

Oracle Retail Macro Space Optimization

Consumers are becoming more demanding as they shop retailers using multiple channels. They expect a seamless shopping experience from all buying channels, including buying online for delivery, curbside, or in-store pick up, and they want to engage with retailers on their own terms.

OVERVIEW

Retailers are looking for ways to leverage available resources in the most productive manner to take advantage of customer-specific shopping patterns, which includes the proper store space allocation. Considering the time, effort, and costs associated with the re-allocation of store space, it is essential to identify critical areas of opportunity to increase customer satisfaction while improving overall profitability.

Incorporating a dynamic and efficient process to optimize the available store space within an entire store, a specific department (or area) within a store or a specific aisle will enable retailers to meet or exceed customer expectations while maximizing their overall return on space.

ORACLE RETAIL MACRO SPACE OPTIMIZATION

The [Oracle Retail Macro Space Optimization](#) solution provides retailers with a flexible and dynamic solution that delivers 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.

By providing a very simple and intuitive approach to analyze key opportunities as well as a clear understanding of store-specific constraints (store layout, department layout, and aisle specific details such as adjacencies); retailers are able to define actionable plans for key planning events, including new store openings, store remodels, and department or category refresh initiatives.

DYNAMIC, REAL-TIME AND ACTIONABLE RECOMMENDATIONS

Throughout the space optimization process, users are presented with a simple and intuitive set of workflows enabling real-time, actionable, and efficient space allocation plans to be created without the need of a statistician. This is achieved by embedding purpose-built retail science within the planning processes, acknowledging customer demand patterns while respecting key rules and guidelines defined by the retailer. Leveraging these capabilities, retailers can conduct the needed opportunity analysis to determine where to best grow/reduce space to increase overall customer satisfaction while maximizing overall return on allocated space.



Key Benefits

- Identify key areas of opportunity to re-allocate store space; improving overall profitability
- Determine the amount of allocated space required to align with upstream financial targets
- Assess and optimize space in multiple ways – total store, a department within a store, or a specific aisle within a store
- Gain real-time visibility to the financial impact of space re-allocation recommendations
- Integrated with the overall merchandise planning business processes

CONDUCTING 'WHAT-IF' ANALYSIS

By leveraging simple tools to manage dashboard views, users are able to conduct dynamic and real-time 'what-if' analysis by updating and modifying key input parameters - such as total allocated space, participating product areas, min/max guardrails, and optimization objectives. In turn, this drives out the most productive space allocation plans at the store group or individual store level.

ENABLING 'END-TO-END' PLANNING PROCESS

The Oracle Retail Macro Space Optimization solution is seamlessly integrated with the [Oracle Retail Category Management Planning & Optimization](#) solution, providing retailers with the ability to create cohesive space allocation plans aligning with upstream financial goals, category-specific roles, strategies, and tactics. By presenting this level of detail in an intuitive manner, planners are able to ensure every planning decision aligns and complements the strategic focus of each business area.

Once approved, this detail may be sent to downstream space planning solutions to ensure proper visibility is provided as store floor plans/maps are created and updated in the most profitable manner.

RICH AND CONFIGURABLE BUSINESS INSIGHTS

Using the out-of-the-box graphing and formatting capabilities available as part of the [Oracle Retail Science Platform](#), retailers are able to define simple and effective dashboards/ planning views most relevant for the respective analysis. These dashboards may be managed at a total user group level, ensuring all users have access to a common view while providing each user the flexibility to refine their views to match category and user-specific nuances.

Key Features

- Determine the optimal space to allocate to departments, categories, sub-categories, and planograms
- Drive out space re-allocation trade-offs at the store or store group level
- Consolidate multiple data sources, including store layout details, to provide needed insights to create accurate and actionable results
- What-if capabilities; providing the ability to evaluate the impacts of adding or removing space
- Leverage space and/or financial constraints as the basis for space optimization
- Leverage retail science to identify and measure the diminishing return on space to produce elasticities specific to each product area
- Available 'score-carding' to easily assess the impacts the recommended results

FLEXIBILITY IN ADOPTION AND DEPLOYMENT

The Oracle Retail Macro Space Optimization solution provides the ability to take advantage of the most relevant planning features, leveraging the configurable and upgradeable [Oracle Retail Planning](#) solution. Retailers are able to define a clear approach to a successful implementation while having the ability to apply additional functionality as business processes mature or the trends within the business dictates a needed change.

[Learn more or request a 1:1 demo](#)

CONNECT WITH US

Call +1.800.ORACLE1, visit [oracle.com/retail](#) or email oneretailvoice_ww@oracle.com.

Outside North America, find your local office at [oracle.com/contact](#).

 [blogs.oracle.com/retail/](#)

 [facebook.com/oracleretail](#)

 [twitter.com/oracleretail](#)

Copyright © 2020, Oracle and/or its affiliates. All rights reserved. This document is provided for information purposes only, and the contents hereof are subject to change without notice. This document is not warranted to be error-free, nor subject to any other warranties or conditions, whether expressed orally or implied in law, including implied warranties and conditions of merchantability or fitness for a particular purpose. We specifically disclaim any liability with respect to this document, and no contractual obligations are formed either directly or indirectly by this document. This document may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without our prior written permission.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

