

Abstract

The recent explosion of product management in consumer packaged goods has highlighted the importance of product assortment decisions. In particular, firms are increasingly faced with the decision of which products to delete from distribution. Upon reflection, there are both strategic and tactical dimensions to this decision. Strategic approaches focus on the development of optimal product assortments as the basis for deletion decisions. Tactical approaches address incremental (i.e., item-by-item) decisions whether to delete any product, and if so, which product.

This thesis focuses on tactical approaches and proposes using Analytic Hierarchy Process (AHP) as a systematic and analytic tool that helps to quantify the managerial judgments in identifying the candidates for product deletion. Supported by a practical case study, which illustrates how AHP can be beneficial in quantifying both financial and non-financial product performance rankings for managers' easier understanding and higher transparency of product deletion decision-making.

Keywords: *Product Deletion; Product Elimination; Analytic Hierarchy Process (AHP); Multiple Criteria Decision Making (MCDM) Problem*