



**Rajeev Kaul**  
Director of Product and  
Price Optimization  
AutoZone

# REVVING UP RETAIL PERFORMANCE

AutoZone relies on SAS® for pricing, product optimization

## Industry

Retail

## Business Issue

Gain product and pricing intelligence from huge data chunks.

## Solution

SAS® extraction and modeling capabilities enable each store to meet unique needs of customers.

## Benefits

Ability to make sound decisions quickly to sustain growth and profitability.

Rajeev Kaul knows firsthand how diverse Americans are just by the cars they drive. Some Americans are wealthier than others; some are farmers; some are outdoorsmen; some have growing families; others are single and just starting out. Their vehicles of choice not only reflect their different lifestyles, but often support it.

As Director of Product and Price Optimization at AutoZone, the nation's leading auto parts retailer, Kaul realizes that his company cannot adopt a one-size-fits-all approach to stocking the shelves at its 3,300 stores. With SAS, AutoZone ensures efficient, profitable retail operations – not to mention more satisfied customers – by knowing store-by-store which products sell and how to price them effectively to keep them moving off the shelves.

"It's one thing to earn the No. 1 spot in automotive aftermarket retail; it's another thing to stay there," observes Kaul. "SAS helps us sift the important signals from all the noise coming at us, so to speak, so we can make decisions that leverage our inventory and assets optimally and give us a good ROI in the market."

### Intelligence in minutes

SAS helps AutoZone answer merchandising questions and perform business analysis, ultimately to ensure competitive everyday pricing. With SAS, AutoZone understands its business better and has access to the tools necessary for understanding an increasingly complex

marketplace. SAS drives a number of business processes, including quality control and ad hoc analysis in a fast-paced environment. Using SAS®9 technology, AutoZone can process several hundred million pieces of data in minutes and expects to see even more processing improvements.

AutoZone brings together point-of-sale, demographic, purchasing and marketplace information into a multi-terabyte warehouse. With SAS, the company prepares business reports; performs data extraction, manipulation and transformation; builds models and forecasts consumer demand; and carries out other supply chain and optimization activities.

"The information in our world is voluminous and, in many ways, undefined," Kaul says. "SAS can handle that data and sort through all the meaningless parts to show us which lines of information we really need in order to make a decision. It helps us optimally use our time by allowing us to focus on questions that affect our business."



### Decisions in a snap

AutoZone's success in leading the marketplace hinges on the ability of its approximately 50,000 employees to interact with customers across the country, Kaul says. With almost half a million products sold at 3,300 stores,

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information races into the data warehouse at speeds far outpacing even the fastest racecar driver. The challenge for Kaul is to decipher meaning.

Using SAS, AutoZone can look at the performance of its stores as well as that of individual departments, products and categories within each store. “SAS lets us drill down to these areas so that if something is not working at one store, we can replicate what does work at another,” Kaul says. “SAS allows us to make decisions based on relevant information – quickly.”

Looking at product performance, for example, AutoZone must know what actions to take to

sustain growth and profitability. Some of the actions include making decisions on product, pricing and promotional activities across all 3,300 stores. SAS is the enabling technology that helps make those efforts possible.

**SAS® handles complexity of demands**

Before implementing SAS, AutoZone used a variety of tools for querying relational databases. Over time, as the amount of information being gathered grew and the complexity of the questions being asked increased, AutoZone needed more.

“SAS can handle large amounts of data and still allow you to put some intelligence on it,” Kaul says.

That intelligence is used by everyone from the CEO to analysts. It enables efficient processes that often prove advantageous to customers who are rewarded with wallet-friendly product and pricing choices. “SAS is helping AutoZone be competitive and serve our customers better,” Kaul says. “If it makes sense to apply data to solve a problem, it makes sense to apply the right technology. So if I am making a decision based on facts and information, I would definitely use SAS.”



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