DEMAND CHAIN MANAGEMENT
Matching inventory to demand by store, by season, and by customer

WHAT WOULD YOU DO IF YOU KNEW?™

What would you do if you knew you could accurately align your item, channel and store inventory with customer demand?

Customer satisfaction remains a key component of any successful business, and today's retailers recognize that customers are in control. Leaving the wrong impression at any point with the customer, particularly at the point of purchase, can push them away from your brand and into your competitor's business.

When expectant customers find a desired item is out of stock, their frustration can lead them to walk away from your brand with no intention to ever come back. You risk even greater customer frustration if customers were encouraged to your store by a marketing promotion.

Making accurate customer demand forecasts, which ensures in-store and online inventory are available to meet your customers' needs, is one of the biggest day-to-day challenges of any business. Successful companies are focused on developing a single, accurate picture of demand across the omni-channel market, detailed by item, by channel, and by store. This single picture of demand will include the current changes driven by digital, mobile, and social networks and can then be leveraged throughout the organization so that other applications, processes, and functions are synchronized on the best possible demand signal.

Data-driven marketing strategies have helped companies recognize customer signals to predict downstream needs and more accurately predict demand by store and by item. Teradata's Demand Chain Management solution, which provides powerful product forecasting tools, enables data-driven business strategies by accurately predicting demand by location or product. This leads to improved return on investment and satisfied customers.

IMPROVE CUSTOMER SATISFACTION WITH ACCURATE FORECASTS

The Demand Chain Management solution employs customer demand data to develop daily or weekly sales forecasts of each item in multiple store locations. These forecasts leverage historical performance in seasonal and causal identification, responding automatically to the latest trends. The forecast is then combined with inventory and replenishment strategies, which pull inventory through your supply chain based on expected sales across each location in your business network.

Forecasting for retail sales or to meet the need of marketing promotions requires specialized knowledge and focus. What is the effect of a promotion? What is the seasonal impact? What is the difference between regions, areas, stores? Many factors make achieving an accurate view of retail demand very difficult. The Teradata Demand Chain Management application was purposely developed to handle the intricacies of retail.

Demand Chain Management offers an intuitive user interface to provide tangible results. With highly accurate, regular and promotional forecasts and an integrated auto-replenishment tool, your business will see the following benefits.

~ More accurate demand forecasting
~ Effective promotion management
~ Synchronized store/warehouse demand
~ Order forecast optimization and collaboration
~ Improved customer satisfaction
~ Reduced item markdowns and shrink

Build more accurate demand forecasts and create stronger, more collaborative relationships with vendors and suppliers with this tool. With the most accurate demand forecasting product on the market, Teradata Demand Chain Management helps you and your vendors prepare for and adjust to changes in customer demand, avoiding dangerous out of stock situations.

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TARGETED DEMAND CHAIN MODULES

Demand Chain Management offers a flexible, modular architecture that enables you to implement a portion of the solution and focus on a specific problem area. The solution integrates with your legacy systems leading to more accurate forecasts, making those solutions more effective. Additionally, the solution is available on premise or in the cloud. The following modules make up Teradata Demand Chain Management.

Contribution ranks inventory to optimize the most profitable items.

Seasonal Profile records and forecasts seasonal item sales for improved inventory models.

Demand Forecasting provides accurate customer demand insights for improved supply chain management.

Intelligent Product Introduction compares historical product introductions to organize inventory balances for new items.

Promotions Management calculates additional stock needed to meet promotional demands and improve profitability.

Automated Replenishment manages re-stocking process at both distribution center and store to optimize warehouse efficiency.

Time Phased Replenishment provides collaboration tools to inform vendors of any change in demand increasing order execution.

Allocation provides distribution models to meet demand at individual stores in the business to increase customer satisfaction.

Capacity Planning provides spatial strategies for available warehouse and store inventory space to improve in-store efficiencies.

Analytic Reporting Framework supports reporting and analysis of Demand Chain Management and related data.

ACCURATE FORECASTS, QUICK RETURN

Teradata Demand Chain Management drives significant return on investment by reducing overstocked, unproductive inventory and increasing the availability of the merchandise your customers want. Customers typically recoupe their investements within 12 months of implementation through increased sales and reduced inventory. Additionally, customers regularly enjoy a 10 to 30 point improvement in forecast accuracy, which delivers increased sales margins and inventory turns.

Demand Chain Management provides multiple modules to address any inventory issues. Whether your business struggles to meet promotional upswings or needs a better picture of product popularity, this data-driven demand strategy can help you create more efficient business practices at many points along the path to purchase.

To find out more about how the Teradata Demand Chain Management solution can help you grow a better, more productive business, visit Teradata.com/dcm.

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10000 Innovation Drive, Dayton, OH 45342
U.S. and Canada 1-866-548-8348, For International Callers: (937) 242-4030