

# Case Study Example

<u>Elements:</u>	<u>Before:</u>	<u>After:</u>
• <u>Value</u>	Weak, Not Clear	Strong, Focused
• <u>Appeal</u>	Low Quality	Diversified, Healthful
• <u>Selection</u>	Stagnant, Repetitive	TOD & DOW Sets
• <u>Identity</u>	Low Price, Flat	Value Price, Leader
• <u>Price</u>	Low Profit Model	Competitive, High PQ
• <u>Efficiency</u>	High Shrink Labor Intense	Below Avg. Shrink High DQPS & SPMH
• <u>Execution</u>	Complex, Low EFR	Simplified, Strong EFR

# CASE STUDY MODEL

## Retail Fresh Sandwich Program

### Revitalization Initiative for In-House Production Program

	Before	After	Financial Impact		
	Full-Svce	Full/Self	Fav/-Unfav		
Financial Performance	Only	Service	Variance	Chg %	
<b>Weekly Sales per Store</b>	<b>\$ 588</b>	<b>\$ 784</b>	<b>\$ 196</b>	<b>33%</b>	
- Daily Quantity Sold	28	35	7	25%	
- Total Item Selection Count	63	34	29	46%	
<b>- Daily Qty Sold per Sku</b>	<b>0.44</b>	<b>1.03</b>	<b>0.58</b>	<b>132%</b>	
Theoretical GPM	57%	66%	9%	16%	
- Shrink	15%	6%	9%	60%	
<b>- Net Gross Profit</b>	<b>42%</b>	<b>60%</b>	<b>18%</b>	<b>43%</b>	
Direct Labor	30.3%	26.0%	4%	14%	
- SPLH Productivity	\$ 23.14	\$ 26.92	\$ 3.78	16%	
Direct Supplies	6.5%	4.5%	2%	31%	
<b>Direct Net Profit</b>	<b>5%</b>	<b>30%</b>	<b>24%</b>	<b>462%</b>	
<b>Total Store Expense Alloc.</b>	<b>30%</b>	<b>27%</b>	<b>3%</b>	<b>10%</b>	
<b>Annual Net Income/(Loss)</b>	<b>-25%</b>	<b>3%</b>	<b>27%</b>	<b>110%</b>	