

# Creating and Validating A Space Management Strategy

**Executive Summary:** Family Dollar had a complex planogram system that was critical to running its 6000+ store chain. When they needed to create an integrated assortment and merchandising strategy, they tapped Flora Delaney to assess the plan and gain advice on best practices.

## The Challenge: Chaos

Like many other retailers, executives at Family Dollar really didn't understand Space Management the way they understood other disciplines like pricing and inventory replenishment. When a new Assortment and Merchandising system was planned, they knew it would impact Space Management but they didn't have the depth of experience to help them recognize if their plans were sound. Using external experts was difficult since most didn't have direct experience with their technology footprint or hands-on Space Management expertise.

# The Journey

Family Dollar worked with AMR to identify Delaney Consulting as the outside expert who had the breadth of experience to look at the end-to-end Assortment-Space Management-Store Merchandising system and identify gaps in their plans. Within two weeks, using a proprietary Space Maturity Model, she had evaluated micro and macro analytic capabilities, clustering methodologies and integration points and critical processes milestones. Her in-depth interviews with executives, IT, Merchants and Space Management team members provided insights and recommendations that impacted everything from technology timelines and deliverables to career paths and development steps.

### The Solution: Clarity

After one month, Family Dollar executives had a better understanding of their Space Management strengths and opportunities and specific steps that would be necessary to achieve their goals. Team members on the Space Management team felt they had a voice and that critical integration points would be addressed. Strategic leaders understood how to utilize the tools they already owned and improvements that needed to be made in the future.

#### The Results

Family Dollar implemented the project and built a new center of excellence within the Space Management team. The first officer of the company from Space Management was identified. For the first time, space analytics were integrated into the new store of the future projections and began creating more targeted, fully merchandised product assortments.

