

ORACLE RETAIL ITEM PLANNING WITH CLEARANCE OPTIMIZATION ENGINE

KEY FEATURES & BENEFITS

- Improves accuracy in item planning through automated decision making
- Ensures top-down and merchandise area targets and objectives are achieved
- Maximizes return on inventory investment
- Provides decision support and continuous visibility into sales, markdowns, inventory, and profits
- Provides framework for planning and monitoring promotional price planning
- Optimization provides a focus on profitability, out-dates and end-of-life clearance inventory goals
- Full visibility of past current and future assortments
- Trend insight targets OTB to maximize sales and margin
- 5-15% increase in gross margins
- 5-20% improvement in sell through

Get visibility into sales, inventories, markdown recommendations and profits throughout an item's lifecycle so you can maximize sales and minimize overstocks that drain revenue and profits

Achieve Business Insight with Oracle Retail Item Planning

Oracle Retail Item Planning facilitates the management of items that are key to achieving financial goals throughout the lifecycle of the item including planning and managing the impacts of promotional and clearance pricing on the items. Oracle Retail solutions support the entire life-cycle of an item by providing pre-and in-season workflow, which gives retailers continuous visibility into sales, markdowns, inventories, and profits—allowing them to avoid lost sales due to inadequate inventory or to the dreaded over-stocks that drain profits.

Bringing Insight into Assortment Management through Oracle Retail Item Planning with Clearance Optimization Engine:

Incorporating the Oracle Retail Clearance Optimization Engine into the item planning process brings in-season forecasting together with optimized markdown price recommendations into Oracle Retail Item Planning, providing future item level forecasts of sales, inventory and margins. Because price recommendations aim to optimize profitability while respecting planned sell-out dates, the transition between collections, themes and floor sets (defined in the assortment strategies and assortment planning processes), can be executed in the most profitable way. In addition, multiple hierarchies and attributes can be used to provide insight into past and forecast assortment performance

Benefits of Oracle Retail Item Planning with Clearance Optimization Engine

Improved Accuracy. Provides views into sales history, actualized weekly sales, weekly price activity and unconstrained forecast—which support better, more accurate planning.

Increased Profits. Supports proactive in-season item management resulting in fewer lost sales, excessive markdowns, and unprofitable exit strategies.

Increased Return on Investment. Enables receipt flow planning down to the weekly level to maximize return on inventory investment.

Reduced Markdowns. Ensures that bottom-up item plans reconcile with top-down financial plans, preventing over-stocks. Includes promotional price planning and monitoring, the ability to view optimized clearance markdown recommendations and what-if on the price recommendations to analyze the impact on the entire assortment being managed.

Increased Efficiency. Oracle Retail Item Planning with Clearance Optimization Engine is integrated with Oracle Retail Merchandise Financial Planning and Oracle Retail Assortment Planning to minimize redundant planning activities, to ensure plan accuracy and integrity and to provide full mechanisms for top-down/bottom-up plan reconciliation.

Price Optimization: Balancing Consumer Demand with the Financial Implication of Markdowns

With Oracle Retail Item Planning with Clearance Optimization Engine, it is easy to improve lifecycle pricing and in-season inventory management decisions for items on promotion and/or clearance merchandise. Combining consumer demand forecasting at an item-location level with scientifically based, mathematical processes that applies advanced predictive and simulation techniques, the Oracle Retail Clearance Optimization Engine can optimize multiple pricing scenarios that are possible. The result is optimal recommendations for markdown candidates and associated pricing based upon the potential inventory risk at the end of the selling period—all while staying within the constraints of your business objectives.

With Oracle Retail Item Planning with Clearance Optimization Engine, you can easily monitor the performance of past and ongoing markdown activities against financial and operational goals. Leveraging powerful “what-if” analysis, price and inventory changes can be simulated to predict and quantify the impact of markdowns prior to their execution. Price recommendations can be based upon your unique merchandise groupings and price points or price ladders. Retailers can easily review and approve items that have been recommended for a markdown, while simultaneously having visibility into information such as below chain level forecast recommendations, recommended new retails, and gross margin costs associated with delayed decisions.

Features

Early Visibility/Insight. Monitor in-season performance and receive weekly updated forecasts to ensure early and more accurate action.

Item-location Forecast. Consumer demand forecasts can be generated at the the item and location level and viewed at aggregate levels.

Scientific Optimization. Fact-based, scientific analysis and optimization that evaluates every possible pricing scenario to provide the most optimal markdown recommendations.

“What-if” Decision Support. Simulate and observe the KPIs throughout the life of a product. Evaluate multiple pricing and inventory alternatives to predict and to understand the financial impact of your in-season pricing and inventory decisions prior to execution.

Updated Recommendations. Facilitate decision-making that is based upon the most recent data, which includes new sales, inventory, price levels, planned promotions and other key information.

Standardized Markdown Process. Enables you to maximize gross margin dollars and meet defined sell-through targets, while conforming to your business constraints.

Merchandise Groupings. Leverages a retailer’s own merchandise groupings and price points.

Centralized Information. Allows you to quickly focus on merchandise that needs special attention.

Assortment Management. Profitably execute transitions between themes, collections and seasons. Integrated with Oracle Retail Assortment Planning to facilitate seamless pre-populating the initial item plan from the approved assortment plan.

Contact Us

For more information about Oracle Retail Item Planning with Clearance Optimization Engine, visit oracle.com/retail or email oneretailvoice_ww@oracle.com to connect with an Oracle representative.

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Hardware and Software, Engineered to Work Together