

In order to revise a plan for COVID-19 situation, some assumptions need to be made.

COVID - 19 ASSUMPTIONS:

1. There would be some occasional lock-downs or curfews.
 2. Logistics might get shut down.
 3. Economy in downturn
 - a. Income effect
 - b. Discontent workforce
 - c. Political conflicts
 4. Inflation from economics boosts policy.
-

Assumption#1: There would be some occasional lock-downs or curfews.

Expectations:

1. frozen product might get temporarily boosted from ppl preparing for lockdown
2. Might see some change in HOBBIES since ppl are stuck at home and need to relax
3. Might see some change in HOUSEHOLD since ppl are stuck at home and use more supplies
4. Store might close earlier during curfews

Changes in Analytics:

1. Take in account the temporarily change in shopping behavior
 - Any irregular changes in product sold patterns during COVID-19 have to be noted as a special situation.
 - Lower product sold and lower revenue are expected from the lockdown and curfews
 - YoY or QoQ analysis has to expect some dramatic change rate.
-

Assumption#2: Logistics might get shut down

Expectations:

1. Some items might be able to restock

Changes in Analytics:

1. If some item sales vanished during this period, we need to check the stock before conclude that the item just don't sell

Strategy Suggestion:

1. Make sure that all of the best sellings are well stocked (see the presentation slide #34).

Assumption#3: Economy in downturn

Expectations:

1. Some people at risk might lose their jobs, and, in turn, their income.
2. Coupled with the curfews and lockdown, we might see significantly lower sales.
3. There might be some protest, or dramatic changes in the government policy
4. There should be some subsidy policy from the government.

Changes in Analytics:

1. Expected a significantly lower revenue.
2. Expected a higher utilization of SNAP coupon

Strategy Suggestion:

1. Make sure that SNAP compatible product are well stocked
 2. Adding cheaper products to the stores.
 3. Reserve some cash in case of any emergency.
-

Assumption#4: Inflation from economic boosts policy

Expectations:

1. Higher product buying cost
2. Higher product selling price
3. Cost fluctuation in imported products

Changes in Analytics:

1. Some producers might halt their production.
 - If some item sales vanish, we need to check the stock before concluding that the item just doesn't sell.
2. Sales value and count will change due to the price change
 - Have to regards product price change from the inflation in the analytics
 - We could use this opportunity to learn a lot about ["elasticity"](#) of each product.

Strategy Suggestion:

1. If applicable, using contract buying to stabilize the cost
2. Using Forward or Future contracts to stabilize the cost of applicable products.