



How Quorso compares Retail stores

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Overview of Quorso's comparison logic



We know that all of the stores in your organisation are unique and have different trading patterns. So how are they comparable?

Quorso accounts for differences by **avoiding direct store-store comparisons**. Instead, it measures the performance of **each product category individually**, and then does two things:

1. For every product area (e.g. apples), Quorso looks at your actual performance vs the average peer performance after it has been **normalized** by the **revenue of the parent-level category**.
 - *What this means is, if all other stores had the same sales of Fruit as you, how much would we expect to be attributable to Apples? Are you over or under performing on this expectation?*
2. For each product category, stores are only compared to a sub-set of other stores with a **similar proportion of space** allocated to that product.

This means that performance values are adjusted to account for buying power and market trends in your specific area.

Worked example

1. Store A sells \$150 of Apples, while Store B sells \$900.

	Store A	Store B
Apples	\$150	\$900

Fruit \$400

\$1,200

The parent category revenue is the normalising factor

2. Store B's C Fruit revenue is adjusted to reflect Store A's

Apples \$150

\$900 Decrease by 3x, $\$900 \div 3 = \300

Fruit \$400

\$1,200 Decrease by 3x, $\$1,200 \div 3 = \400

Store B Adjustment
In revenue terms, Store A sells **3x less** Fruit than Store B. So to make it comparable to Store A, sales for Apples will be **reduced by 3x**.

3. Showing you that for Apples, Store A is underperforming relative to Store B by 50%.

Apples \$150 ←-----→ \$300

Fruit \$400 ←-----→ \$400



So remember: when you see a list of stores that you are being compared to in Quorso, you are not being compared directly, but instead are being compared to **a sub-set of stores, at a product category level**, after their performance has been been **normalized** to match your circumstances.

What else?



On top of this logic, Quorso does several other things to ensure that your suggested missions are meaningful.

1. Missions will only be suggested if they are worth more than the certain value per week, specified by your leadership team
2. Suggestions are prioritized based on: the size of the opportunity in dollar value terms, the distance from the peer average, and how successfully others have been able to improve these areas in their stores (so you can replicate what works).
3. Quorso tells you exactly where to focus based on where the issue exists (e.g. it tells you whether sales are down in a specific brand of item, or the item category as a whole).