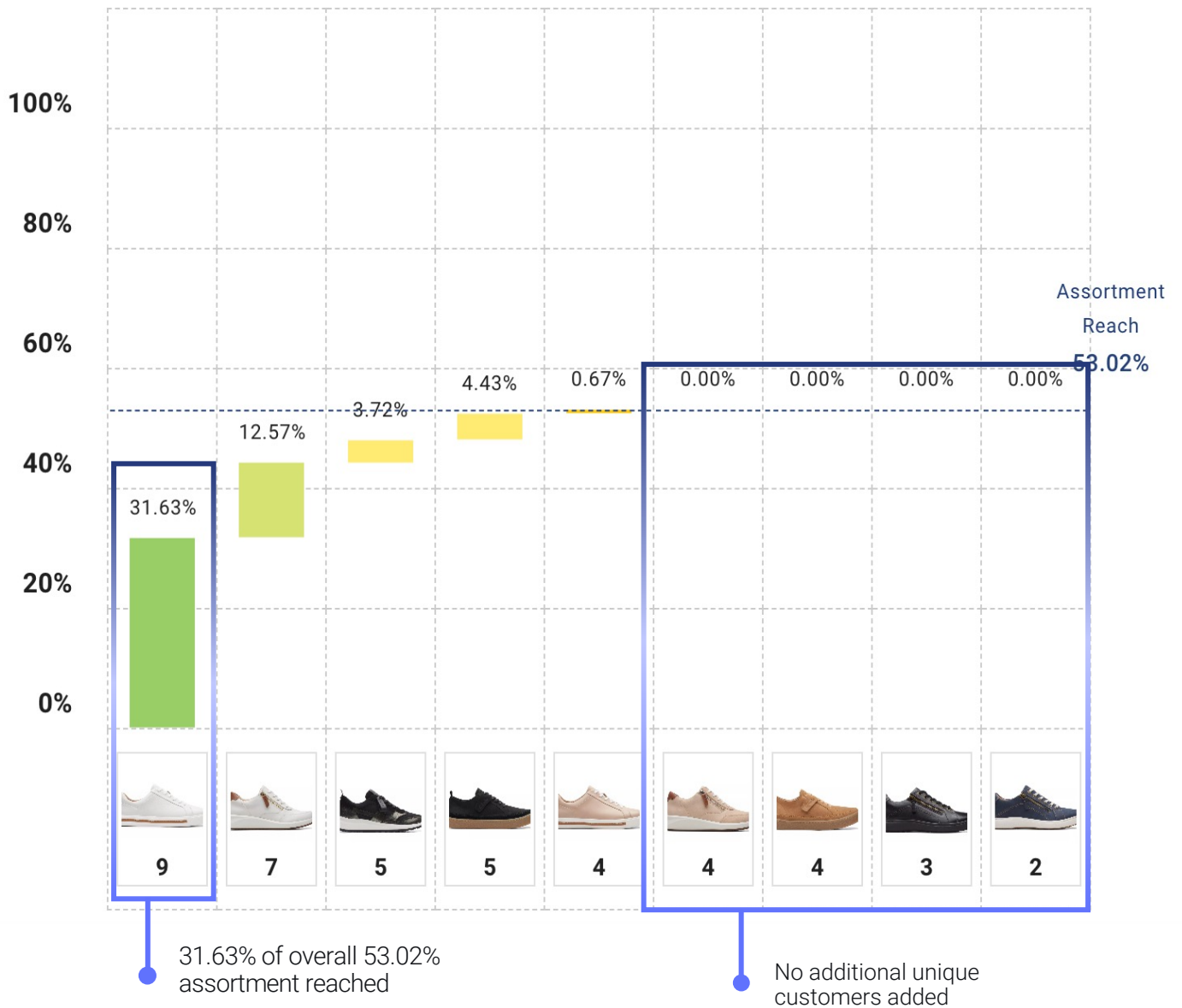
► By selling the White Leather Un Maui Lace Shoe at the recommended initial price of £102 and using the planned markdown strategy shown above, the final Unit Sale Price of that item is at the highest price of £66.19.

INTERACTIONS ANALYSIS

INCREASE UNITS PER CUSTOMER USING ASSORTMENT-LEVEL AND ITEM-LEVEL OPTIMIZATION



INCREASE CUSTOMER REACH AND BALANCE INVENTORY



KEY TAKEAWAY

► To optimize the assortment, it is recommended to buy the first 5 items and exclude the last 4 items above.

ABOUT FIRST INSIGHT

First Insight's Next-Gen Retail Decision Platform is a powerful, scalable, easy-to-integrate solution that informs your key product, pricing, and marketing decisions.

We equip retailers with zero-party consumer data to help you keep a pulse on your customer throughout the product development process. First Insight helps you unlock the power of your customer with insights integrated across your enterprise.

Hundreds of retailers and brands trust us to deliver proven results that both drive their business forward and prevent risky investments from ever hitting the market.

What We Do



Digital product testing



Price optimization



Full-service account management



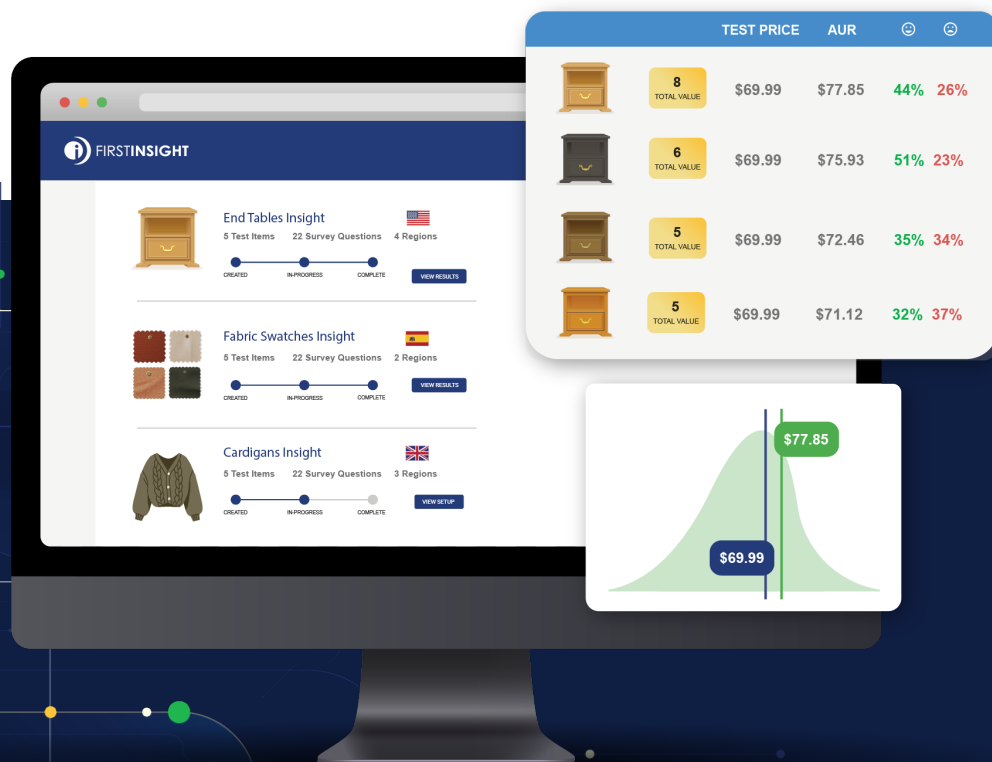
Increase speed to market



Inform inventory buy-depth decisions



Quantify and prove value delivery

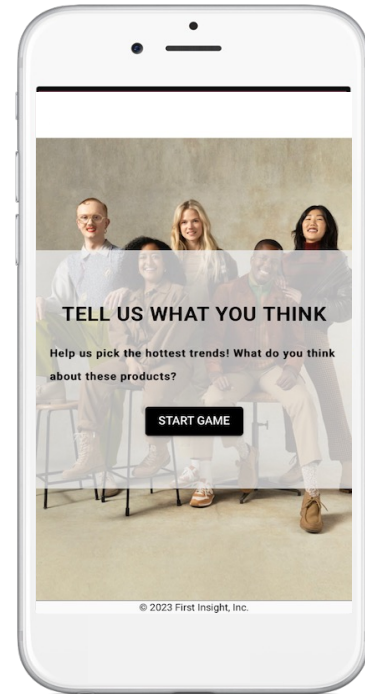


HOW WE DO IT

STEP 1

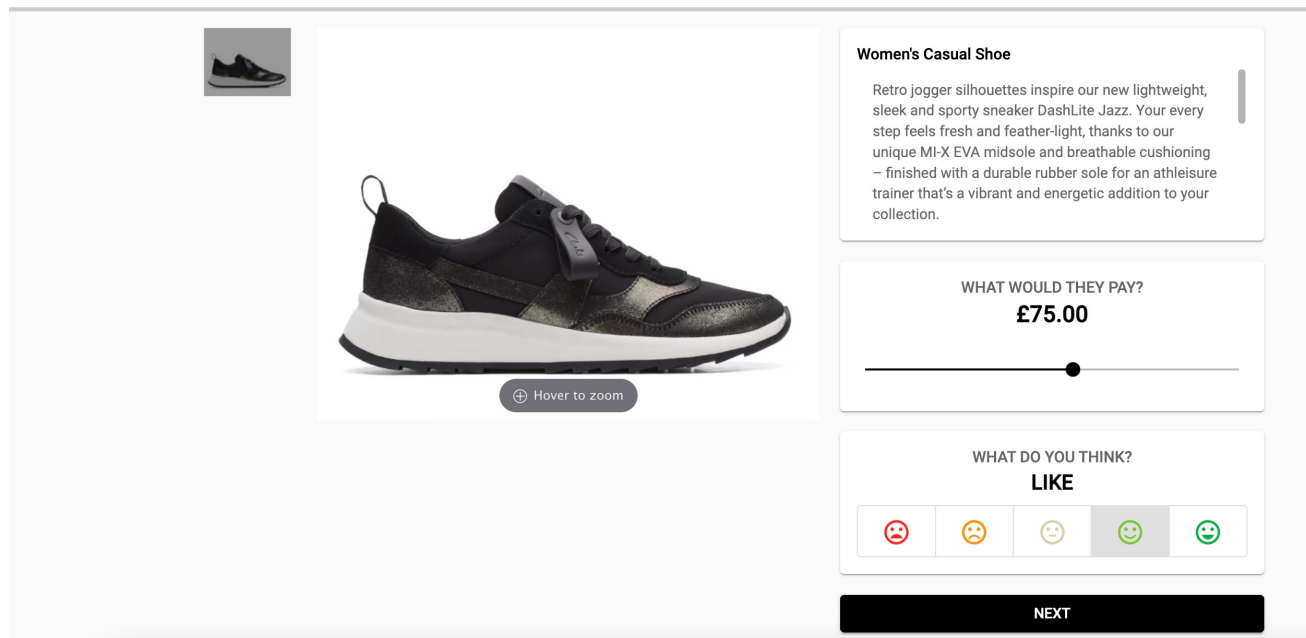
Current or prospective customers are engaged and targeted for data collection.

Respondents can be from your CRM or sourced through First Insight.



STEP 2

Consumers enter the First Insight game and provide feedback on a series of offerings.



STEP 3

Data is analyzed using First Insight's proprietary algorithm. Our easy-to-use platform and team of retail experts will help you turn insights into opportunity, so you can better inform product and pricing decisions.

