

# CREATED A REBATE ANALYTICS SOLUTION ENABLING A LEADING ELECTRICAL SOLUTIONS PROVIDER REDUCE LEAKAGE DURING CLAIMS AND ASSESS INVENTORY POSITION AT DISTRIBUTORS



## ABOUT THE CLIENT

Client is a leading player in the thermal and electrical management products, primary customers of clients are distributors who stock inventory.

## CHALLENGE

Client sells inventory to end customers via distributors who stock product at local locations. Client allows distributor to sell inventory at special lowered prices and claim rebates against Special Pricing Agreements formulated beforehand.

Client has no visibility into inventory position of distributors and rebate calculation is done on current prices, irrespective of the historic prices at which inventory was sold.

## APPROACH

We solved this using the following steps

- Built fully automated rebate analytics solution for client which helps track present inventory at each distributor and assumes consumption according to FIFO inventory management.
- We used the solution to calculate the Rebate amount according to historic prices at which distributor bought inventory.
- The solution intakes transaction and pricing

data to build the inventory positions and gives client detailed view into left over inventory, total rebate amount paid and potential future rebate amount which can be claimed.

## KEY BENEFITS

- ✓ *FIFO method of calculation ensured distributors change habits and unload older inventory first*
- ✓ *View into estimated current inventory by distributors helps Sales team take proactive measures*

## RESULTS

Our Solution enabled the client to:

- Identified false rebate claims and saw 7% reduction in overall Rebate amount paid out
- Improved margin/profitability due to proactive inventory filling measures taken by Sales team