


# ALTERNATIVE DATA: CASE STUDIES



Ascential's core alternative data sets focus on the retail and consumer sector. We are experts at pricing, sales and share, and consumer perception in sectors such as apparel, grocery and CPG. The combination of these unique data sets can support your own predictions of the financial health of a company and help you track key measures that could influence performance of your stocks.

**The following case studies uses our proprietary data sets for apparel (WGSN Instock and WGSN Barometer) to analyse the business strategies of some leading brands.**



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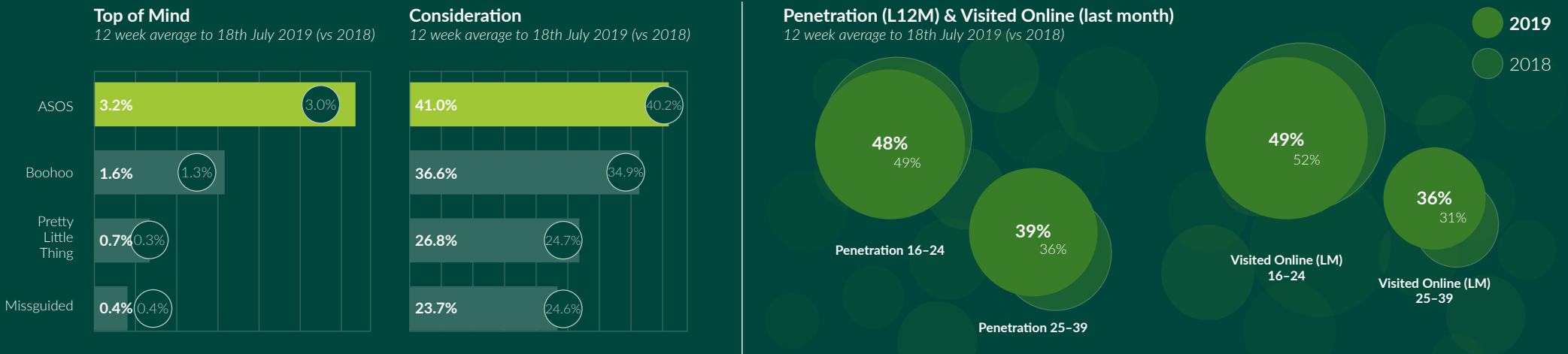
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## ASOS

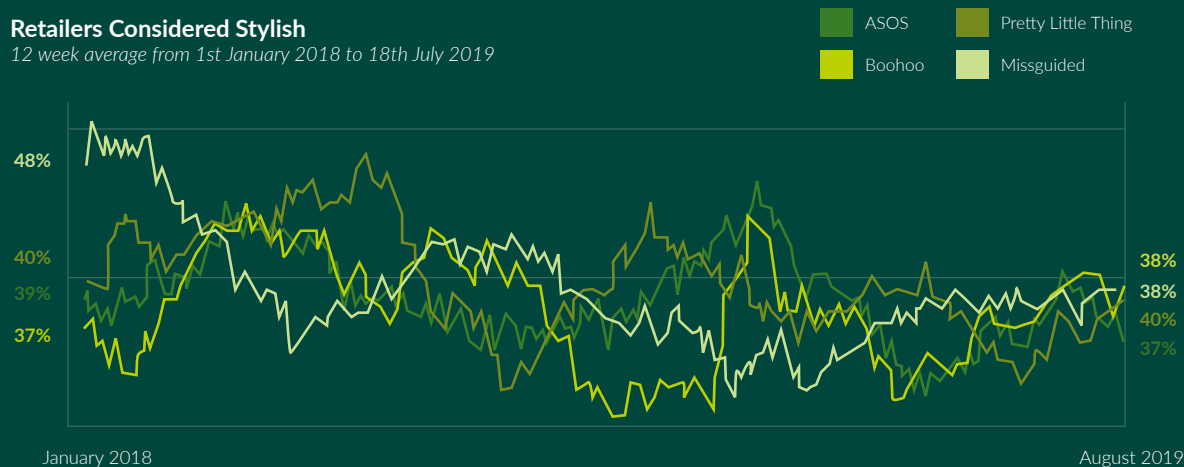
SOURCE: WGSN BAROMETER

- As the online clothing market matures, **ASOS has focused on areas of differentiation**. Introduction of the "Responsible" filter has seen **perceptions of Inclusivity increase 3.4pp YoY**. While ASOS' Virtual Catwalk has helped **perceptions of Innovation increase 2.6pp YoY**. And, with an **increased focus on digital and influencer marketing**, perceptions of Youthfulness have grown 5.4pp YoY. This is impressive given **ASOS' more mature position in the market**, but the brand will need to maintain marketing momentum to maintain its position in the face of heavy competition.
- ASOS's style perceptions have become eroded as **younger, targeted brands increase presence** in the online space. Consumers are also **increasingly considering these fast fashion retailers**. Despite this, ASOS has **maintained its established demand** and are still Top of Mind with UK consumers. Whilst ASOS is currently maintaining a **strong position within the market**, it is important it continues to distinguish itself from the competition through a **strong product offer** and **effective communication** with consumers.
- ASOS shows **strong demand among 25-39s YoY**, who have grown up with the retailer (**Visits Online up 5pp YoY and Penetration up 3pp YoY**), while these metrics amongst 16-24s have dipped YoY. This needs to be a focus area for ASOS if it is to **stay relevant to this key demographic**. Initiatives such as its Gen Z targeted 'Collusion' range have shown good momentum and should **become a bigger focus** of its own-brand range.



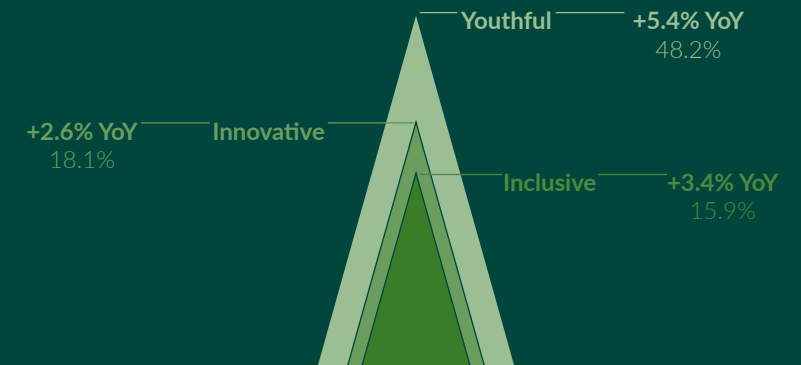
### Retailers Considered Stylish

12 week average from 1st January 2018 to 18th July 2019



### Consumers who consider ASOS as 'Youthful', 'Innovative' & 'Inclusive'

12 week average to 18th July 2019 (vs 2018)



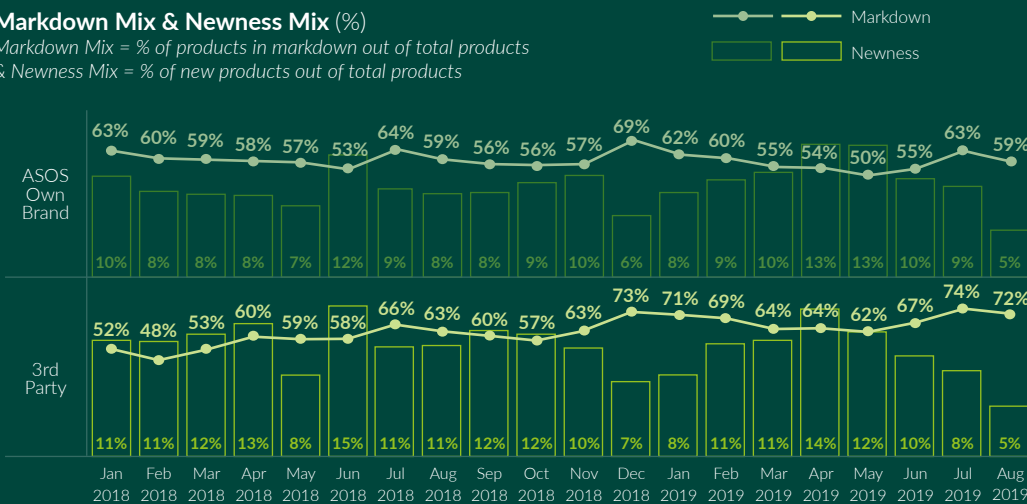
## ASOS

SOURCE: WGSN INSTOCK

- Increased discounting has been a problem for ASOS. 3rd Party markdown mixes have been **steadily increasing** over the past 18 months, impacted by **reactive discounting**. In contrast, **markdowns have been steady** across ASOS' own brand product. As brands are the majority of its assortment, it has **impacted ASOS' overall markdown**. ASOS will need to ensure it **stabilises 3rd Party markdown** and that its own brand assortment does not follow suit.
- ASOS has **maintained inventory control** through its own brand product; introducing more % of newness in own brand, particularly with the **successful ASOS Design and Collusion ranges**. ASOS own brand also comprises of many core products, which has helped **maintain low levels of new-in markdowns**. To counteract the high levels of 3rd Party newness in markdown (peaking at 32%) ASOS should continue to **focus on introducing more own brand product**. Whether this is through already successful ranges, or core collections where there is the chance to **test and repeat product with minimal risks**.
- ASOS has **greater depth and breadth** of the assortment available in the UK, both across Own Brand & 3rd Party. As ASOS' focus shifts towards the **range and depth of product on offer, merchandising and communication to the consumer will be key**. Particularly within own brand core product, as this will be a way to **excite the customer** and **keep the assortment feeling fresh**.

### Markdown Mix & Newness Mix (%)

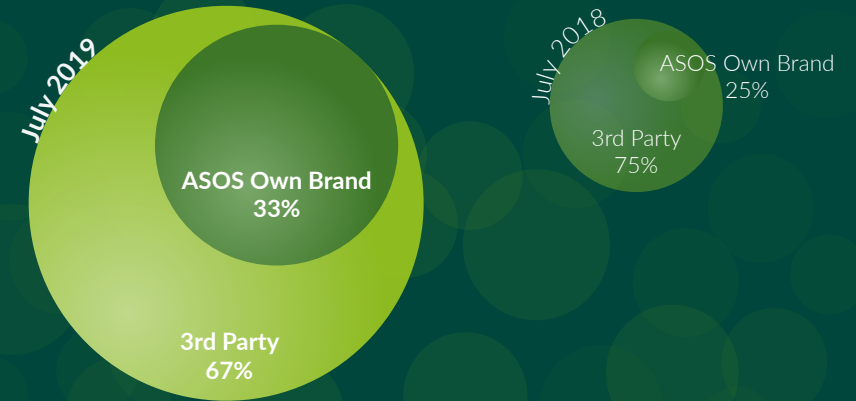
Markdown Mix = % of products in markdown out of total products  
& Newness Mix = % of new products out of total products



### Newness Mix (%): ASOS Own Brand & 3rd Party

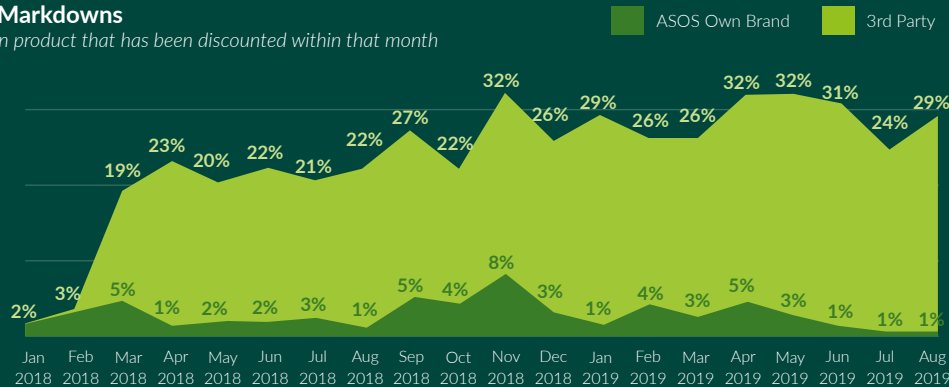
July 2019 vs LY

% of new products that are own brand/3rd party out of total new in products



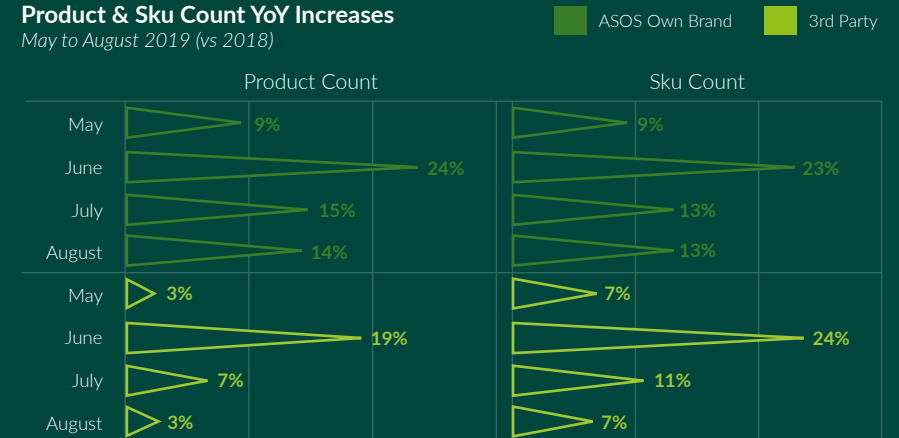
### New In Markdowns

% of new in product that has been discounted within that month



### Product & Sku Count YoY Increases

May to August 2019 (vs 2018)



Source: WGSN Instock

All data refers to UK ecommerce websites. Please note all August 2019 data is up to (and including) 14th August 2019.

## UNDER ARMOUR

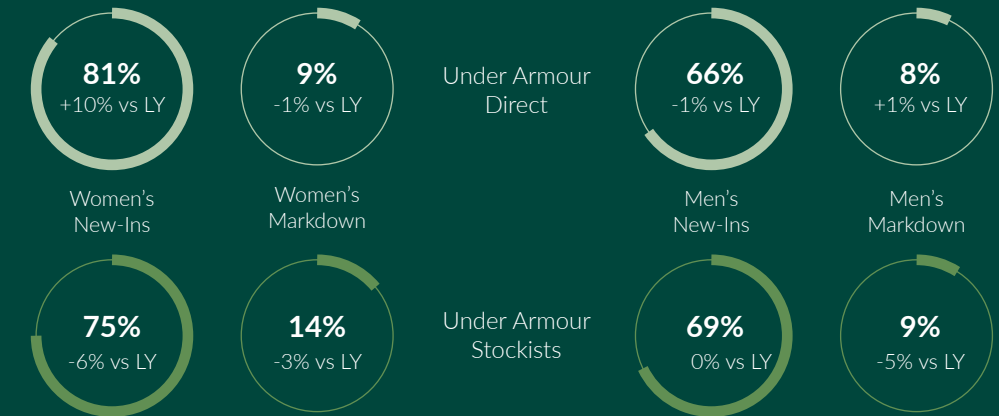
SOURCE: WGSN INSTOCK

- Under Armour has **reduced inventory levels** across its Direct channel, creating a more streamlined, targeted assortment.
- While the same amount of stock is in markdown YOY at UA Direct (women's and men's MD mix YOY is down 1pp) - the **depth of Markdown** has reduced, as shown by the **increased ASP** and change in average % discount YOY. This is in direct contrast to UA stockists who have **increased Markdown %** and **reduced ASPs**.
- The shift in UA Direct's 'New In' ASPs is in contrast to UA Stockists, and highlights UA's strategy to focus on a more premium customer. UA Direct has also increased newness more in womenswear (up 10pp YOY) than menswear (up 1pp YOY) as it focuses on targeting its female customer base more effectively.

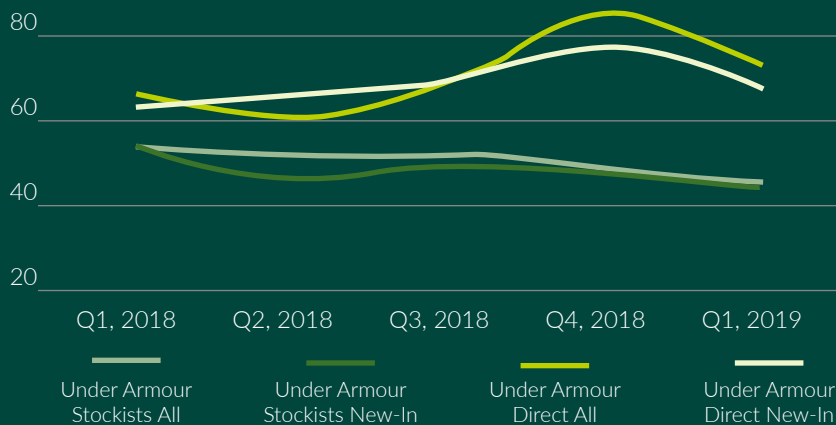
Under Armour Direct: % Difference in Inventory Levels in Q1 2019 YOY



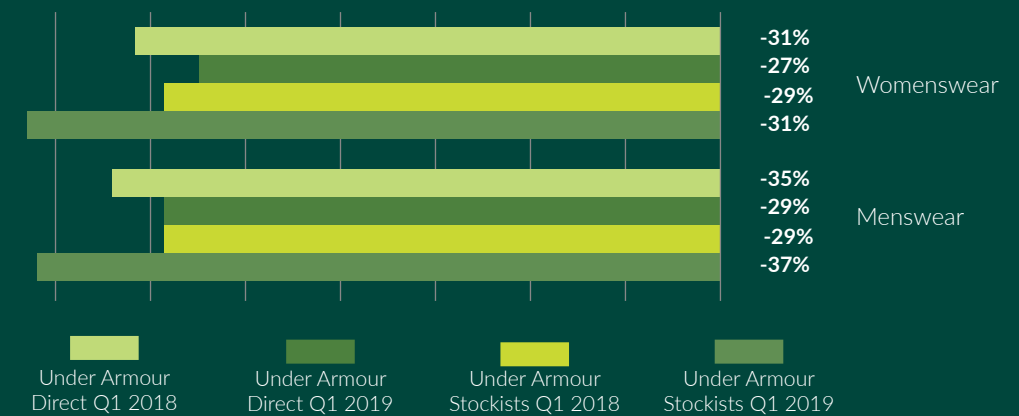
Product Mix % Differences Q1 2019 YOY



Under Armour Direct & Under Armour Stockists: ASPs



Markdown Depth Q1 2019 YOY



## UNDER ARMOUR

SOURCE: WGSN BAROMETER

- Consumers are now seeing Under Armour as a more **premium, innovative** and **expert** brand in comparison to last year, aligning with their strategy to appeal to a more **premium customer**. Perceptions of Under Armour as **'Worth Every Penny'** have also increased – indicating consumers increasingly see value in the brand.
- More female consumers are shopping with Under Armour on a YOY basis (**penetration is up 4.8%**). Sentiment towards the brand has also seen an increase (**preference is up 1.2%**). Though change in sentiment is marginal, this early sign is encouraging as sentiment shift is often a more gradual move.
- On a YOY basis, more women are likely to buy products for themselves at Under Armour – indicating they have **greater investment** in the brand. It also suggests the current product range is more appealing to women on a personal level – an early testament to Under Armour's recent focus on womenswear.

### Premium Perception | Under Armour vs peers

Q1 2019



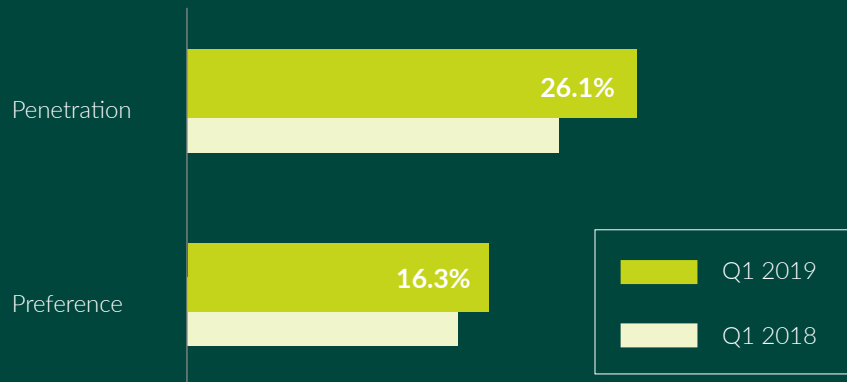
### Under Armour | Key Brand Images

Q1 2019 vs Q1 2018



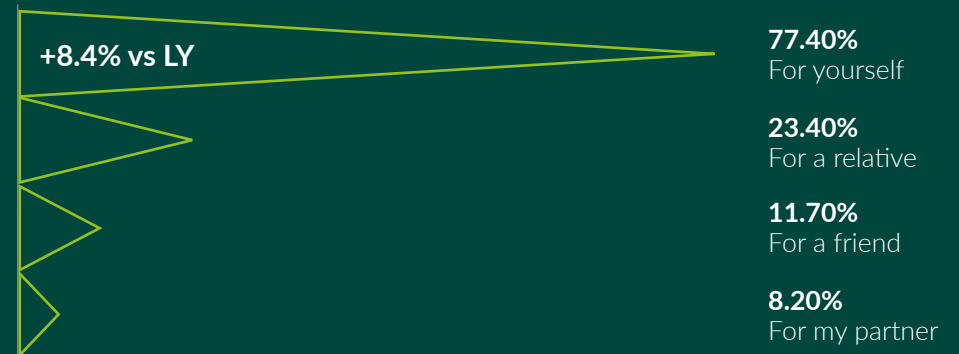
### Under Armour: Penetration & Preference

Q1 2019 vs Q2 2018



### Under Armour | Who Shopping For

Q1 2019



## LEVI STRAUSS - US

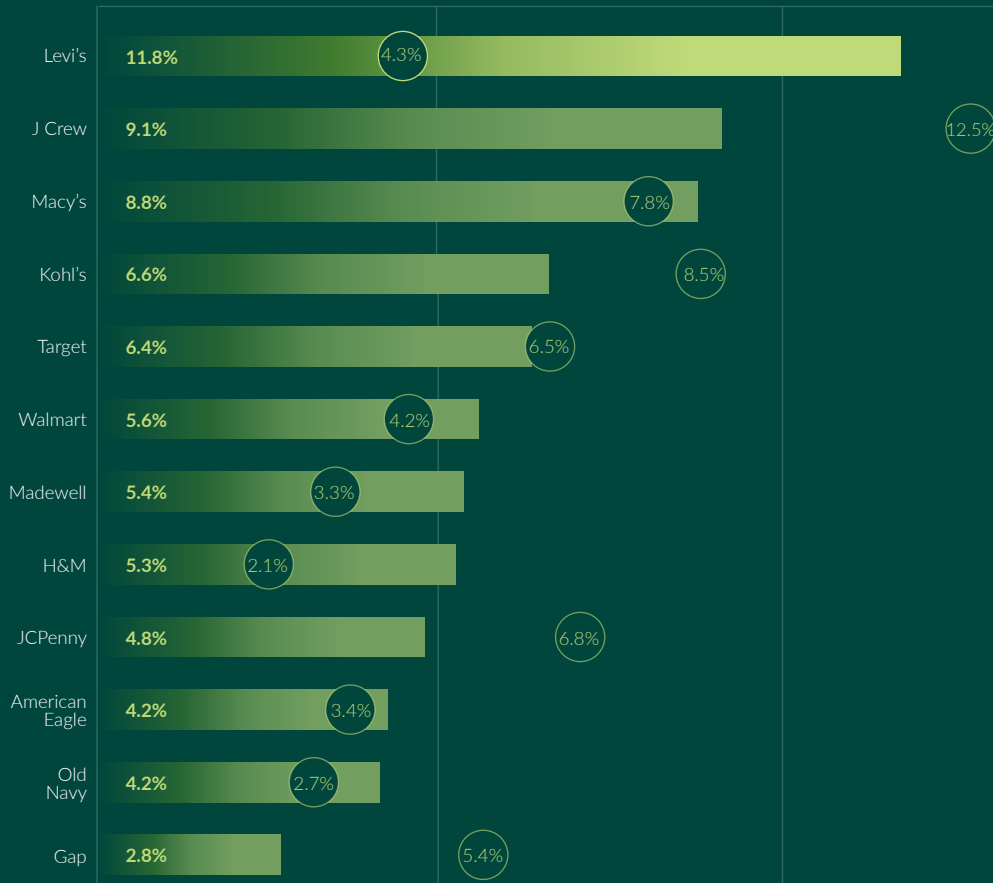
SOURCE: WGSN BAROMETER

- Brand health metrics for Levi's are increasingly strong across the board. Encouragingly, **Positive Buzz around Levi's continues to increase** among 16-39s – a demographic the brand previously acknowledged it was struggling in. To re-engage young consumers, Levi's reframed its marketing strategy to include brand and influencer collaborations.
- Our metrics show the resultant **positive buzz generated around Levi's is more impactful** and has led to **Penetration and Love increases** - indicating the brand is **gaining relevance again with the 16-39s**.
- Through this targeted communication, Levi's has succeeded in making its heritage-led brand relevant again with 16-39s. **It is ranked strongly amongst retailers considered 'Expert'** (up 7.8pp vs LY).
- Levi's lifestyle messaging has also helped **drive perceptions of 'Classic'** (+11.6pp vs LY) and **Trusted** (+9pp vs LY). By **recapturing such sentiments with younger consumers**, Levi's can now continue to strengthen its brand equity among a new generation of shoppers, positioning it well for the future.

### Retailers considered 'Expert'

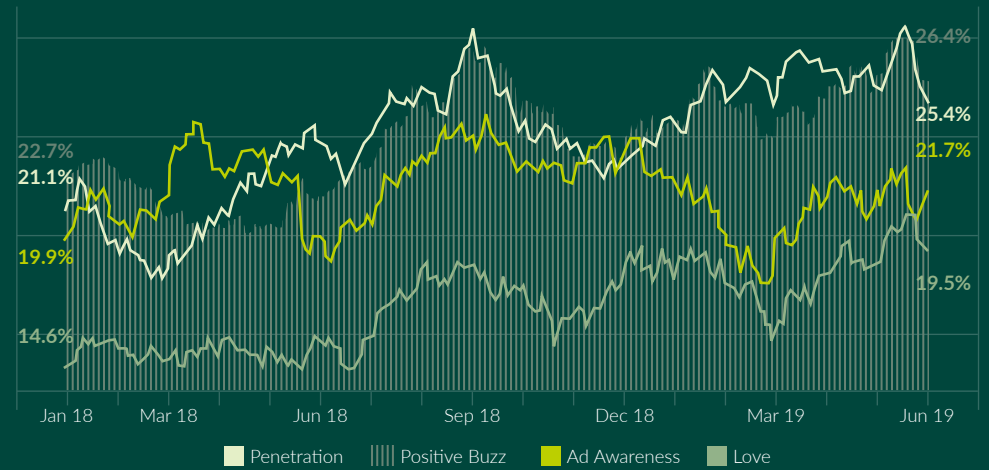
26 week average to 30 June 2019 (vs 2018)

■ 2019 ○ 2018



### Penetration (last 12 months), Positive Buzz, Advertising Awareness & Love

12 week average from 1 January 2018 - 30 June 2019



### Consumers who consider Levi's as 'Classic', 'Quality' & 'Trusted'

12 week average to 30 June 2019 (vs 2018)

■ 2019



## LEVI STRAUSS - US

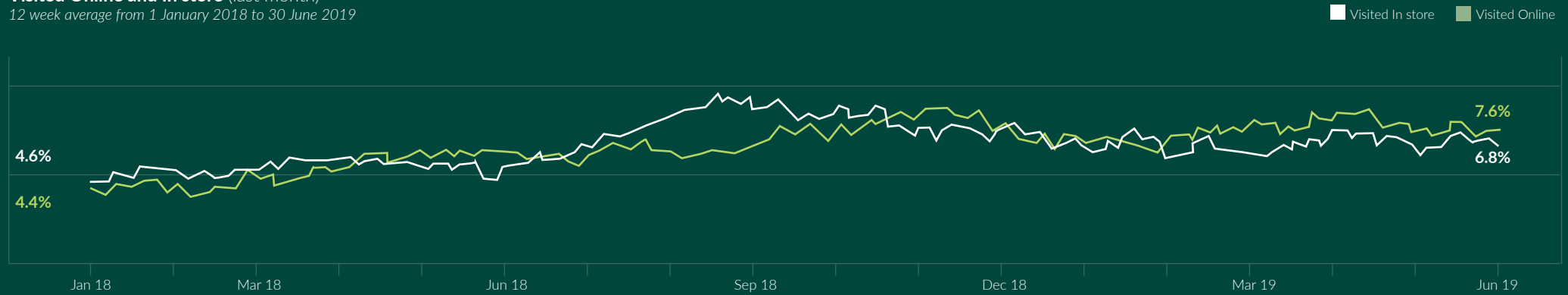
SOURCE: WGSN BAROMETER

- Levi's bid to become a world class omni channel retailer appears to be working as **both instore and online visits are on the rise**. Consumers are **visiting for both newness and replenishment purchases** – underlining the **effectiveness of Levi's current product offer**. A classic core offer has been made relevant again through **targeted lifestyle-led advertising** and has boosted the % of 16-39s visiting to replace an item.

Conversely, range diversification into casualwear is also driving this younger consumer to shop for newness (up 3.3pp vs LY). Levi's increased ad spend, has generated **more effective advertising which is driving more visits YoY**. While overall ad awareness has stayed stable, 7.7% of 16-39s visited Levi's having seen an advert (up 6.6pp vs LY).

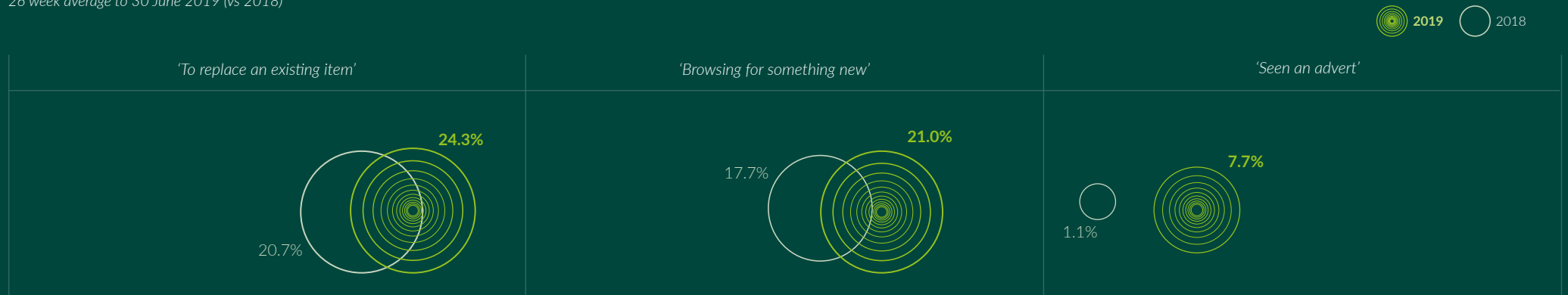
### Visited Online and In store (last month)

12 week average from 1 January 2018 to 30 June 2019



### Visit Reasons

26 week average to 30 June 2019 (vs 2018)



## LEVI STRAUSS-US

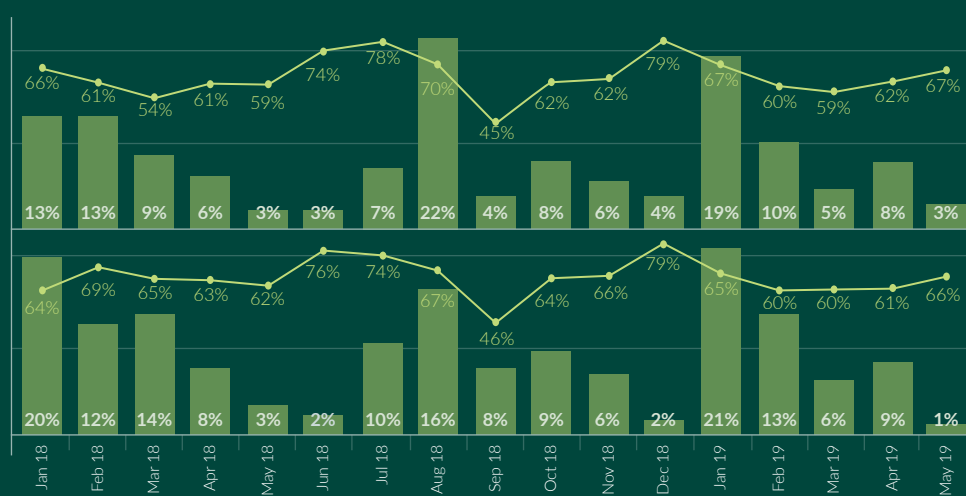
SOURCE: WGSN INSTOCK

- Levi's direct to consumer success and sales growth across menswear and womenswear is underpinned by a **consistent newness and markdown strategy**. Despite the presence of heavy discounting within the industry, **Levi's markdown mix in Q2 2019 is steadier vs Q2 2018**, a sign of their healthier inventory. While there have been struggles in US Wholesale, Levi's have held their nerve and **maintained direct to consumer demand** without heavily discounting.
- With the success of menswear amongst their profitable core, there has been little movement in product and Sku counts H1 2019 vs LY. However, as Levi's looks at diversifying Womenswear, this is where a shift in their strategy is visible - particularly in product depth. Womenswear product count is level vs LY, however SKU count is up 30%. A deep dive into 3 key categories - the success of Shorts at Coachella, casualwear expansion through Tops and and their staple category of Jeans - we can see a sensible approach being applied as they expand on already successful ranges through SKU newness - without diversifying too wide, too soon.
- Levi's has generally **maintained a level markdown** approach over the last 18 months, though there has been an increase of 6pp YoY. However, Levi's have really suffered with their stockists who have **increased markdown mix by 10pp** (vs Jan-May LY), and **off-price stockists by a whopping 27.5pp**. Considering this, Levi's strategy of taking a **more strategic approach to wholesalers** seems eminently sensible if it is to maintain brand equity and a **strong brand image amongst** consumers.

### Markdown Mix & Newness Mix (%): Levi's Direct

Markdown Mix = % of products in markdown out of total products  
& Newness Mix = % of new products out of total products

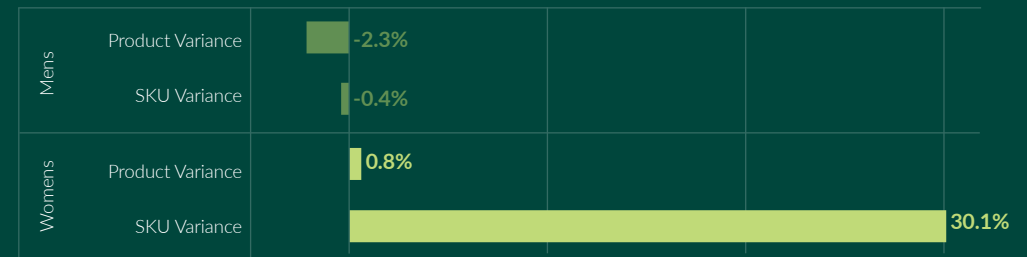
■ Markdown Mix %  
■ Newness Mix %



### Product & SKU Count Variances (%): Levi's Direct

H1 2018 vs H1 2019

■ Mens  
■ Womens



### Womens Category Variances (%): Levi's Direct

Sku & Product Count Variances - H1 2018 vs H1 2019



### % Mix Variances

Jan-May 2019 vs LY

Newness Mix (%) Variance

Markdown Mix (%) Variance

Category	Newness Mix (%) Variance	Markdown Mix (%) Variance
Levi's Direct	0.0%	6.0%
Levi's Stockists	3.0%	10.0%
Levi's Off Price Stockists	-0.7%	27.5%

Source: WGSN Instock

All data refers to US ecommerce websites. Levi's Stockists include Levi's product at all tracked retailers. Levi's Off Price Stockists include Neiman Marcus Last Call, Nordstrom Rack, Saks Off 5th & TJMAXX



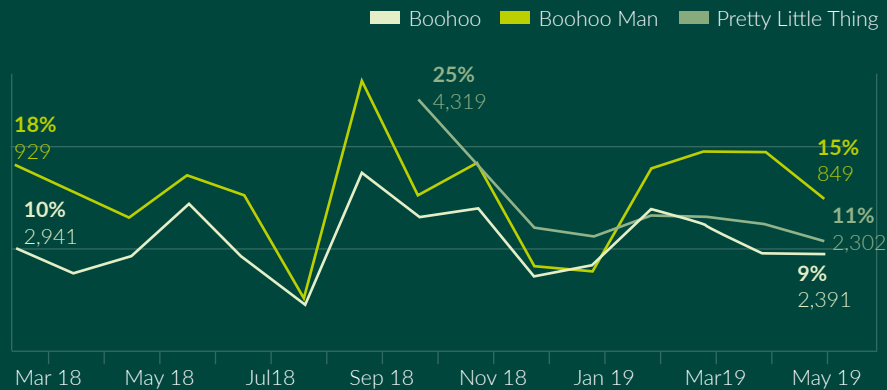
# BOOHOO

SOURCE: WGSN INSTOCK

- Across both mens' and womens' Boohoo introduces new product in a similar pattern (newness mix %). Our data shows that while the **overall product count has increased** by 4% YOY, the SKU count has increased by a **higher rate of 10% YoY**. This underlines Boohoo's stated strategy of moving towards a **deeper product assortment**, to improve the offering to the consumer and help **drive more sell-throughs**.
- Markdowns continue to dominate Boohoo's strategy. Almost all of womenswear is now available on discount at some point in each month – driven by more **frequent promotions** and **short-term** discounts, a strategy that the brand appears to have favoured Nov 2018 onwards. In direct contrast, PLT is taking a **less discount-driven approach** – steadily reducing its markdown mix from the beginning of the year, **driving stronger margins**.

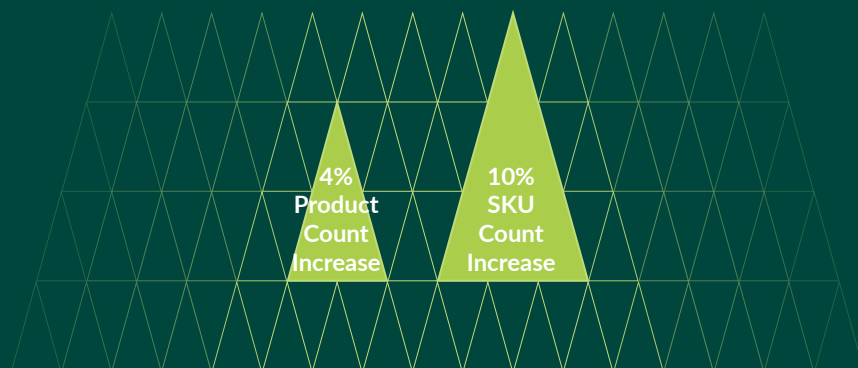
## Newness Mix (%)

Newness = % mix of new products out of the brand's total products



## Overall Stock Increases: Boohoo

May 2019 vs May 2018



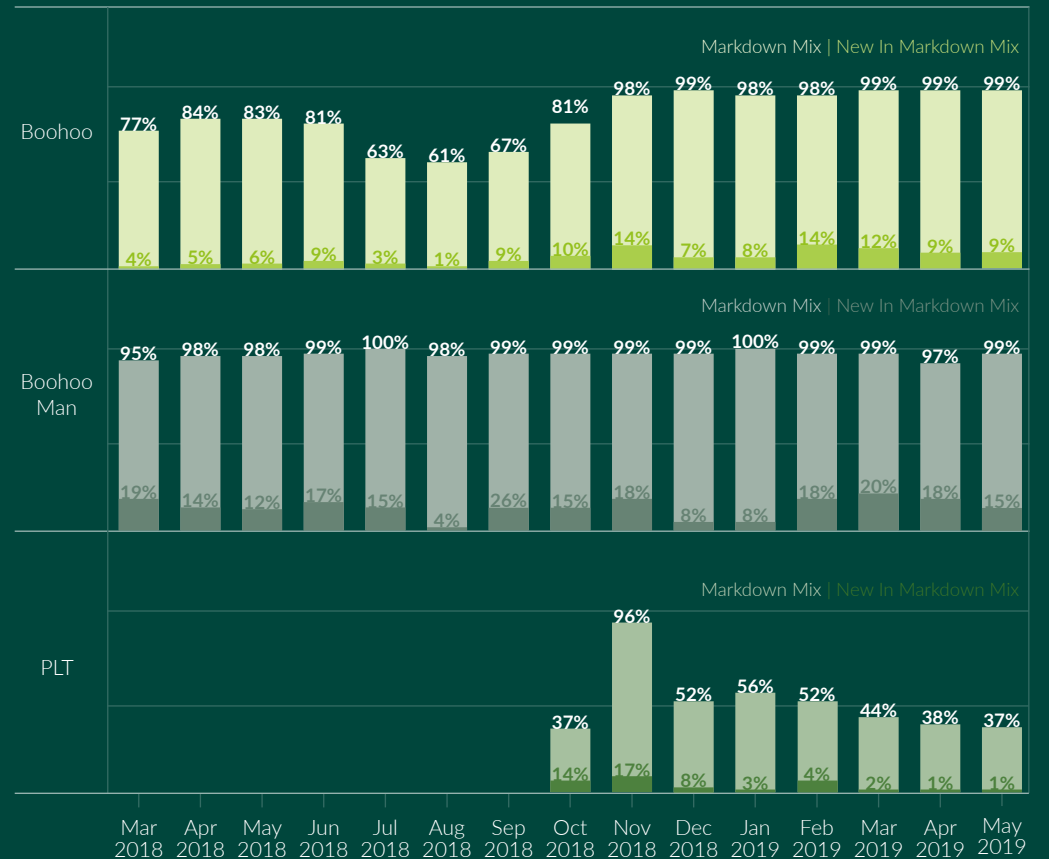
Source: WGSN Instock

All data refers to UK ecommerce websites. Please note we only started tracking PLT in September 2018. Pretty Little Thing has been abbreviated to PLT throughout.

## Markdown & New In Markdown Mix

Markdown mix (% of products in markdown out of total products) &

New In, Markdown mix (% of new in markdown products, out of total products)



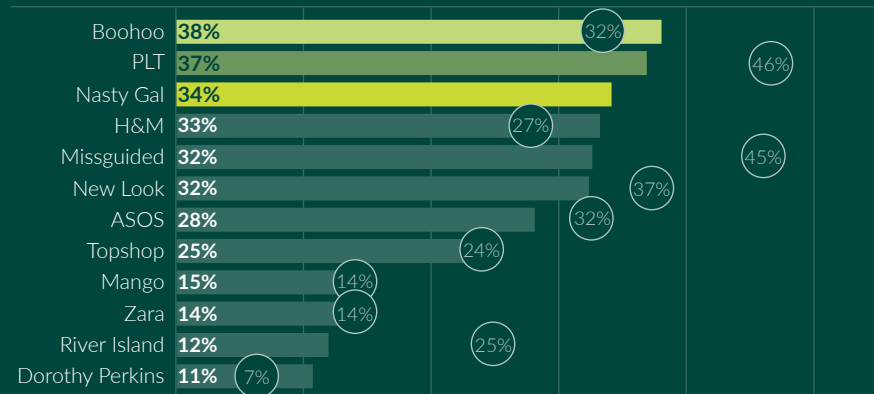
# BOOHOO

SOURCE: WGSN BAROMETER

- Boohoo's stable of brands ranks highly among 18-34s. In line with Boohoo's stated strategy, consumers perceive Boohoo, Pretty Little Thing (PLT) and Nasty Gal as **Fun & Exciting** – ahead of their closest fast fashion rivals. Despite PLT's drop in Fun perception YoY, it is still **highly ranked**. **Nasty Gal's positioning is especially impressive** given the brand is still relatively unknown in the UK – a testament to Boohoo's aggressive marketing strategy around the brand.
- 18-34's visit reasons for the individual brands is clearly **reflective of their different strategies**. YoY, more consumers are heading to Boohoo because they've got a sale on. However, in contrast, visits to PLT are increasingly **less driven by markdowns**, as the brand has reduced discounting YoY. Encouragingly, this has had **no impact on overall visitation**, which is up 8pp YoY.
- Overall brand health metrics for the three brands are strong. Well-established **Boohoo remains fairly stable** YoY among 18-34s **consideration, love and penetration**. On the other hand, PLT is a standout star – with both penetration and consideration increasing underlining customer acquisition YoY, while it's love levels have outstripped Boohoo – indicating it is **building a strong connection with 18-34s**.

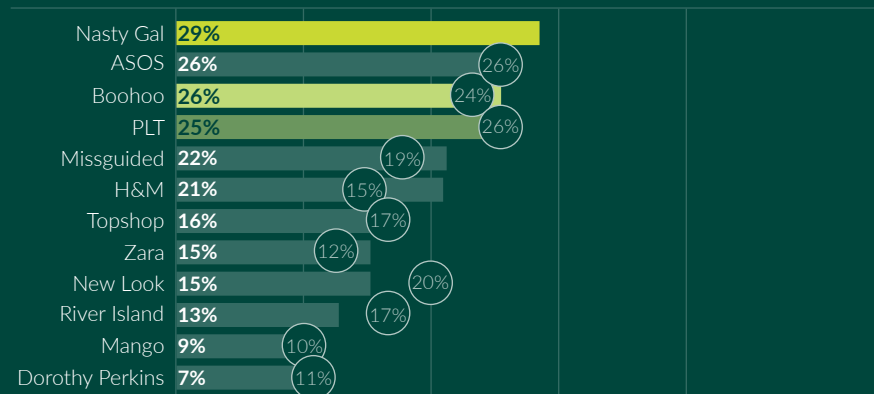
## Retailers considered 'Fun'

12 week average to 31 May 2019 (vs 2018)



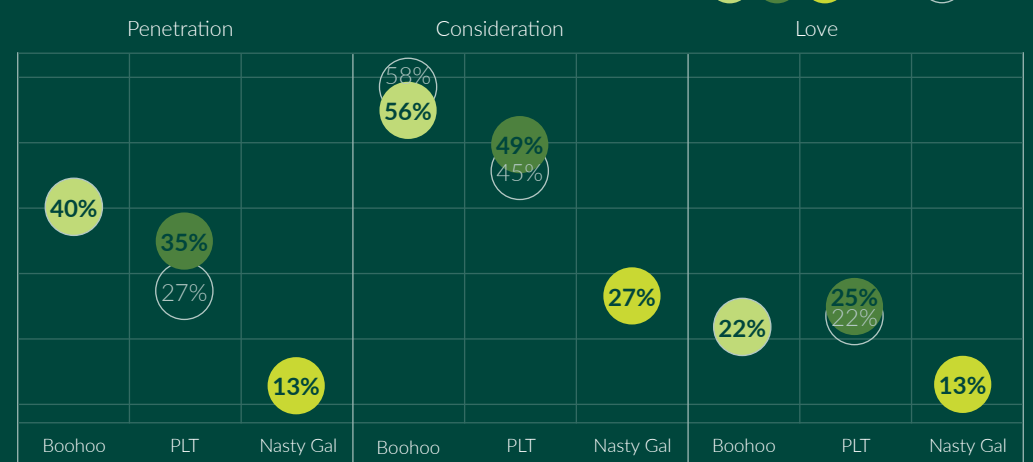
## Retailers considered 'Exciting'

12 week average to 31 May 2019 (vs 2018)



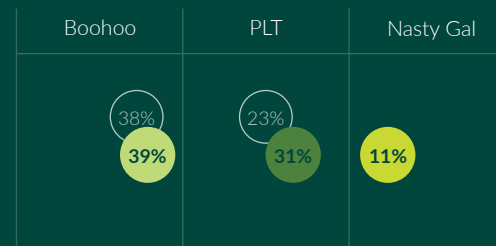
## Penetration (last 12 months), Consideration & Love

12 week average to 31 May 2019 (vs 2018)



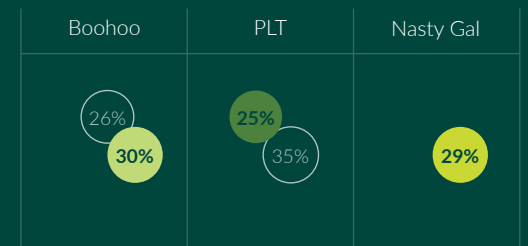
## Visited Online (last month)

26 week average to 31 May 2019 (vs 2018)



## Visit Reason: The store had a sale on

26 week average to 31 May 2019 (vs 2018)



Source: WGSN Barometer

All data refers to UK female consumers aged 18 - 34. Please note we do not have comparable May 2018 data for Nasty Gal, as we only started tracking them in July 2018.

Pretty Little Thing has been abbreviated to PLT throughout.

2019 2018