



Levi Strauss & Co.

GIS and Web Services Help Manufacturer Find the Best Retailers

Problem

Clothing manufacturer needed a cost-effective solution to manage the growth and approval of new authorized retailer locations.

Goals

- Assess new retailers for additional product distribution.
- Protect existing retailers' trade areas.
- Avoid making costly mistakes when opening new retail locations.

Results

- Reduce costly onsite visits to new retailers.
- Accurately model locations of existing and potential retailers.
- Provide quick analysis that is repeatable with same evaluation criteria for each prospect.

"Business Analyst Online provides us with the tools to do a simple but essential analysis. I can easily see where my retailers are located and make the right decision on whether or not to approve new stores. This is a mandatory application for my business."

Maurice Kelly, New Accounts Manager
Levi Strauss & Co.



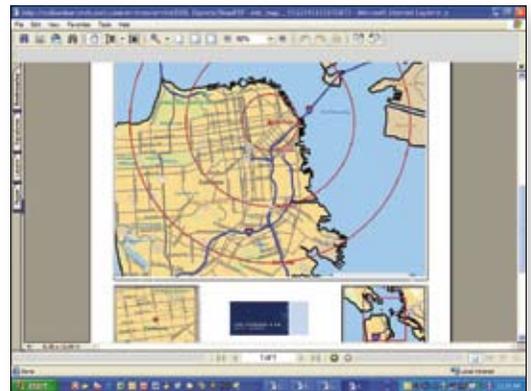
Levi Strauss, North America, a division of Levi Strauss & Co. (LS&CO.), encompasses the company's largest region and employs approximately 3,100 people throughout the United States, Canada, and Mexico.

The North America region markets products under the Levi's®, Dockers®, and Levi Strauss Signature™ brands and includes three businesses: Levi Strauss U.S., Levi Strauss Canada, and Levi Strauss Mexico. Based in the company's San Francisco headquarters, the region accounted for \$2.4 billion of the company's \$4.1 billion in total sales in 2004.

The Challenge

LS&CO. wanted to increase distribution to more specialty stores such as general merchandise/work wear and western apparel outfitters. These stores often serve a demographic that is traditionally underserved by other retail channels.

LS&CO. wanted a tool that would geographically display its existing authorized retailers, potential retailers, and the customers the distributors serve. This application would ensure that new stores would not adversely impact the sales opportunities of existing stores.



LS&CO uses ESRI Business Analyst Online to view prospective retailers. The impact of a new retailer is analyzed by creating ring study areas.

The Solution

The LS&CO. marketing group has used ESRI® software for several years. Based on the group's success with the software, the LS&CO. Sales Center decided to review geographic information system (GIS) software to help manage its distribution. It began using BusinessMAP® desktop mapping software to look for new accounts. "BusinessMAP was a great cost-effective tool for us to use in researching new look in these channels of distribution," says Maurice Kelly, new accounts manager, LS&CO.

Numerous new account applications arrive weekly, and LS&CO. needed a tool that would help it to view this incoming data accurately and stay abreast of it. LS&CO. selected ESRI Business Analyst Online™, an on-demand reporting and mapping service that combines GIS technology with extensive business, demographic, and consumer household data and delivers it via the Web.

Kelly imports existing store locations from the Market Trends and Analytics Division of LS&CO. and draws study area rings around the stores. A study area defines a boundary in a report. Business Analyst Online enables users to choose an address or predetermined latitude and longitude coordinates as the center point of a ring study area in one-, three-, and five-mile ring

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ESRI Software Used

BusinessMAP

Business Analyst Online

reports. Next, the potential retailers' locations are entered. If the location is deemed to be too close to an existing store, the application may not be accepted. "Geography is one of the key criteria we use when deciding to accept a new retailer," says Kelly.

LS&CO. receives numerous retailer application packets each week. This information can now be entered into the database and the address viewed on a map. Each analysis is repeatable, applying the same evaluation criteria to each prospect.

Results

LS&CO. streamlined its review process of new retailer applications into a solution that allows it to see prospects geographically in relation to existing stores. LS&CO. now uses Business Analyst Online to view the information accurately and consistently to make informed decisions before opening a new retail account.

These analyses were originally performed by an outside vendor, but LS&CO. wanted to streamline this process and gain more autonomy. "Fortunately, ESRI helped us create the application we needed," says Kelly. "This application is absolutely essential to my job. We previously didn't have a readily accessible archive of retail store locations. Business Analyst Online allows us to manage them and see prospective retailers. We can avoid problems such as opening a store directly across the street from an existing account."

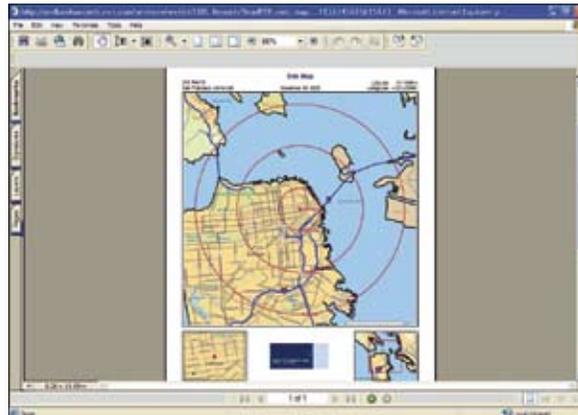
LS&CO. has found a cost-sensitive solution that allows it to accurately see where retailers are located, avoid unnecessary site visits, and open competitive stores. LS&CO. believes that this analysis better meets its customers' needs by bringing the right products to the stores where these consumers shop. An easy-to-use, essential tool, Business Analyst Online allows LS&CO. to better manage its retail distribution strategies.

For More Information



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By viewing potential retailers and their impact on the market in 1-, 3-, and 5-mile radius, it is easier for LS&CO. to decide whether or not to accept a new applicant.

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