

Case Study

How a Dairy Company Optimized Production Capacity by Adjusting Their Portfolio Mix in Asia



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About Buynomics

01. Background

The multinational food and beverage company is a leading provider of dairy and plant-based products, bottled water, and nutritional items.

With a well-established presence in Europe and North America and expanding reach worldwide, their mission emphasizes initiatives that promote nutrition and wellness.

The company faced production capacity limits in Asia when offering both low-end and high-end yogurt brands simultaneously.

They sought a solution to optimize their product portfolio .



02.Challenges

Production Capacity Limitations

1

The manufacturer was facing production capacity limits, as they were selling a cheaper product at a high volume.

Transition From a Low-End To a High-End Product Mix

2

The manufacturer wanted to transition from their low-end product to a high-end bio product.

Shelf Space Allocations

3

The shelf space allocated to fewer non-premium SKUs was uncertain, as retailers and consumers highly demanded the low-end product.

The manufacturer sought to explore a range of outcomes by challenging the assumption that fewer SKUs will lead to less shelf space.

03.Solution

By partnering with Buynomics, the team was able to model the delisting of their least profitable but still popular SKUs from supermarkets and convenience stores.

Results:

Main Strategies Tested:

- Delisting 2 low-end SKUs with and without maintaining shelf space.
- Delisting 3 low-end SKUs with and without maintaining shelf space (while raising prices on remaining SKUs).



Optimal Scenario

The optimal scenario identified was that delisting three low-end SKUs would lead to **decline in unit sales of -35%** while maintaining a shelf space and raising prices.

Delisting 2 SKUs Scenario

It was identified that removing just two SKUs would have minimal effect on the necessary factory capacity.

04.Impact

By leveraging the Buynomics tool, the team was able to quickly and accurately understand how portfolio changes would impact their revenue.

Impact Predicted by Buynomics

-35%

decline in units over 4 weeks,
while maintaining shelf space.

Real Impact Measured

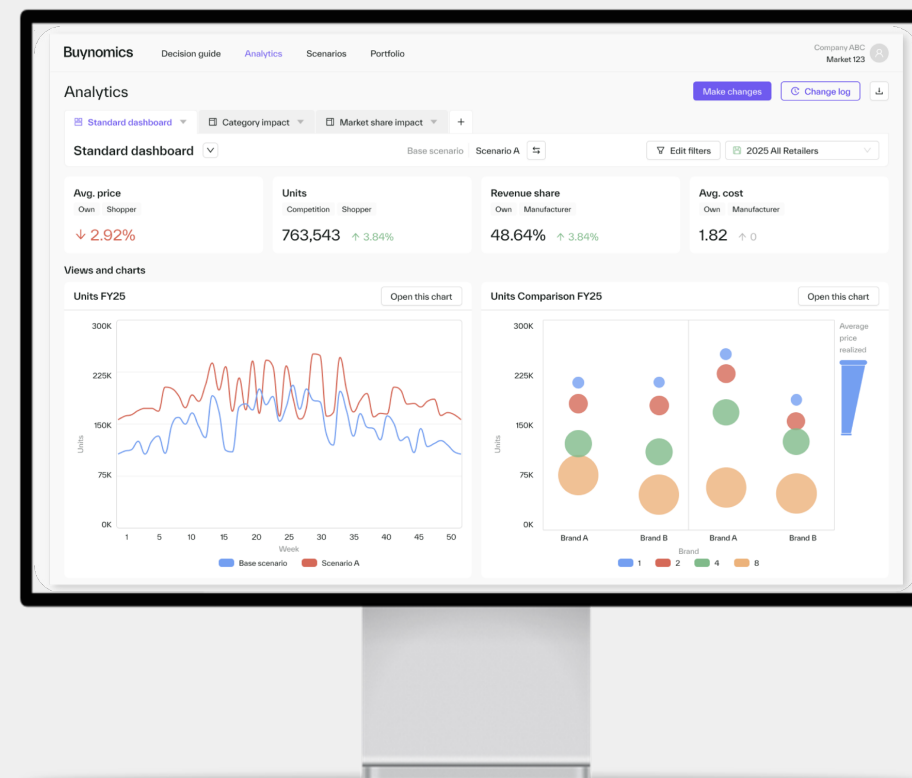
-29%

decline in units over 4 weeks,
while maintaining shelf space.

+600

 Basis points
(bps)

difference of Buynomics' prediction in
units sold vs. actual units sold.



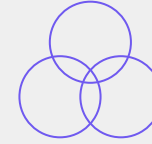
05. About Buynomics

Buynomics is the leading Revenue Growth Management (RGM) platform for holistic optimization across all revenue levers.

By integrating multiple data sources with cutting-edge AI, it empowers RGM teams in enterprise organizations to make faster, more profitable, data-driven, and customer-focused decisions.

[Learn More](#)

Holistic approach



Portfolio optimization considering the effects of all product portfolio changes.



Speed to insight

Large number of scenarios simulated and compared in minutes, reducing the time spent on forecasting by 70-90%.

Predictive accuracy



Best in class predictive accuracy of up to 95%¹ of expected market behavior.

1: Depending on data quality and completeness



Profitability

Up to 2-4% higher gross profits through a better offering.

