Teradata Seasonal Plan Analysis

Seasonal Plan Analysis, part of Teradata's Retail Decisions suite of Assortment Analysis applications, focuses on the sales and inventory of seasonal merchandise as well as markdown and vendor management. This sophisticated analysis uses historical sales, inventory and promotional data to help you better plan each season's merchandise needs.

With Teradata® Seasonal Plan Analysis, retailers use existing data to make better predictions for future sales demand and promotional response by item and by store. This analysis helps you:

> Identify those store clusters that contributed the most and least to both sales and margin.

> Identify those products within a specific category and department that achieved plan for the season, as well as robust exception reporting to reveal those products within the category that did not achieve plan and may need to be removed from future assortments.

> Identify last season's residual stock at the color, size and product level.

> Analyze vendor performance from a product and operational execution level.

> Provide item store level promotional insight to enable better understanding of optimal promotional strategy for each item.

Maximize Seasonal Assortments

Teradata Seasonal Plan Analysis uses historical data to give you insight into optimizing future activity. Understanding the relationships among store, department and category allows you to better plan future seasons based on past performance.

Better Plan and Customize

You can determine actual product demand and better plan and customize your assortment mix to meet the needs of each store in a cluster by evaluating sales performance by category. This capability may include determining proper service allocations for existing items to introducing new items. It also helps identify which products to delete from specific or all stores in a cluster.

Improve Bottom Contributing Products and Categories

By looking at the lowest contributors by sales, you can rank product categories or group levels by sales contribution, and then focus on the bottom contributors. Products can then be discontinued, new display strategies implemented, prices changed, or decisions made to determine the best assortments to meet customer needs.

Boost Results with Teradata Seasonal Plan Analysis

> **Reduce seasonal out-of-stocks and slow-moving inventory.**

> **Minimize markdowns of seasonal merchandise.**

> **Develop more effective seasonal promotions.**

> **Optimize and localize seasonal assortments.**

> **Increase seasonal sales and turns and profitability.**

> **Understand seasonal sales trends.**

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Teradata Seasonal Plan Analysis

Prevent Future Lost Sales

With lost sales analysis, you can identify products that were out of stock at a given time, and then determine the reason for the out of stock circumstance. This information helps the buyer provide a more focused, localized technique of applying assortment demand to meet the needs of each store more effectively.

Generate Significant Results

Typical results derived by retailers who took action based on analytical findings include:

> Minimized markdowns through better assortment selection.

> Better timing and execution of promotions.

> Better local assortment pricing strategies.

> Reduction of non-productive merchandise.

> Increased turns.

> Reduction in markdowns and write-offs.

> Reduction in inter-store transfers.

A Family of Analytic Solutions

Seasonal Plan Analysis is part of the Teradata Assortment Analysis solution – applications that provide retailers with the information required to compete in today's tough market. This suite of applications allows you to ensure that the right products, in the right quantity, are in the right stores. You can analyze:

> Item Reduction/Deletion

> Space Allocation and Optimization

> Markdowns

> New Item Introductions

> Product Pricing

> Cross Merchandising

> Localized Assortments

Facilitated by a Teradata system, the Assortment Analysis Solution includes five applications: *Sales & Inventory Analysis, Seasonal Plan Analysis, Cross Merchandising Analysis, Item Deletion Analysis and Demand Chain Exception Analysis.*

Reports Available with Teradata Seasonal Plan Analysis

Numerous reports are available with Seasonal Plan Analysis. Some of these reports include:

> Sales Performance by Store or Store Clustering

> Lowest Contribution by Sales

> Sales Below Plan Exception Report

> Sales, Profit and Contribution Analysis by Sales Type, by Store, Product or Trait

> Sales to Store Count Comparison for the Bottom x% in Sales

> Sales Trend Analysis by Time Period

> Price point Analysis: Price Point by Product by Time Period

> Sell Thru Analysis by Product, Geography, Time and/or Trait (Seasonality Trending)

And many more

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Using Seasonal Plan Analysis to Generate Success

Two weeks before Christmas, a **discounter** determined that a Christmas Bear was at 61% sell thru. This meant that the item was 39% below sales plan. The retailer analyzed sales movement on an individual store basis and moved 25K units from overstocked to understocked stores. This move enabled a 98% sell thru by Christmas.

An **apparel retailer** wanted to reduce the concentration of markdown sales of sweaters in its Northeast stores. The buyer analyzed the markdown sales by color and size. Although the large and medium sweaters had 70% sell thru at full price and 98% sell thru overall, the extra small and small sizes had 20% sell thru at full price and 65% sell thru overall.

The buyer altered the sweater size assortment to align with last year's selling patterns. As a result, sweater markdowns in the Northeast were reduced by 8% the following year.

A **buyer** at a GMS retailer needed to plan assortment requirements for her fall line of sweaters by U.S. region. Stores in the Southeast coastal areas needed higher quantities and varieties of lightweight cotton sweaters, and stores in the Northeast typically needed higher quanities of wool sweaters. To plan the right assortments and quantities for stores in various regions throughout the U.S., the buyer grouped stores into clusters based on like-store characteristics (i.e., location, consumer demographics, weather, geography, etc.). Once she had established the clusters, she was able to see how previous season's sweaters performed by store cluster segment and better plan the assortment mix and quanties that are required for the upcoming season's needs.

She will also be able to track the upcoming fall season's sale against plan, and compare previous season's performance to current performance by the same store cluster segmentation.

Teradata Retail Decisions: From Intuition to Technology

Teradata's Retail Decisions suite of Business Intelligence applications helps you as a retailer make informed merchandising decisions based on insight into your customers, products, and promotions that drive the most revenue. Teradata Retail Decisions leverages more than 17 years of retail data warehouse experience. Assortment Management is part of this suite.

Other retailers who implemented Teradata's Retail Decisions have experienced:

> Improved inventory management (25-50% of slow moving items eliminated; a 1-5% improvement in net sales due to reduced out-of-stocks).

> Higher margins (reduced markdowns, more effective promotions).

> Increased sales (1-3%) due to better merchandising through market basket and affinity analysis.

> Reduced shrink (25-50% improvement in eliminating identified shrink).

> Improved vendor management (25-50% improvement).

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Teradata Business Intelligence Solutions for Retail					
Retail Decisions					
Assortment Analysis	**Promotion Analysis**	**Customer Analysis**	**Vendor Analysis**	**Channel Analysis**	**Financial Analysis**
Sales & Inventory Analysis	Promotional Results Analysis	Customer Purchase Analysis	Vendor Performance Analysis	Store Operations Analysis	Financial Analysis
Seasonal Plan Analysis	Promotional Impact Analysis	E-Analysis		E-Cross Channel Analysis	
Cross Merchandising Analysis					
Demand Chain Exception Analysis	E-Referral Analysis	Purchase Behavior Profiling		Fraud Detection Analysis	
Item Deletion Analysis					
OLAP Tool(s)					
Teradata Warehouse Miner					
ETL / EAI Integration Tool(s)					
Teradata Retail Data Model					
Teradata Solution					

Retail Decisions can be tailored to meet your analytical needs. Because it includes hundreds of metrics and report templates, Retail Decisions accelerate ROI months ahead of start-from-scratch, fully custom solutions, and can be customized to meet any analytical need.

Teradata's Assortment Analysis solution gives you the information you need to run your business in today's highly competitive marketplace.

For More Information

To learn more about how Teradata's Retail Decisions' suite of Assortment Analysis applications enables sophisticated seasonal assortment planning at the store and store cluster level, contact your Teradata representative or visit us at Teradata.com.

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