Oracle Retail Category Management

In today’s Commerce Anywhere environment, consumers enjoy the ubiquity of information and the freedom to select multiple channels and methods for their transactions. As competition increases retailers need to create strategies that differentiate themselves within the market and as well as provide localized assortments that appeal to their targeted customers, while balancing execution complexity and inventory carrying costs for multiple formats and store sizes. Category Management addresses these challenges using embedded science, automation and space optimization capabilities to create customer specific targeted assortments that can be leveraged in downstream execution processes. It achieves this through four complimentary modules.

- **Category Planning** – build scorecards, define roles, strategies and tactics for all product categories
- **Macro Space Optimization** – optimize the amount of floor-space allocated to each category or sub-category within a store
- **Assortment Planning and Optimization** – define a localized, customer-centric assortment of items to be carried at specific points of commerce
- **Assortment and Space Optimization** – optimize the balance of additional SKUs versus additional SKU facings for the final assortment

Throughout each process, the Oracle Retail Category Management solution will leverage multiple data sources to provide in-sights and suggestions; ensuring specific and well-informed business decisions are made while aligning to key financial and space specific objectives.

**Oracle Retail Category Planning**

Leveraging industry best practices, the Category Planning module combines data points from multiple sources (transaction data, loyalty data, syndicated market data, consumer panels, demographics, forecasts, consumer segment data, and competitive data) and recommends formal category roles, strategies and tactics. Recommendations are made based on consumer insights and/or product performance and provide one version of the truth to be used in downstream assortment, pricing, promotion, inventory and space processes. Scorecards related to promotions, private label product and inventory effectively monitor performance and validate key initiatives are tracking as planned.
Key Benefits
- Increase sales by 2-5%
- Improved gross margin by 2-3%
- 5-10% increase in inventory turnover from better assortments and space productivity
- Enables a 360 degree view of market, customers, competitors and vendors
- Integrates the voice of the customer into the assortment selection & display decisions
- Integrates and aligns category and assortment decisions with financial and space targets / constraints
- Provides a fact-based smart-starting point; enabling users to refine based on category / store base knowledge

Oracle Retail Macro Space Optimization
The Macro Space Optimization module provides recommendations around how to best allocate space within a store while maximizing sales and/or profit. These recommendations leverage space elasticity curves to re-balance available space within an entire store, within a specific store department/category/sub-category or within a particular aisle of a store.

Oracle Retail Assortment Planning and Optimization
Providing multiple industry common approaches to assortment creation, the Assortment Planning and Optimization module enables the ability to create optimized customer centric and targeted assortments that align to financial goals and/or space constraints. This is accomplished by leveraging user-defined objectives combined with embedded science and automation to provide assortment recommendations unique to the respective point of commerce. Key features include:

Customer Decision Tree (CDT) Science. Eliminates reliance on manufacturers by providing the ability to create CDTs leveraging your own customer data, eliminating national influences and manufacturer biases

Demand Transference Science. Provides incremental and substitutable sales associated to each item within an assortment; optimizing the breadth of your assortment, as experienced by your customer’s purchase preferences, with the optimal number of SKUs given space constraints or financial goals

What-if Optimization. Enables multiple assortment simulations (add, remove, swap) against current or planned assortments to determine the most profitable and customer-centric assortment

Oracle Retail Assortment and Space Optimization
The Assortment and Space Optimization module maximizes return-on-space, sales, revenue and profits while improving customer satisfaction by providing shelf/product layout recommendations. Leveraging key inputs including optimization goals, demand transference science, visual guidelines, inventory/replenishment factors, etc., the Assortment and Space Optimization module will recommend shelf/fixture layout that can be leveraged in downstream execution processes.

Key Differentiators of Oracle Retail Category Management
Embedded science. Leverages consumer insights to create retailer specific Customer Decision Trees (CDTs) and apply Demand Transference to provide optimized recommendations / smart-starting points.

What-if assortment optimization capabilities. Provide the ability to identify the most profitable and customer centric assortment based on strategic roles, strategies and tactics.

Macro / Micro space optimization capabilities. Enable the ability to maximize return on space while increasing customer satisfaction.
**Common user interface.** Applies to all planning processes, providing a superior user experience.

**Proven, scalable, and configurable.** Enables your strategy for assortment best planning processes to change and evolve as needed.

**About Oracle Retail**

Oracle provides retailers with a complete, open and integrated suite of business applications, server and storage solutions that are engineered to work together to optimize every aspect of their business. 20 of the top 20 retailers worldwide – including fashion, hardlines, grocery and specialty retailers – use Oracle solutions to drive performance, deliver critical insights and fuel growth across traditional, mobile and commerce channels.

**CONTACT US**

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