



Time/Warner Retail Sales & Marketing Leverages S-PLUS[®] Enterprise Server and Achieves \$3.5 Million Annual Savings

Abstract

400 brands plus 120,000 retail outlets can add up to a production and distribution nightmare. For Time/Warner Retail Sales & Marketing and their predictive analytics and reporting solution from Insightful it has been nothing but a sweet dream with realized annual savings of \$3.5 million and new, profitable business opportunities.



To provide feedback on this case study, please send e-mail to mktg@insightful.com

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COMPANY OVERVIEW

Time/Warner Retail Sales & Marketing (T/WR) is the largest publisher-owned magazine retail marketer and distribution services company in the industry. The company was formed in 2005 with the merger of Time Distribution Services and Warner Publisher Services. T/WR handles all aspects of sales and marketing in the U.S. and Canada for more than 400 magazine brands. In addition to managing all of Time Inc.'s titles (including People, Time, Sports Illustrated and Fortune) T/WR is also the sales, marketing and distribution partner for several leading wholesalers, retailers and publishers. The company generates more than \$1 billion annually.

SITUATION

One of the most crucial challenges that any business faces is striking the right production and inventory levels as well as ensuring all of its distribution channels are receiving the correct amount of product. This is the very challenge that Time/Warner Retail Sales and Marketing (T/WR), set out to address as part of its Draw Management Program. Simply put, T/WR needed to strike a balance between printing too much and printing too little of its 400 magazine titles for 120,000 stores. T/WR also wanted to find a way to accurately predict how much of each of its magazine titles should be sent to each store.

“The central problem we had was finding a solution that could help us get the right number of each magazine title for each of our stores. In order to get this number right, we wanted to be able to drill down and track information at the store level,” said Dilip Patel, Director, Information Management for T/WR. “For example, being able to analyze store level data gives us a very clear picture and helps us with promotions, price testing and improving distribution.”

SOLUTION

The Information Management department at T/WR determined that it needed to find a predictive analytics and reporting solution that could manage the growing complexity and size of their data. It would need to dynamically create essential reports for the management team and integrate with their web-enabled business intelligence (BI) portal. After a thorough search, T/WR selected Insightful Corporation's S-PLUS® Enterprise Server.

T/WR's Information Management department has applied S-PLUS Server's advanced analytics to deliver in-depth analysis of market and customer (store) data. Insightful's S-PLUS Enterprise Server allows T/WR to deploy custom analytics and their results to business users through their established BI portal, providing more timely information and freeing up valuable time for the analysis and IT teams.

BENEFITS

Seamless Integration with Microsoft® Office™, Oracle® and Cognos®

T/WR was able to effortlessly build its business intelligence portal around multiple technologies including an Oracle® data warehouse, Oracle® Discover™, S-PLUS Enterprise Server, Cognos® and Microsoft® Office™. Through the successful integration of these various technologies, T/WR is able to access, analyze and report faster on all of their data in near real-time, delivering results to users online and on-demand.

Direct access to predictive analytics and results for business users and client publishers

Analysts familiar with S-PLUS can now integrate and publish their analytics on the company's BI portal improving the quality of information sharing both enterprise-wide and throughout their distribution chain. T/WR's client publishers can directly access the T/WR BI portal and retrieve analytics that assist them in analyzing the performance of their magazine business.

"Essentially all of our analytics are now running on our S-PLUS Server and are accessed by marketing and inventory managers on demand without the need for engaging in time-consuming as well as costly database manipulations and econometric analyses," comments Patel, "Marketing analysts interested in increasing the circulation of a particular title can quickly access analytics that will tell them the best stores to go after. For example, analysts can determine now more accurately whether they should increase the number of Sports Illustrated to send to a certain region –say Florida if the Florida Gators are on the cover—then they were able to do before."

Achieved \$3.5 million in Performance Improvements Annually

With Insightful's S-PLUS Server as its predictive analytics and reporting solution, T/WR has been successful at accurately predicting the right amount of each of its 400 titles to have at each of its 120,000 stores. This alone, has saved the publisher \$3.5 million annually in distribution costs.

Created New Business Opportunity

All of the data, analytics and reporting that T/WR has integrated into its BI portal has provided them with a significant competitive advantage and created new business opportunities for T/WR. The magazines themselves are turning to T/WR for the information they are harvesting from their data. T/WR is helping magazine management and their advertisers better understand readers' profiles and demographics. Magazines outside of T/WR seeking T/WR as a national distribution partner have increased due to T/WR's BI portal. The number of outside publishers partnering with T/WR for distribution has grown to nearly 40% of their business.

Profile

Time/Warner Retail Sales & Marketing (T/WR) is the largest publisher-owned magazine retail marketer and distribution services company in the industry. T/WR handles all aspects of sales and marketing in the U.S. and Canada for more than 400

magazine brands. T/WR is also the sales, marketing and distribution partner for several leading wholesalers, retailers and publishers. The company generates more than \$1 billion annually.

Business Need

T/WR needed a predictive analytics and reporting solution that would help the publisher strike a balance between printing too much and printing too little of its 400 magazine titles for 120,000 stores. In addition, T/WR needed to find a way to accurately predict how much of each of its magazine titles should be sent to each store.

Insightful Products Used

- Insightful S-PLUS® Enterprise Server

Benefits

- Seamless Integration with Microsoft® Office™, Oracle® and Cognos®
- Empowered business users and client publishers by providing access to analytics tools for analysis and report generation
- \$3.5 million in performance improvements annually
- Created new business opportunities providing significant growth in distribution operations

CONTACT INFORMATION

To find out more information about Insightful's S-PLUS and clinical graphics solution for the drug development lifecycle please contact Insightful at pharmasales@insightful.com or call us in the US/Canada (800) 569-0123, UK +44 (0) 1256 339800, or Basel +41 61 717 9340

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ABOUT INSIGHTFUL

Insightful Corporation (NASDAQ:IFUL) is a provider of predictive analytics and reporting solutions. Insightful products S-PLUS®, Insightful Miner™ and S-PLUS® Enterprise Server allow companies to perform sophisticated statistical data analysis and data mining and create high-quality graphics. Insightful has been delivering industry-leading, high-ROI solutions to thousands of companies in financial services, life sciences, biotechnology, telecommunications, and manufacturing, plus government and research institutions, for 20 years. Headquartered in Seattle, Insightful has offices in New York, North Carolina, France, Switzerland, and the

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