

# Demand-Driven Retail Planning and Store Replenishment

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# Demand-Driven Retail Planning and Store Replenishment

- Performance reporting by product, store, and fixture
- Comprehensive fixture-level forecasting to maximize accuracy
- Statistical generation of base volume, promotion, and marketing lift
- Replenishment orders optimized to maximize availability and minimize inventory, while taking into account plan-o-gram and retail fixture space constraints
- Special treatment for new products using attribute-based forecasting and configurable demand response curves
- Internal and external collaboration to coordinate and provide “one-number” planning
- Real-time monitoring of point-of-sale data with “push” exception management and workflow to respond to demand
- Seamless translation of volume plans into profit-and- loss implications
- Flexibility to provide enterprise planning for both VMI business and non-VMI business
- Automated new product, account, and store set-up
- Assortment and facings optimization at store-level

## EXECUTIVE OVERVIEW

While there is little argument that “out-of-stocks” at the store level result in lost revenue, there is little agreement on how to prevent them. And although there are many different aspects to solving this problem, the solution begins with better point-of-sale data visibility at the local level. Demand-Driven Retail Planning and Store Replenishment improves product availability and profits at the retail shelf. It supports vendor-managed inventory programs at the store level with automated forecasting, promotion planning, and optimized replenishment. Demand-Driven Retail Planning and Store Replenishment is a configuration of Demantra Demand Management delivered by Oracle Consulting Services.

## GUARANTEE PRODUCT AVAILABILITY AT RETAIL

Demand-Driven Retail Planning and Store Replenishment is ideal for dynamic, short-lifecycle categories such as videos, gaming products, music, and consumer electronics for which you need a detailed, comprehensive level of control. It lets you tailor assortment, plan-o-gram, and inventory levels to each and every store. You get superior profitability through better in-store product availability.

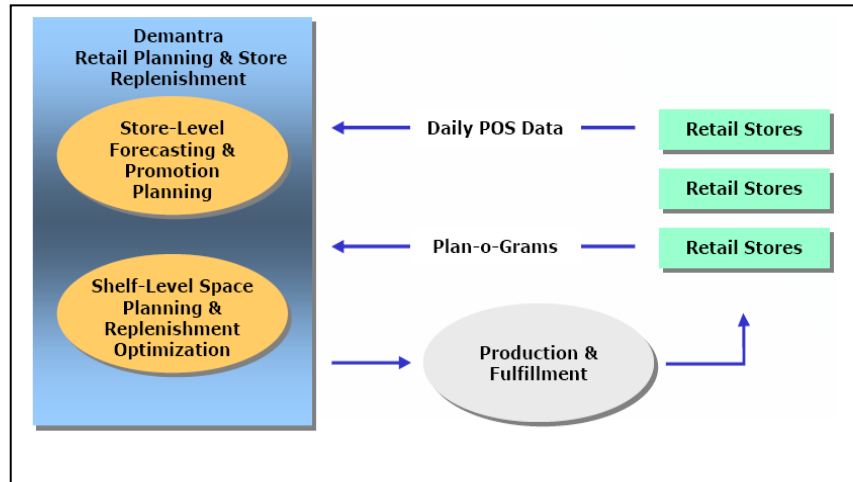
Demand-Driven Retail Planning and Store Replenishment combines advanced demand management capabilities with precise inventory replenishment and plan-o-gram functionality to provide a retail planning and store replenishment solution that maximizes profitability at the shelf level. This solution ensures that you have the right product, in the right stores, in the right quantities.

## GAIN ACCURATE FORECASTS FROM INTRODUCTION THROUGH PHASE-OUT

Demand-Driven Retail Planning and Store Replenishment precision demand management capability provided by Demantra Demand Management to offer the greatest possible forecast accuracy with the automation required to make store-level forecasting feasible. The precision forecasting engine takes into account product attributes, store demographics, display fixture types, plan-o-grams, promotions, and time of year. It predicts new product demand based on product attributes. It then

recalibrates demand predictions in real time as daily or intraday point-of-sale data becomes available, and does this throughout the entire product lifecycle.

The solution's scalable architecture and "push" exception management features are key to being able to manage and analyze massive quantities of store- and SKU-level data. Customers using Demantra Retail Planning & Store Replenishment manage sales data across thousands of stores with leading retailers such as Wal-Mart, Target, Costco, and Best Buy.



**Demand-Driven Retail Planning and Store Replenishment combines advanced demand management capabilities with inventory replenishment and plan-o-gram functionality.**

## **DETERMINE OPTIMAL REPLENISHMENT ORDERS**

Starting with accurate daily forecasts, Demand-Drive Retail Planning and Store Replenishment optimizes assortments based on current plan-o-grams to determine optimal replenishment orders, while taking into account retail space constraints. With this precise, in-store-level replenishment, suppliers can ensure that each store has an assortment tailored to its demographics and fixture types. Stock-outs will be minimized, inventory turns will increase, and revenues and profits will be maximized.

## **SOLUTION CAPABILITIES**

- Comprehensive fixture-level forecasting to maximize accuracy
- Statistical generation of base volume, and promotion and marketing lift
- Forecasts that account for store and fixture characteristics and plan-o-gram
- Special treatment for new products, using attribute-based forecasting and configurable demand response curves
- Scalable across thousands of retail stores and SKUs
- On-the-fly, "what-if" analysis capabilities

- Internal and external collaboration to coordinate and provide “one-number” planning among operations, finance, sales, and marketing, and to customers
- Real-time monitoring of point-of-sale data with “push” exception management and workflow to respond to unanticipated levels of demand
- Seamless translation of volume plans into profit-and-loss implications
- Flexibility to provide enterprise planning for both vendor-managed inventory (VMI) business and non-VMI business in a single system
- Automated new product, account, and store set-up
- Assortment and facings optimization at store-level to maximize sales and profits
- Replenishment orders optimization to maximize availability and minimize inventory, while taking into account plan-o-gram and retail fixture space constraints
- Retailer merchandising systems integration
- Performance reporting by product, store, and fixture

### **MAXIMIZE PROFITS AT THE RETAIL SHELF**

Point-of-sale data provides the purest demand stream from which to develop future plans and is usually available at daily or weekly intervals for each store location. Forecasts based on this level of data are more accurate because they capture the effects of promotions and other causal factors more quickly. Using these highly accurate forecasts, Demantra Retail Planning & Store Replenishment capabilities can help you achieve the following benefits:

- Decreased number of stock-outs
- Minimized inventory costs and reduced returns
- Reduced costs for expedited shipping
- Increased sales and profits
- More accurate initial placement of new products to capture full sales potential
- Scaled VMI business processes
- Increased employee productivity
- Improved service levels and strategic alignment with customers
- Improved and more holistic view of your business across both VMI and non-VMI accounts

For more information on Oracle Demantra’s Demand-Driven Retail Planning and Store Replenishment configuration, call +1.800.ORACLE1 to speak to an Oracle representative.



**The Transformation to Demand-Driven Industry Leader**  
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