

Gain Control: Demantra Real-time Sales & Operations Planning Solutions

*An Oracle White Paper
Updated September 2006*

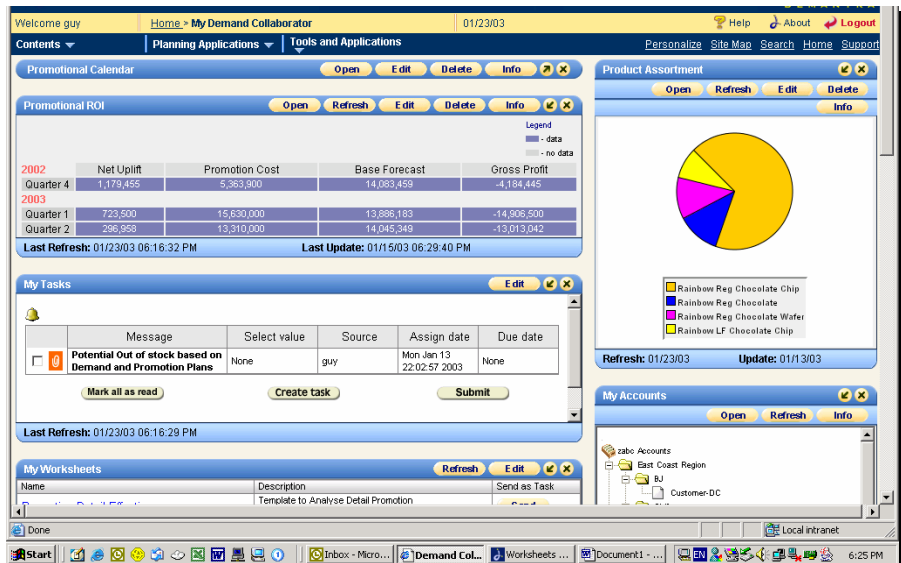
Gain Control: Demantra Real-time Sales & Operations Planning Solutions

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EXECUTIVE OVERVIEW

For all the money spent on enterprise resource planning (ERP), data warehouses, and other planning systems aimed at supporting the management decision-making process, corporations have not seen much improvement in the most fundamental of corporate planning processes—sales forecasting and revenue planning. Despite billions spent on hardware, software, and maintenance of large corporate data centers, managers still do most of this planning with spreadsheets and reports.

Oracle's Demantra Real-time Sales & Operations Planning solutions are helping companies harness this information technology investment to provide managers with tools to develop precise forecasts and revenue plans based on existing demand. More importantly, they give managers the ability to continuously monitor performance to plan and make timely adjustments using predictable promotion events to close the gaps between the current plan and financial goals. Every morning managers can have updated key performance indicators (KPIs) based on yesterday's sales on their desktops—along with alerts on all plan changes for next week, next month, or next quarter, and the tools needed to take action.

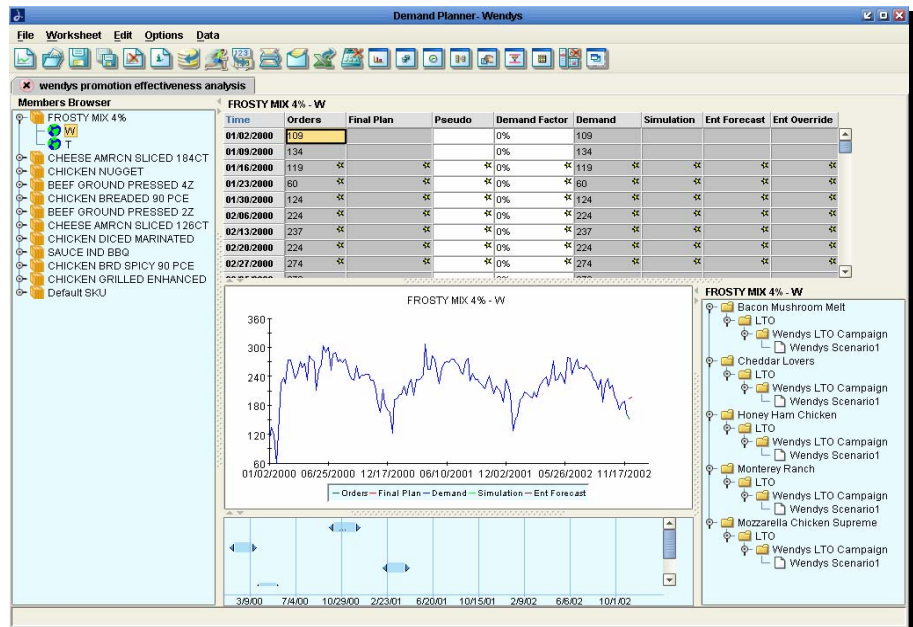


The Collaborator Workbench provides role-based access to all tasks, worksheets, and metrics.

INTRODUCTION

Demantra planning solutions allow your computers to grind through billions of datapoints to uncover trends, interrelationships between products and customers, and the many other factors that confound even the most experienced managers in developing accurate sales forecasts.

The information you need to develop more accurate sales forecasts, turn these into predictable revenue plans, and help managers steer the organization toward these goals is already stored in your corporate data center or available through the internet. Oracle's Demantra planning solutions leverage the tremendous advances in hardware, software, and network technologies that have occurred over the last several years to break down the daunting process of sales and operations planning into manageable tasks. They allow your computers to grind through billions of data points to uncover trends, interrelationships between products and customers, and the many other factors that confound even the most experienced managers in developing accurate sales forecasts. Factors that managers recognize, but to-date have been unable to pin down without poring over reports and assembling numerous custom spreadsheets.



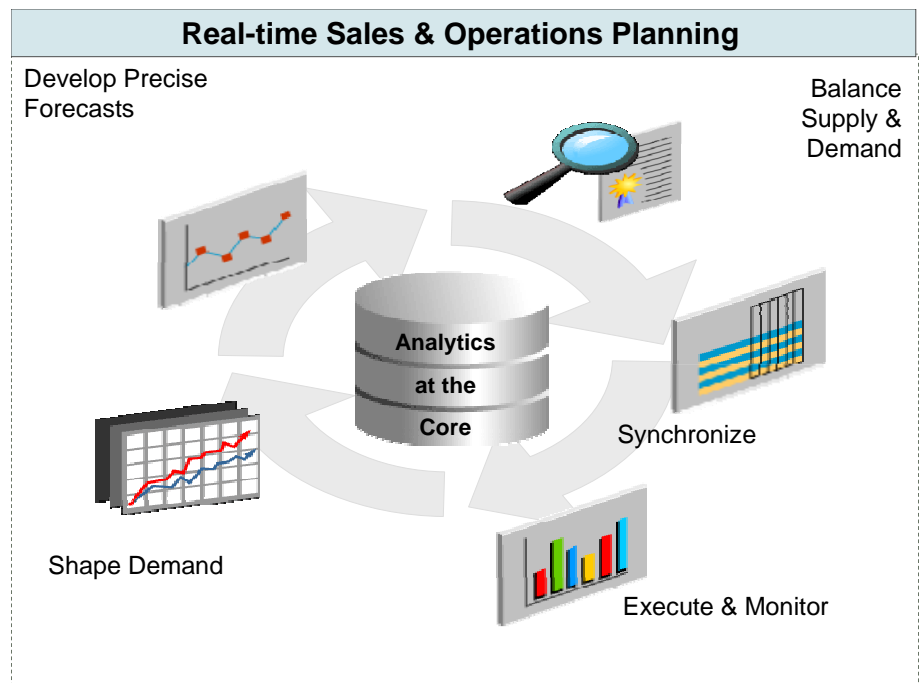
Demantra Demand Planner Web promotion effectiveness analysis report helps managers develop accurate sales forecasts.

Combining top-down, bottom-up, and middle-out planning, Demantra Real-time Sales & Operations Planning solutions help managers from finance, sales, marketing, and operations develop and reconcile accurate financial budgets, sales forecasts, and supply chain plans. Cross-functional planning is the cornerstone of Oracle's Demantra planning solutions. The solutions can be configured to support the following business functions:

- Sales and operations planning
- Sales account planning with trade promotion management

- Demand management
- Collaborative planning, forecasting and replenishment
- Demand-driven, warehouse or store-level, vendor-managed inventory (VMI) programs

Best of all, these planning solutions are designed to leverage existing investments in Oracle EBS, E1, Advanced Planning or third-party ERP and supply chain systems and to extend current systems' capabilities into management levels of the organization not currently supported by ERP. This minimizes functional redundancy and simplifies both data and business process integration.



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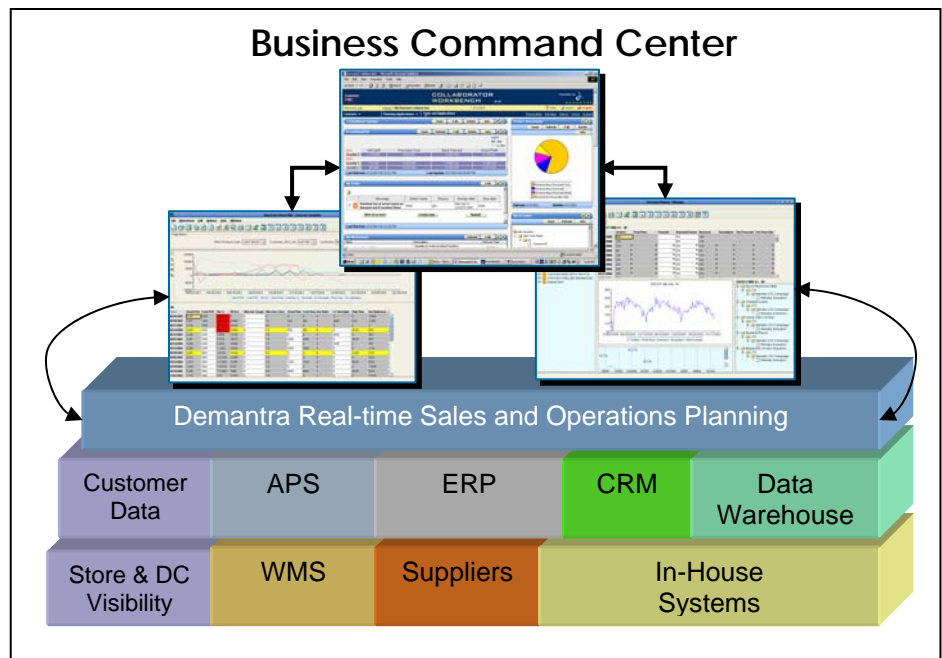
Manage Forecasting and Planning from a Single Screen

Imagine having all relevant information pertaining to your business compiled on a single screen. With Demantra Real-time Sales & Operations Planning,, field and headquarter personnel in sales, marketing, operations, and finance can easily access and evaluate sales volume and unit forecasts, measure actual performance to plan, and monitor the current progress of promotion and merchandising programs. At the same time they can easily reference the profitability and status of revenue plans. Demantra Real-time Sales & Operations Planning starts by providing managers with the most accurate forecasts, in the format and level of granularity they find most useful.

Demantra planning solutions start by providing managers with the most accurate forecasts, in the format and level of granularity they find most useful.

- Sales forecasts can be presented in dollars and units, by territory and key account.
- Financial budgets can be rolled up by organization based on SKU-level sales projections.
- Marketing plans can be viewed by product family, category, brand, or promotion program.
- Trade fund budget can be allocated over detailed account structures based on precise accrual rates.
- Supply chain plans can be presented by SKU, by location.
- Point-of-consumption forecasting and replenishment can be based on granular, localized data including point-of-sale (POS) data.

Demantra Real-time Sales & Operations Planning applies your business rules to base sales and revenue forecasts to help managers uncover potential problems long before they lead to a missed quarter or an irate customer. Top-down and bottom-up planning validates the sales forecast against the products you need to sell to reach your revenue goals. A unique capability called middle-out planning allows regional and department managers to create their piece of the corporate plan and validate it by comparing the bottom-up planning with their contribution to the overall corporate goal. The result is a one-number plan that everyone can stand behind.



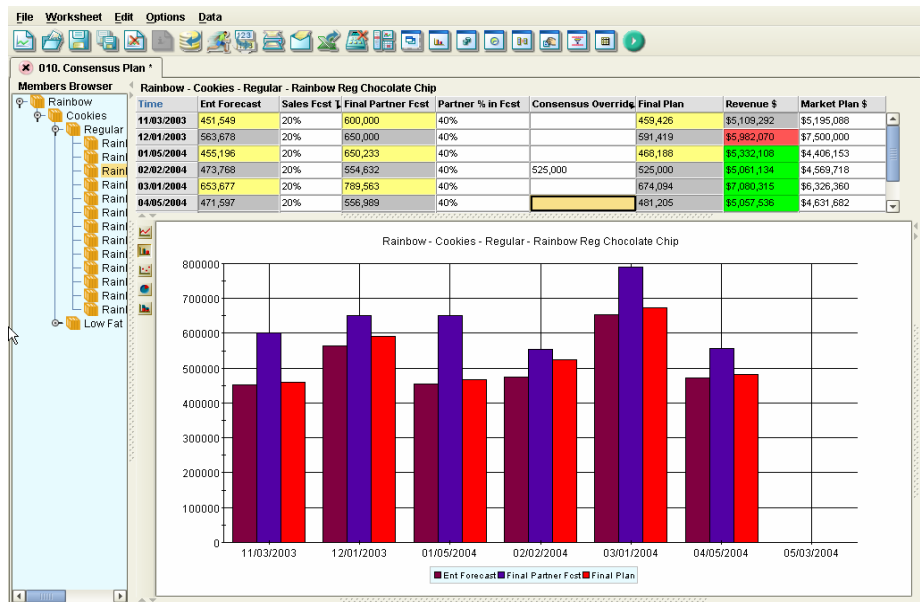
Demantra planning solutions continuously monitor current sales, consumption data, shipments, and shifts in demand on a daily or weekly basis.

Precision Forecasts and Alerts Create an Early Warning System

Empowered with the capability to refine forecasts daily or weekly based on continuous monitoring of consumption and promotional activities, integrated analytics are capable of detecting shifts in demand from multiple sources.

No plan can anticipate every potential twist and turn in the business world, so Demantra Real-time Sales & Operations Planning continuously monitors current sales, consumption data, shipments, and shifts in demand on a daily or weekly basis. Intelligent exception processing is used to identify problems before they become revenue shortfalls weeks and months into the future. This exception process generates alerts that are immediately routed, based on predefined workflows, to the individual(s) responsible for resolving the problem. Each alert comes complete with a worksheet that provides details on the problem with lots of “need-to-know” information from other systems to ensure a quick resolution. Alerts appear in the Collaborator Workbench that serves as the hub of Demantra Real-time Sales & Operations Planning. In addition to alerts, the Collaborator Workbench provides role-specific, custom-configured worksheets and reports, KPIs, and other user-defined information, including promotion calendars, key account status, and inventory status.

The powerful combination of precise forecasts, exception processing, and collaboration means that Demantra Real-time Sales & Operations Planning also serves as an early warning system to detect gaps between annual goals and current operating plans. Empowered with the capability to refine forecasts daily or weekly based on continuous monitoring of consumption and promotional activities, integrated analytics are capable of detecting shifts in demand from multiple sources, including unexpected consequences of promotion events, such as forward buying or cannibalization, or evolving market conditions and opportunities.



Oracle's Demantra planning solutions serve as an early warning system to detect gaps between annual goals and current operating plans.

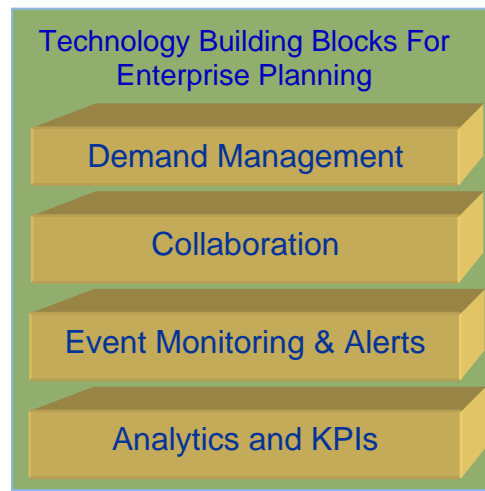
The same business modeling capability supports both the analysis of external and internal demand. This allows large global enterprises to build sales and operations planning processes that support unique, detailed forecasts and planning by each division—with the capability to aggregate all these plans into a global, one-number plan.

Collaborate to Create a One-Number Plan

Basing annual goals on Oracle’s Demantra planning solutions’ accurate bottom-up forecasts allows managers to create budgets and build operating plans that serve as a trusted baseline against which to monitor ongoing performance. Customers using Demantra Real-time Sales & Operations Planning regularly achieve forecast accuracies greater than 90 percent and often greater than 95 percent. With forecast accuracy at these levels, it becomes possible to detect even small deviations from the plan soon enough to make adjustments to close the gap between the current plan and the financial goal. Exception processing and alerts are far more useful when they can be applied to forecast deviations that are three to six months in the future—while there is still time to create demand through new promotions or sales incentives.

To achieve a one-number plan, an enterprise planning system must scale to serve the demands of global corporations that operate in different countries with multiple business models. Scaling to this level requires more than faster computers. While Demantra Real-time Sales & Operations Planning uses innovative multiprocessor technology that allows it to divide huge planning problems across inexpensive blade servers, the other key building blocks to their scalability are

- Flexible business modeling that supports granular demand visibility
- Workflow driven collaboration to create a virtual planning environment
- Precise forecasts based on advanced analytics to reduce manual overrides
- Intelligent exception processing to automate the identification of potential problems



Demantra solutions provide a scalable enterprise platform that expands demand visibility and extends collaborative capabilities across global corporations.

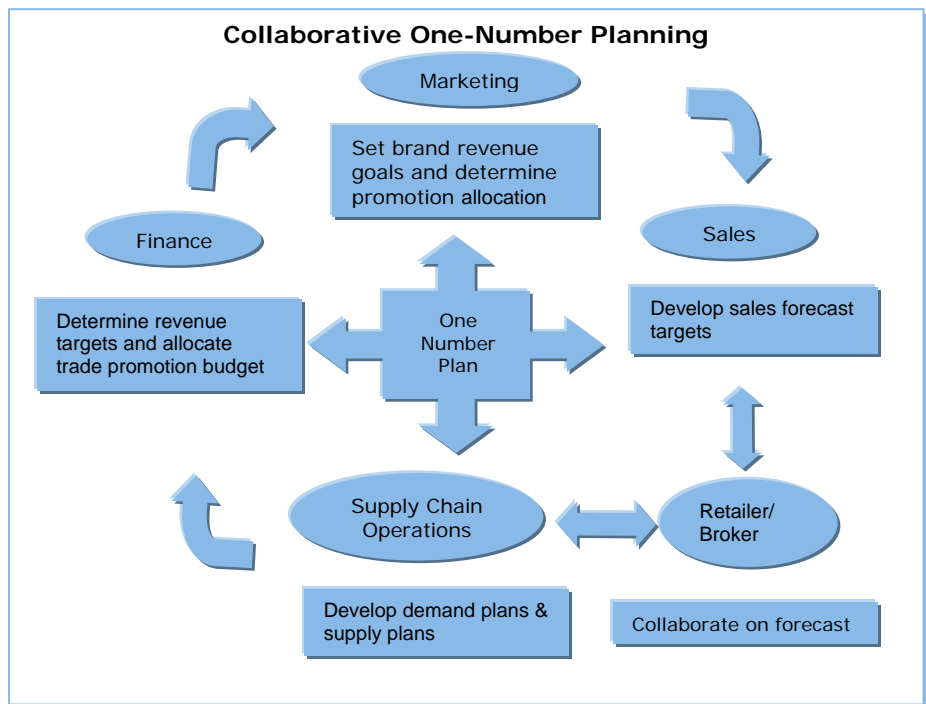
Demantra Real-time Sales & Operations Planning solutions configured from these building blocks provide a scalable enterprise platform that expands demand visibility and extends collaborative capabilities across global corporations. Flexible business modeling allows demand information from disparate sources to be aggregated and analyzed at the most granular levels including store shelf, POS, and SKU/customer distribution center. Making this level of visibility manageable, advanced analytics automatically determine whether enough data is present to develop an accurate forecast. When data is deemed insufficient, the analytics engine automatically moves up to the next planning level that has adequate data. The same business modeling capability supports both the analysis of external and internal demand. This allows large global enterprises to build sales and operations planning processes that support unique, detailed forecasts and planning by each division—with the capability to aggregate all these plans into a global, one-number plan.

The forecasting processes, workflows, and business models available in Demantra planning solutions can be configured to solve many different business problems that require increased demand visibility, analysis, and collaboration to resolve.

Virtual Sales and Operations Planning Enables Effective Real-Time Responses

Whether your company is deploying a rigorous sales and operations planning methodology or is just looking to improve its forecasts, Demantra Real-time Sales & Operations Planning's unique combination of scalable, precise forecasting; flexible business modeling; and workflow-directed collaboration creates a virtual sales and operations planning environment. In this virtual environment, managers set the KPIs that warn of a potential problem or indicate an opportunity exists, so that they are always in control. Demantra Real-time Sales & Operations Planning continuously monitors the business and revised forecasts. They automatically determine when to run reports or worksheets and who to route them to. Managers in different departments, or even different geographies, can react in real time, while there are more potential solutions available.

Let's look at an example of how this works. A customer runs Demantra Real-time Sales & Operations Planning's forecast engine weekly, triggered by the receipt of new POS, inventory, and order data from a customer. The workflow engine is used to monitor incoming data to determine when a new forecast should be run. Exception processing has determined that the customer's forecast for a period six weeks from now indicates plans to order 25 percent more than the normal weekly volume—determined by comparing an internally generated forecast based on store-level customer POS data adjusted for seasonality. The workflow engine routes alerts to the account executive and the demand planner to contact the buyer to determine if this new demand is real, or a data-entry error.

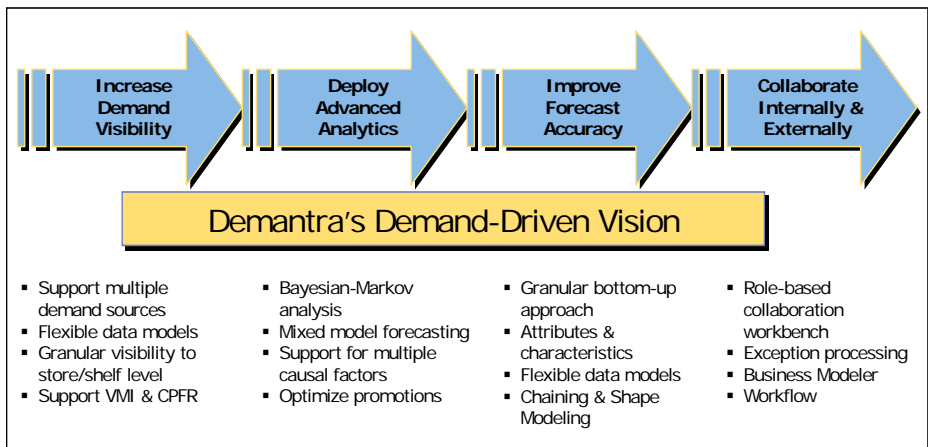


Demantra Real-time Sales & Operations Planning creates a virtual sales and operations planning environment.

Once the account executive determines that the increased order volume is real, they approve the new demand signal to confirm the new order quantity. This override triggers an analysis of projected inventory availability and determines that there will not be enough to cover the order. The shortfall triggers an alert to the demand planner to determine how the increased order size can be accommodated.

The demand planner uses Demantra Real-time Sales & Operations Planning analytics capabilities to determine that providing the additional inventory to this customer will cannibalize several other accounts and therefore generates a new forecast. The demand planner confirms the account executive's forecast override, additional product is shipped, and the customer service expectations are exceeded. All of this done without custom reports, spreadsheets, or three days of voice mails—this is real-time sales and operations planning.

The forecasting processes, workflows, and business models described in the example above can be configured to solve many different business problems that require increased demand visibility, analysis, and collaboration to resolve. Clients have used these configurable application components to create global sales and operations planning systems; collaborative planning, forecasting, and replenishment systems; analyze production and supply constraints, store-level, vendor managed inventory (VMI) replenishment systems; trade promotion management and sales account planning systems; in addition to more conventional demand management systems. And these highly responsive systems are typically built in months, not years.



The forecasting processes, workflows, and business models available in Demantra planning solutions can be configured to solve many different business problems.

Demantra planning systems empower managers and knowledge workers by sifting through large amounts of data with sophisticated analytics to prepare the most precise annual plan, monitor progress toward goals, and identify and close the gaps in the plan.

CONCLUSION

Oracle's Demantra Real-time Sales & Operations Planning lets you gain control over your enterprise systems and ultimately, over your business. They provide a thin layer of software that harnesses the tremendous wealth of information locked inside your ERP systems to enable your managers to steer the business toward its financial goals, rather than react to reports. Demantra Real-time Sales & Operations Planning provides the control over your company that most managers believed they would get from ERP. While ERP has helped reduce administrative tasks, it has done little to help managers and knowledge workers. However, configurable Demantra Real-time Sales & Operations Planning from Oracle empower managers and knowledge workers by sifting through large amounts of data with sophisticated analytics to prepare the most precise annual plan, monitor progress toward goals, and identify and close the gaps in the plan. With Demantra Real-time Sales & Operations Planning from Oracle, enterprise planning solutions, managers are in control, not systems.



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