

Wesco increases same-store growth and develops a consistent customer experience with CB4.

CB4 CASE STUDY



ABOUT WESCO



Established in 1952 with a single store and three used gas pumps, Wesco has experienced continuous growth to include a distribution center, central bakery and deli, bulk fuel and propane business, seven Subway locations, and 52 convenience stores. Family owned and operated under the third generation of the Westgate family leadership, Wesco owes their success to their focus on customer experience, a savvy retail strategy, and their embrace of new technologies. Joe Gauthier, Director of Operations at Wesco, leads the operation team and partnership with CB4.





"CB4 has helped Wesco better detect and correct operational issues, including incorrect ticketing and sinage, out of stocks, and the application of promotions. Furthermore, CB4 allows Wesco to identify when a SKU is obstructed or hidden from customer access, or a planogram hasn't been executed."

— Joe Gauthier, Director of Operations, Wesco

THE CHALLENGE



Ensuring that customers get a consistent experience across store locations isn't an easy task. Not long ago, Wesco relied on store walks to fix operational issues like mislabeled products, unexecuted planograms, out of stocks, and more. Time is money and store walks carry a hefty labor cost, forcing Wesco to only execute them twice per month. In addition, human observation has its failures, and internal reporting didn't provide accurate enough insight on store and SKU levels.

- · Wesco needed a solution to correct operational issues while keeping down labor costs
- This solution needed to come with limited downtime and disruption of operational efforts



SOLUTION

After evaluating multiple solutions, Joe and his team selected CB4's pattern-recognition and machine-learning software to identify operational issues, fine-tune store assortments, and capture umet demand at a store and SKU level.

CB4's solution used only Wesco's pre-existing

» POS data to discover patterns and opportunities to fulfill unmet demand

CB4 delivered recommendations through its

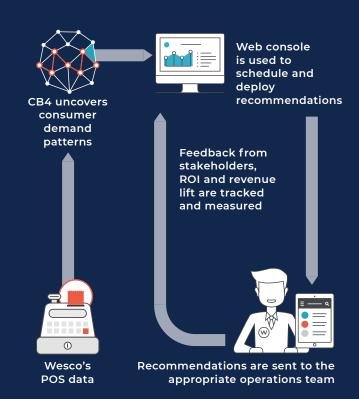
» web console and mobile app to store managers identifying hidden opportunities

Wesco's employees communicated directly

» through the app by checking off tasks and identifying uncovered operational issues

Reports measuring performance, ROI, and the

» root cause of operational issues are delivered to the operations and executive teams





RESULTS

Wesco implemented CB4's software in each of their stores and training was completed in a single day. Within two weeks, the software was up and running, generating recommendations and revenue.

Instead of relying on store walks, Wesco now relies on CB4's recommendations to discover and correct operational issues related to products with high local demand throughout their stores. Correcting these operational issues lead to a 1.6% same-store growth, with full financial transparency and attribution through CB4's dashboards.

Utilizing CB4, Wesco can now confidently expect their pricing and promotions to be reflected through each of their stores and better planogram execution. In addition, CB4 recommended dozens of products to insert into planograms through its demand pattern-recognition.



BOTTOM LINE

Seamless Implementation: No hardware to install and no difficult training process to onboard employees.

Trusted Recommendations: Thousands of meaningful operational issues corrected in Wesco stores.

Transparent ROI: Dashboards show revenue gain from recommendation execution and reports track stores' progress and success.

Same-Store Growth: 1.6% same-store growth keeps Wesco competitive while providing a better customer experience.



"CB4 really understood our business goals. They are not simply a software company, but a partner in our success at Wesco. The execution of the operational and merchandising recommendations from CB4 has resulted in significant new sales gain."

— Jerry Westgate, President, Wesco



PREDICTIONS & INSIGHTS THROUGH PATTERNS

Improving Retail Operational Efficiency to Boost In-Store Growth



0.8 - 3% SAME STORE GROWTH



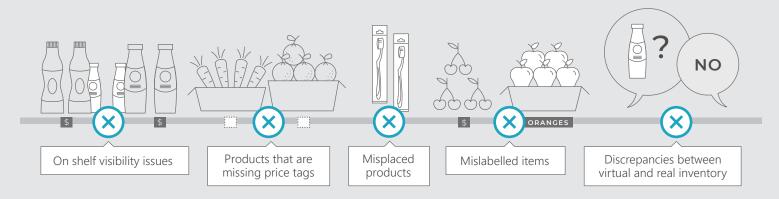
PROOF OF CONCEPT



IMPLEMENTATION



By applying patented machine learning algorithms to simple sales data, CB4's software solution **uncovers hidden consumer demand patterns.** These patterns are used to detect unfulfilled demand at store and SKU level. When a store is part of a pattern that indicates high local demand that is not being fulfilled due to an operational issue, a recommendation is delivered to the appropriate store manager with guidelines on how to correct the problem and capture the unmet demand.





Improve store performance and execution.



Responses, success rate, and ROI are tracked and measured via simple, easy to interpret dashboards.



Actionable recommendations are automatically deployed to store managers via e-mail, mobile device, or Web.



Store managers spend an average of no more than 30 minutes a month executing recommendations.