



SAP Omnichannel Planning

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Becoming Best Run at Planning

COMMON CHALLENGES

Data silos & weak integration



Old spreadsheets & tools



High complexity & manual effort



Intuition & guesswork



Product-centric



Store-centric



BEST PRACTICES

Unified & trusted data foundation
E2E integrated process

Modern, visual, & intuitive tools

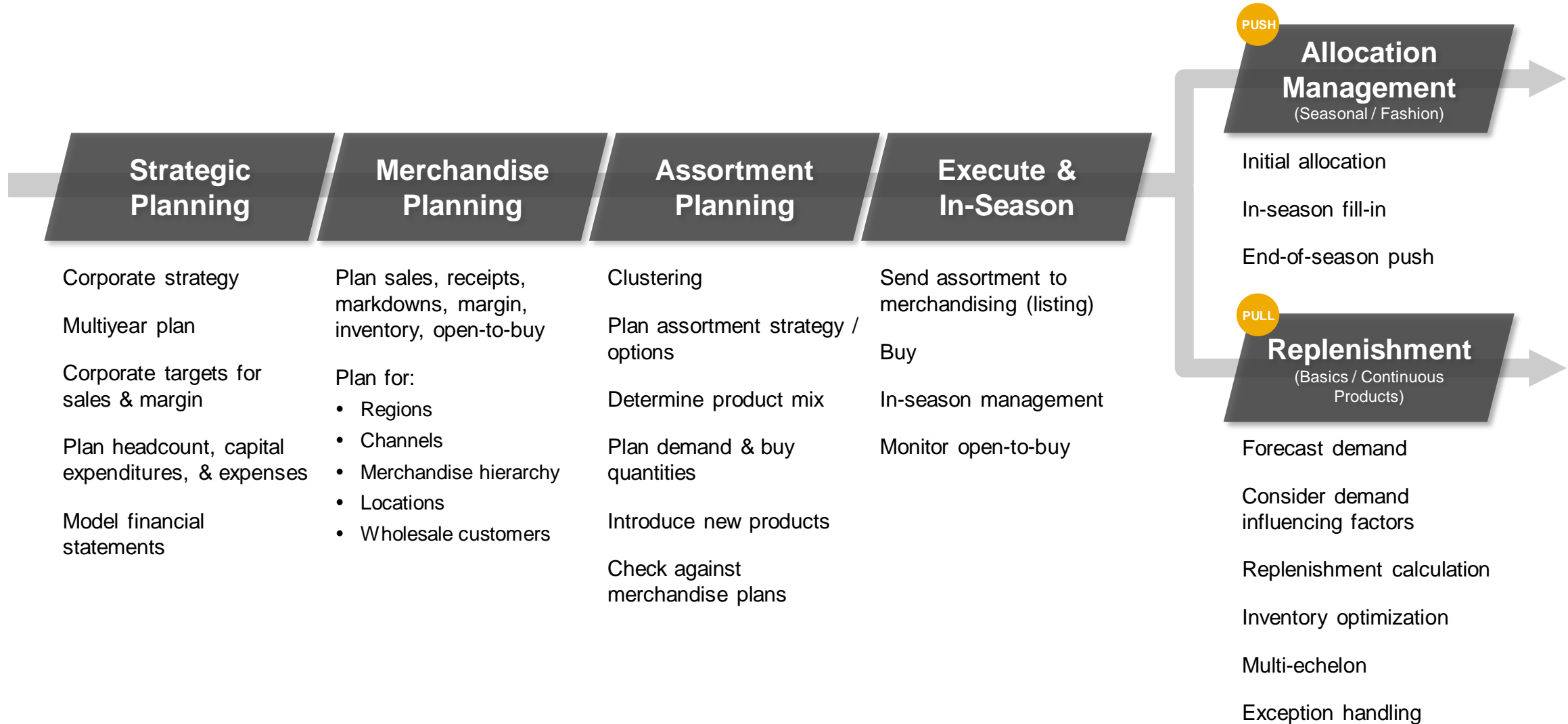
Simplified & a focus on higher value work

Intelligent recommendations & decision support

Customer-centric & personalized / localized

Omnichannel (retail, digital, & wholesale)

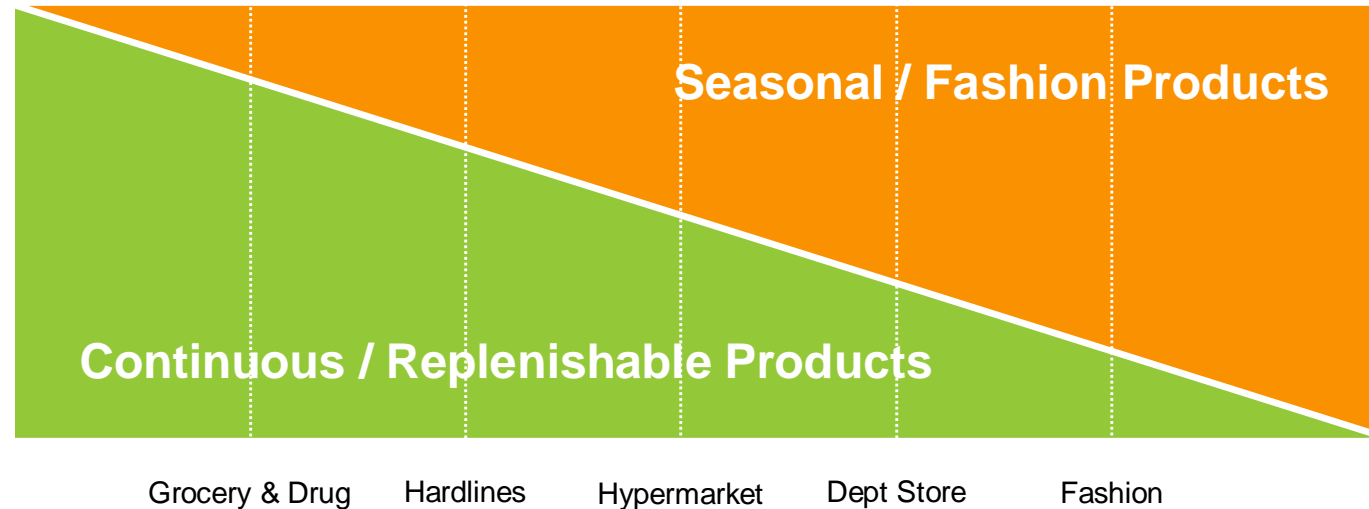
Intelligent + Integrated + Modular + Omnichannel Planning Process



Plan All Merchandise Types with SAP

Assortment Mix

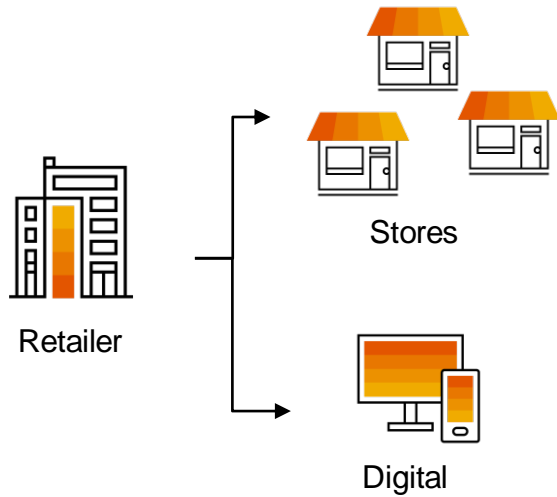
- Long product lifecycle
- Products in a category are relatively stable with limited changes
- Short lead times & usually can be replenished on short notice
- PULL-based supply chain
- Promotions drive volume & traffic



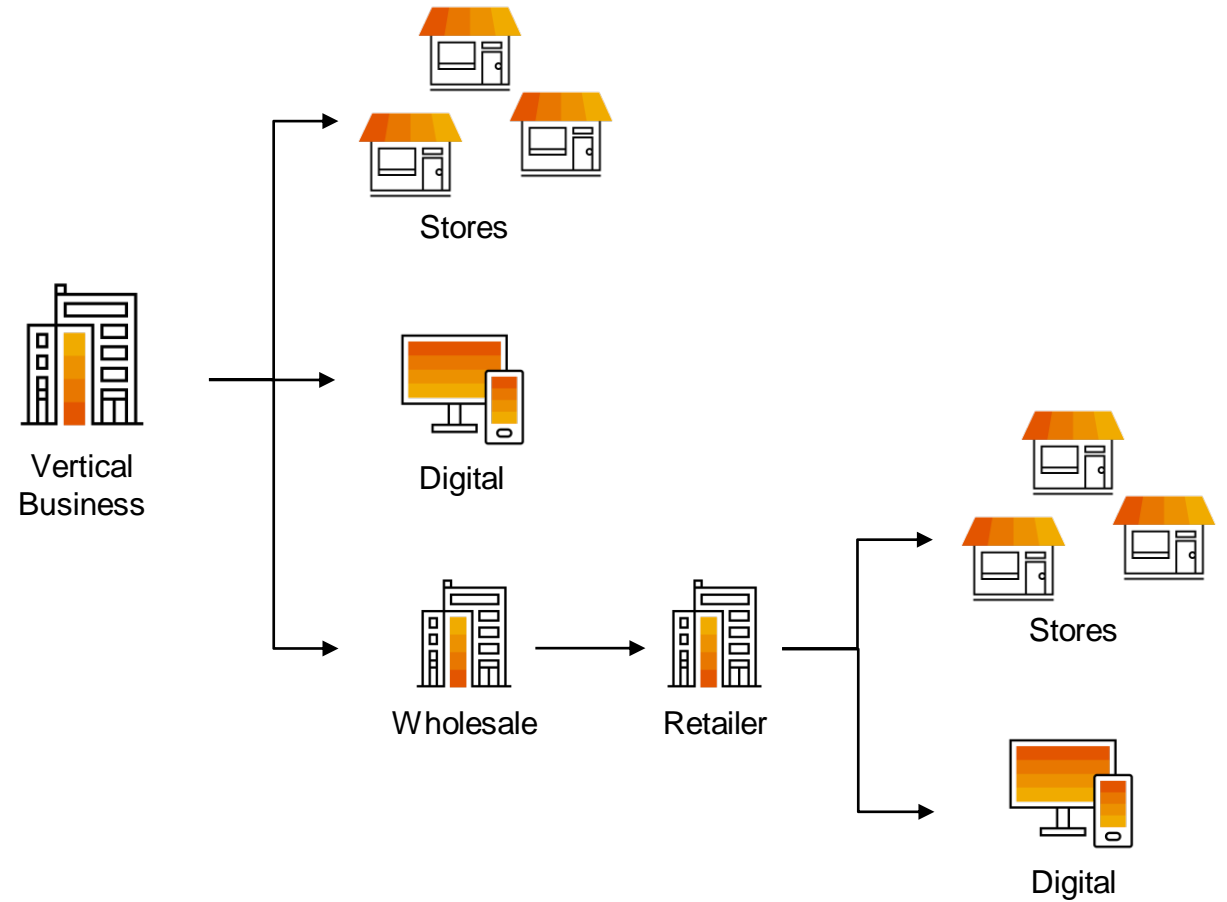
- Short product lifecycle
- Products in a category are mostly/completely replaced each season
- Long lead times are common; often one-time buys
- PUSH-based supply chain
- May calculate open-to-buy
- End-of-season markdowns make room for next season's inventory

Plan for Retail or Vertical Businesses

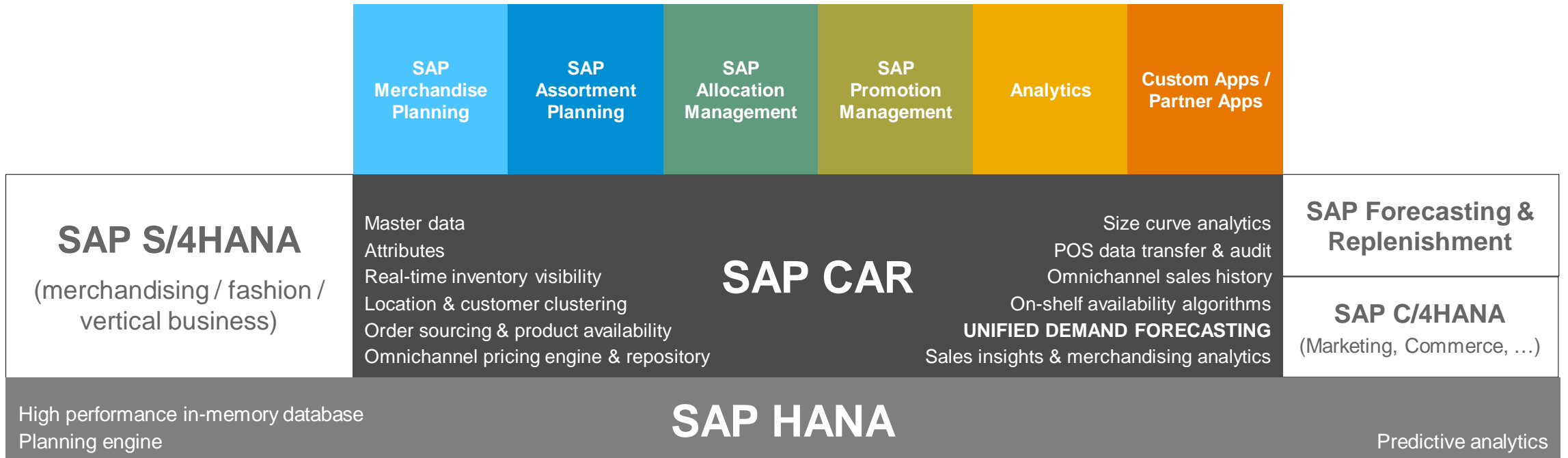
Retail Planning



Omnichannel Planning



Intelligent + Integrated + Modular + Omnichannel Planning Suite

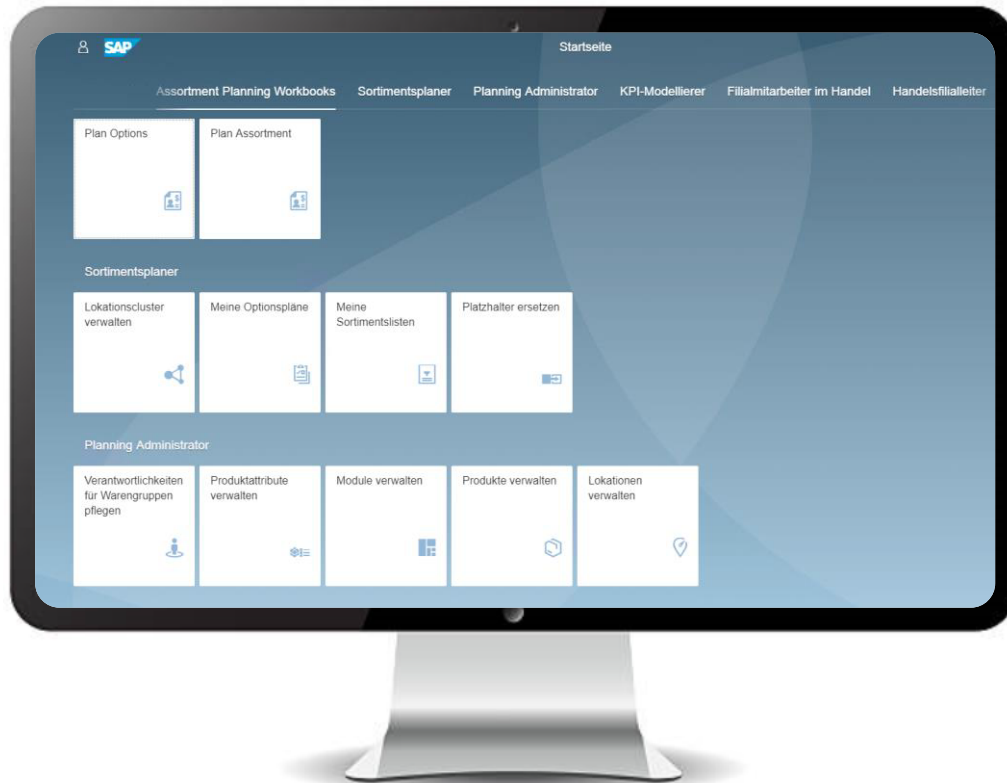


Data-Driven Planning: The Planning Data You Need is in SAP CAR

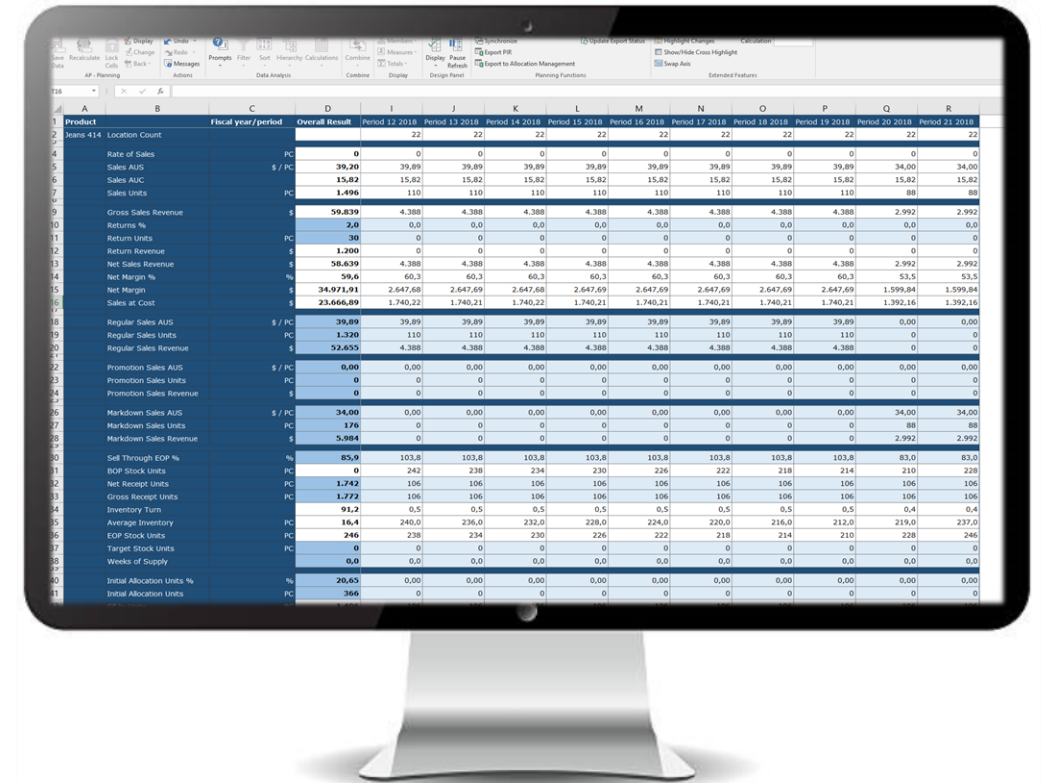
- Products
- Product hierarchy
- Market hierarchy
- Locations & clusters (*warehouses, stores, wholesale customer locations*)
- Attributes (*products & locations*)
- Wholesale customers
- Suppliers / vendors
- Sales history (*omnichannel: retail, digital, & wholesale*)
- Sales orders & rejections history
- Shipments & returns history
- Inventory
- Prices (*retail price, promotion price, cost, wholesale sales price, MSRP*)
- Images

The User Experience (1/2)

Personalized launchpad

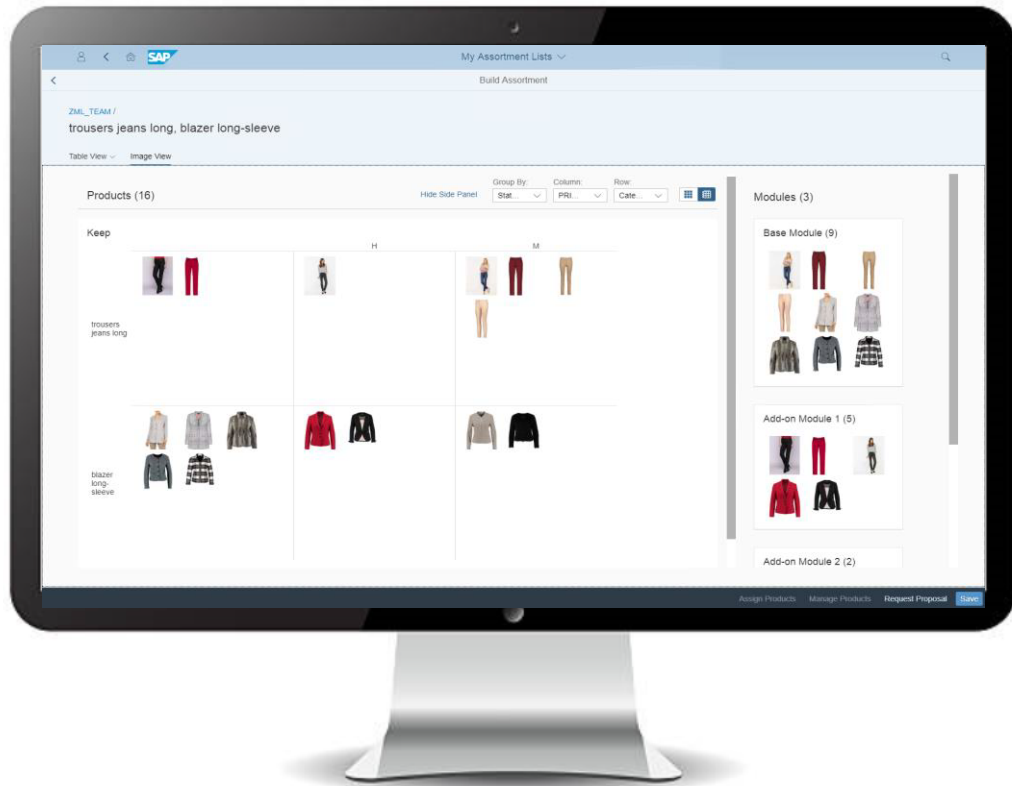


Flexible, integrated, Excel-based planning workbooks with powerful planning functions

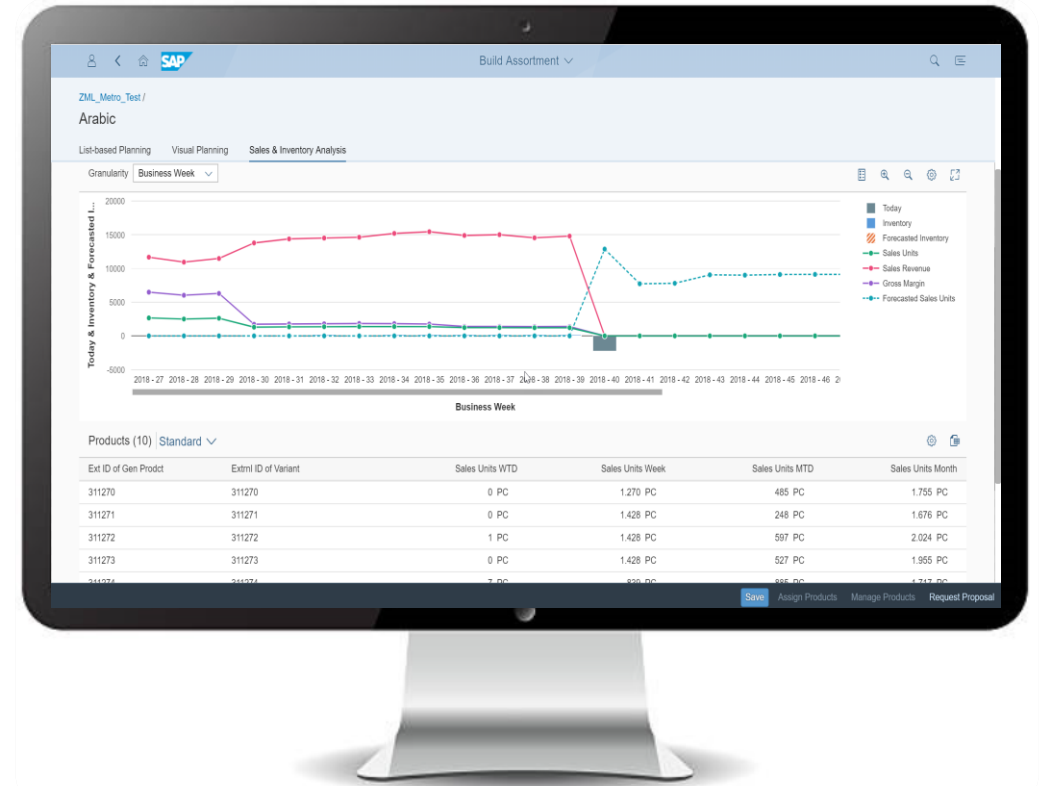


The User Experience (2/2)

Highly-visual



Embedded analytics



Gain Valuable Insights Using Reporting & Analysis Tools

Dashboard for category, key items, etc.

Category review

Trend analysis

Profitability (category, item, vendor)

Plan / Forecast vs actual

Basket / Transaction analysis

Product affinity analysis

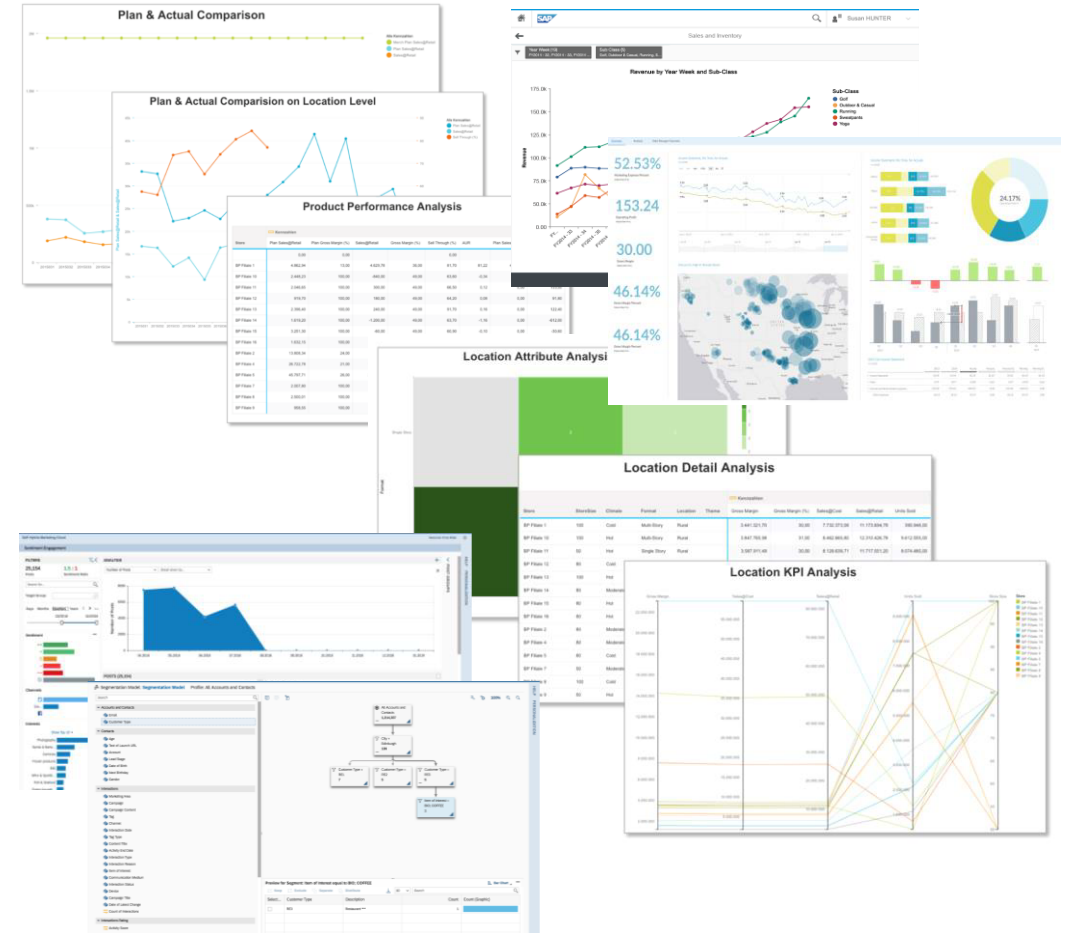
Attribute analysis

Location & location cluster analysis

Inventory analysis

Customer segment analysis*

Sentiment analysis*

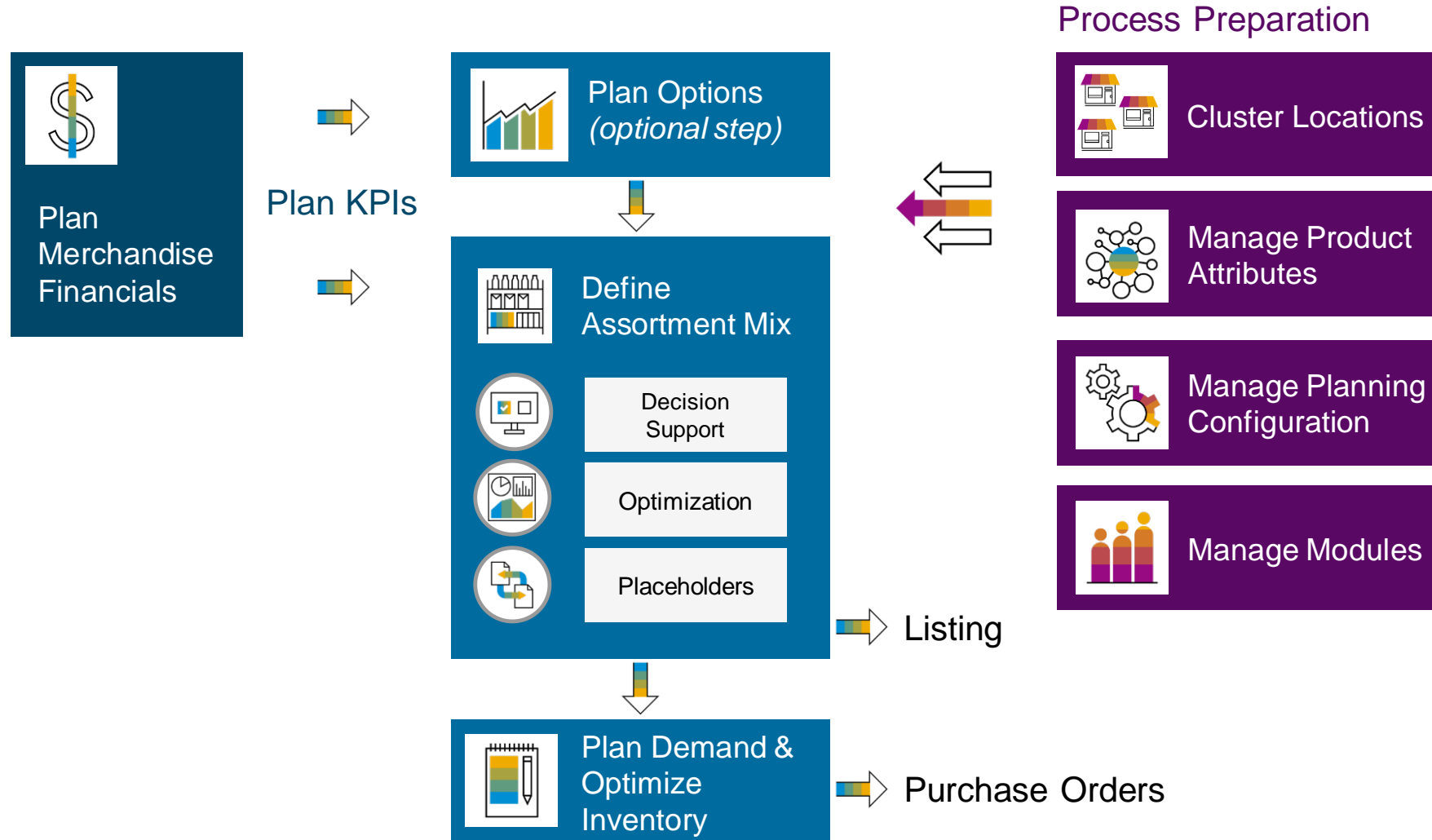


SAP Merchandise Planning Overview

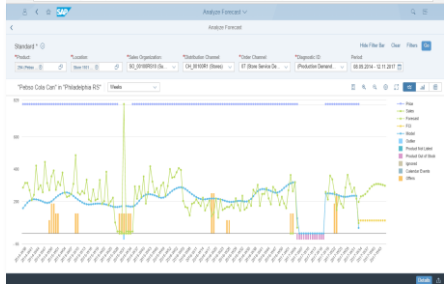
- Omnichannel: retail, e-commerce, & wholesale
- Use 80+ standard KPIs or custom ones to plan sales, margin, receipts, inventory, open-to-buy, etc.
- Adopt best practice templates
- Create custom workbooks using a toolkit
- Plan multiple levels of the product hierarchy at once
- Plan top-down, bottom-up, or middle-out
- Utilize a version concept (copy, create, view multiple versions of plans)
- Set thresholds, exceptions, & alerts
- Lock cells
- Single view of plan, LY, LLY
- Control calculation order using rules of precedence
- Support multiple currencies & languages

Key Figures	Sub-Region	Overall Result	Canada	Period 01 2018	Period 02 2018	Period 03 2018	Period 04 2018	Period 05 2018	Period 06 2018	USA
[-] BOP TTL Stock at Cost		\$ 19,500,000	9,750,000	9,750,000	10,512,539	11,171,728	10,402,543	11,039,819	10,967,668	9,750,000
[-] Men	66/UA_AP_M	\$ 12,000,000	6,000,000	6,000,000	6,455,920	6,844,583	6,354,758	6,730,301	6,665,552	6,000,000
Baseball	66/UA_AP_M_BB	\$ 1,500,000	750,000	750,000	792,676	823,519	747,780	780,413	754,259	750,000
Basketball	66/UA_AP_M_BK	\$ 1,500,000	750,000	750,000	838,675	926,932	897,545	946,358	1,008,098	750,000
Football	66/UA_AP_M_FB	\$ 1,500,000	750,000	750,000	802,152	844,809	779,754	823,323	810,111	750,000
Global Football	66/UA_AP_M_GF	\$ 1,500,000	750,000	750,000	792,329	822,630	747,441	780,314	754,708	750,000
Golf	66/UA_AP_M_GC	\$ 1,500,000	750,000	750,000	789,851	816,994	738,714	768,429	739,353	750,000
Lifestyle	66/UA_AP_M_LS	\$ 1,500,000	750,000	750,000	799,993	839,371	771,490	811,289	794,713	750,000
Run	66/UA_AP_M_RN	\$ 1,500,000	750,000	750,000	807,645	856,929	796,331	844,022	836,900	750,000
Tennis	66/UA_AP_M_TN	\$ 1,500,000	750,000	750,000	832,600	913,400	875,703	946,153	967,409	750,000
[+] Women	66/UA_AP_W	\$ 7,500,000	3,750,000	3,750,000	4,056,619	4,327,146	4,047,785	4,309,517	4,302,116	3,750,000
[+] BOP Store Stock at Cost		\$ 13,000,000	6,500,000	6,500,000	7,257,060	7,910,769	7,902,928	8,606,785	8,853,363	6,500,000
[+] BOP DC Stock at Cost [Channel]		\$ 6,500,000	3,250,000	3,250,000	3,255,479	3,260,959	2,499,615	2,433,033	2,114,304	3,250,000
[+] BOP DC Stock at Cost [Excess]										
[+] Sales at Cost		\$ 23,000,000	6,652,083	1,075,988	1,179,338	1,074,538	1,074,260	1,177,551	1,070,406	#####
[+] Sales Revenue		\$ 51,111,111	8,792,491	1,354,888	1,695,998	1,354,982	1,353,901	1,694,659	1,338,064	#####
[+] Margin \$		\$ 28,111,111	2,140,408	278,900	516,660	280,443	279,640	517,108	267,657	#####
[+] Margin %		% 55,0	24,3	20,6	30,5	20,7	20,7	30,5	20,0	61,4
[+] Net Sales		\$ 50,944,886	8,709,379	1,341,036	1,682,146	1,341,130	1,340,049	1,680,807	1,324,212	#####
[+] Contribution %		% 100,0	17,2	2,7	3,3	2,7	2,6	3,3	2,6	82,8
[+] AUR		\$ / PC 14,14	10,25	10,25	10,26	10,24	10,24	10,26	10,25	15,35
[+] AUC		\$ / PC 6,36	7,76	8,14	7,14	8,12	8,12	7,13	8,20	5,93
[+] Sales Units		PC 3,615,485	857,688	132,122	165,275	132,337	132,220	165,252	130,482	2,757,797
[+] Sales Store at Cost %		% 65,2	39,9	38,0	43,5	38,0	37,9	43,4	37,7	75,5
[+] Sales Store at Cost		\$ 15,000,000	2,652,083	409,322	512,672	407,872	407,594	510,885	403,740	#####
[+] Shipment at Cost %		% 34,8	60,1	62,0	56,5	62,0	62,1	56,6	62,3	24,5
[+] Shipment at Cost		\$ 8,000,000	4,000,000	666,667	666,667	666,667	666,667	666,667	666,667	4,000,000
[+] Gross Receipts		\$ 21,726,225	8,951,938	2,129,046	2,129,046	595,872	2,002,055	1,395,919	700,000	#####
[+] Net Receipts		\$ 21,000,000	8,588,826	2,068,527	2,068,527	535,353	1,941,536	1,335,400	639,481	#####
[+] Receipts Store at Cost		\$ 12,000,000	5,001,707	1,166,381	1,166,381	400,031	1,111,451	757,463	400,000	6,998,293
[+] Receipts DC at Cost		\$ 9,000,000	3,587,119	902,146	902,147	135,322	830,085	577,938	239,481	5,412,881
[+] AUC Receipts		\$ / PC 1,22	3,77	2,63	2,63	1,95	9,32	9,43	8,19	0,83
[+] Total Receipt Units		PC 17,277,389	2,277,389	787,099	787,108	275,102	208,397	141,568	78,115	#####
[+] Receipt Units Store		PC 12,227,379	2,227,379	778,769	778,768	266,762	200,077	133,238	69,765	#####
[+] Receipt Units DC		PC 5,050,010	50,010	8,330	8,340	8,340	8,320	8,330	8,350	5,000,000
[+] Store Returns Cost		\$ 166,225	83,112	13,852	13,852	13,852	13,852	13,852	13,852	83,112
[+] Store Returns Cost %		% 1,1	3,1	3,4	2,7	3,4	3,4	2,7	3,4	0,7
[+] DC Returns Cost		\$ 560,000	280,000	46,667	46,667	46,667	46,667	46,667	46,667	280,000
[+] DC Returns Cost %		% 7,0	7,0	7,0	7,0	7,0	7,0	7,0	7,0	7,0
[+] Inventory Adjustment %		% 1,3	3,5	3,6	3,3	3,6	3,6	3,3	3,6	0,4
[+] Inventory Adjustments Cost		\$ 302,415	230,000	38,333	38,333	38,333	38,333	38,333	38,333	72,415
[+] Inventory Adjustments Units		PC 248,807	60,986	14,586	14,586	19,698	4,115	4,064	4,683	87,520
[+] Write Off Adjustment %		% 10,0	17,3	17,8	16,3	17,8	17,8	16,3	17,9	7,0
[+] Write Off Adjustments Cost		\$ 2,300,000	1,150,000	191,667	191,667	191,667	191,667	191,667	191,667	1,150,000
[+] Write Off Adjustments Units		PC 1,892,285	304,931	72,931	72,932	98,492	20,573	20,319	23,413	1,389,877
[+] OTB		\$ 21,000,000	8,588,826	2,068,527	2,068,527	535,353	1,941,536	1,335,400	639,481	#####

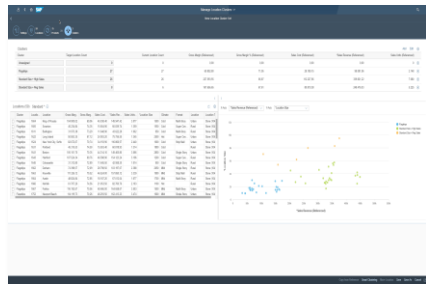
Assortment Planning Overview



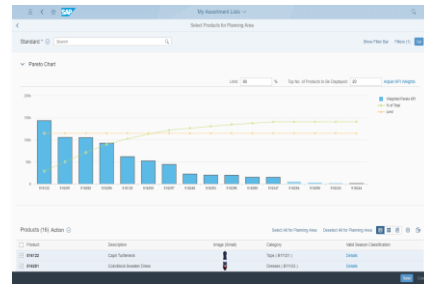
Intelligent Capabilities Within Omnichannel Planning



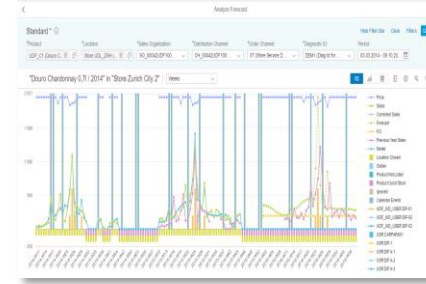
Unified Demand Forecast



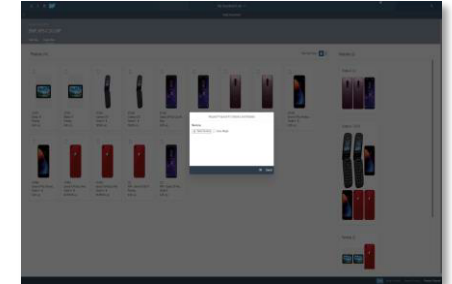
Location Clustering



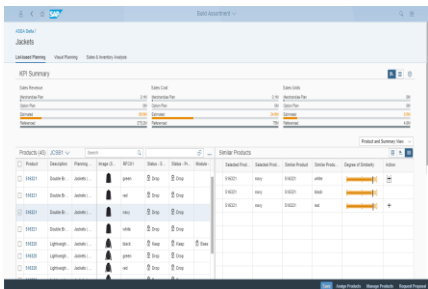
Pareto Analysis



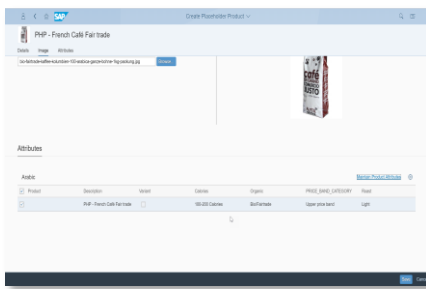
Pre-Season Demand Decomposition & Analysis



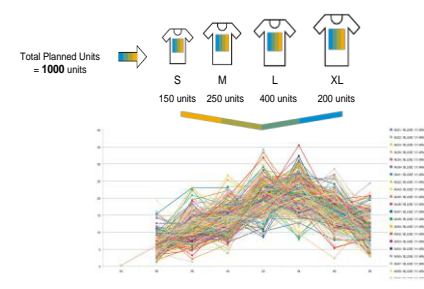
Assortment Optimization



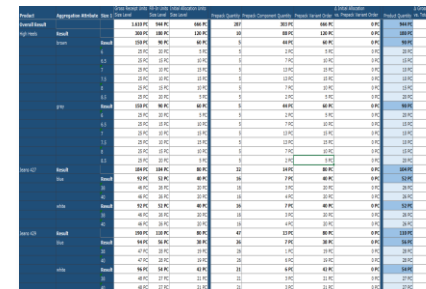
Product Similarity



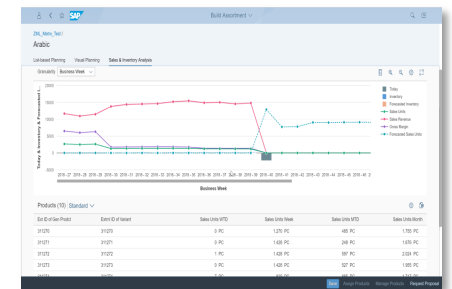
Placeholder Product Matching



Dynamic Size Curves

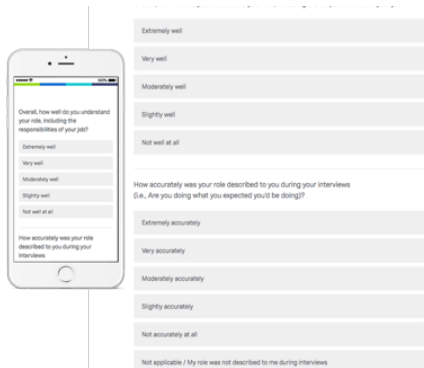


Pre-Pack Optimization



In-Season Demand & Inventory Analysis

Planning Innovation Examples



Product & Customer Experience Management

Collect feedback directly from consumers about products and customer experience

Combine X Data + O Data for better insights



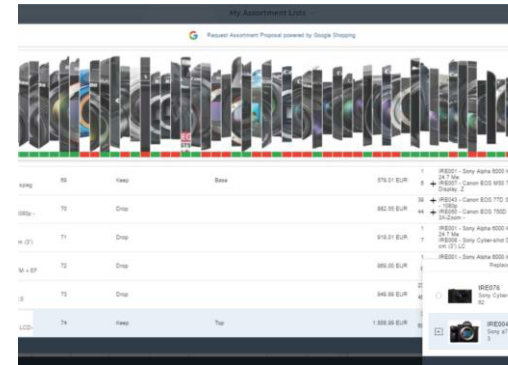
adidas: Color Trend Analysis

Detect global / local trends & top colors

Multiple external data sources

Analyze image color & color clustering

Forecast demand with machine learning



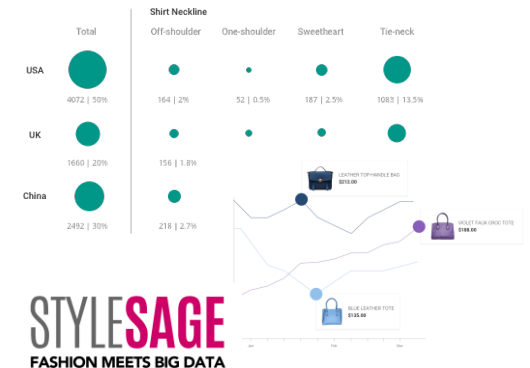
Assortment Optimization & Google Shopping

Send a planned assortment mix to Google Shopping

Google returns product popularity rankings for similar products

Decide to add, swap, or ignore product suggestions

Provide more relevant assortments



SAP.iO & Style Sage: Strategic Analytics & AI

SAP.iO = SAP's global network of top-tier startup programs

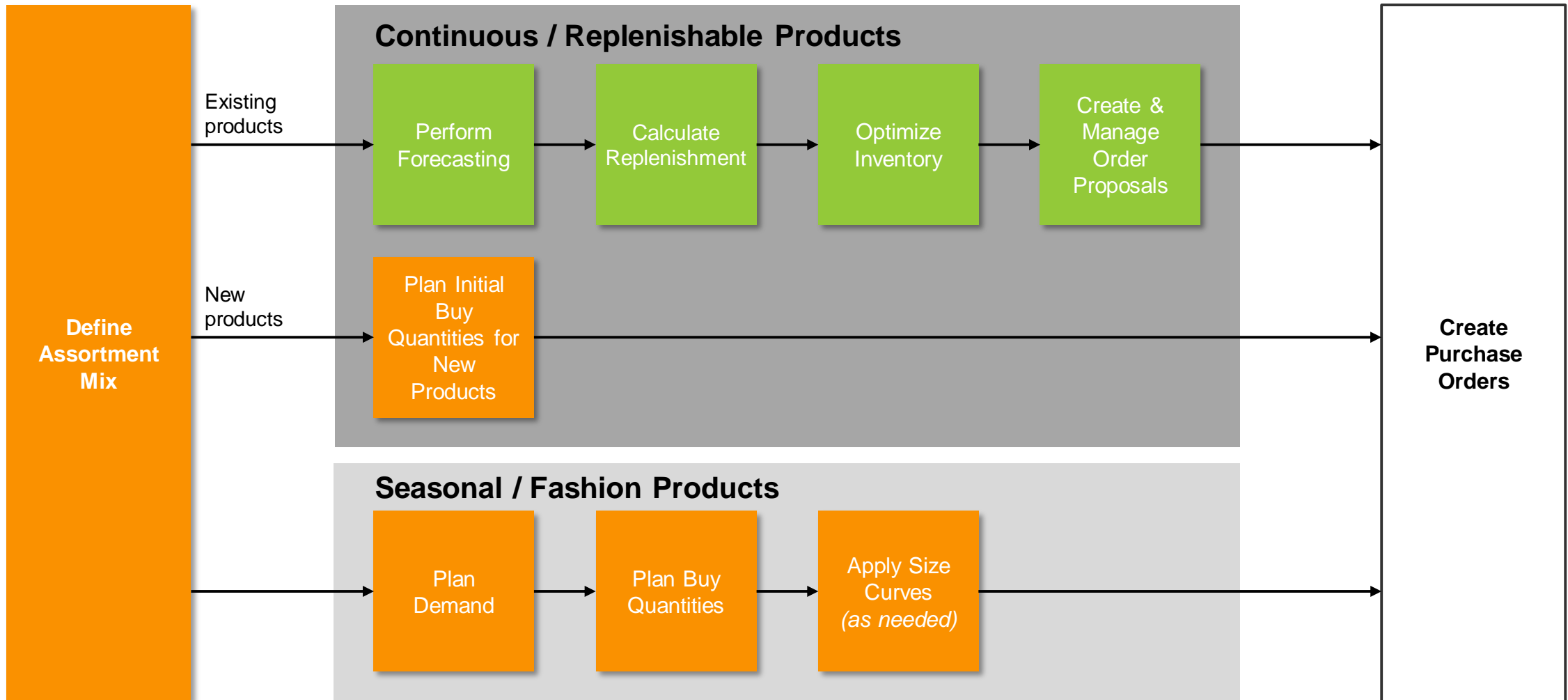
Cloud-based strategic analytics & AI platform for fashion retailers and brands making pre-/in-season decisions

Assortment analytics, competitor pricing intel, trend analysis, & more

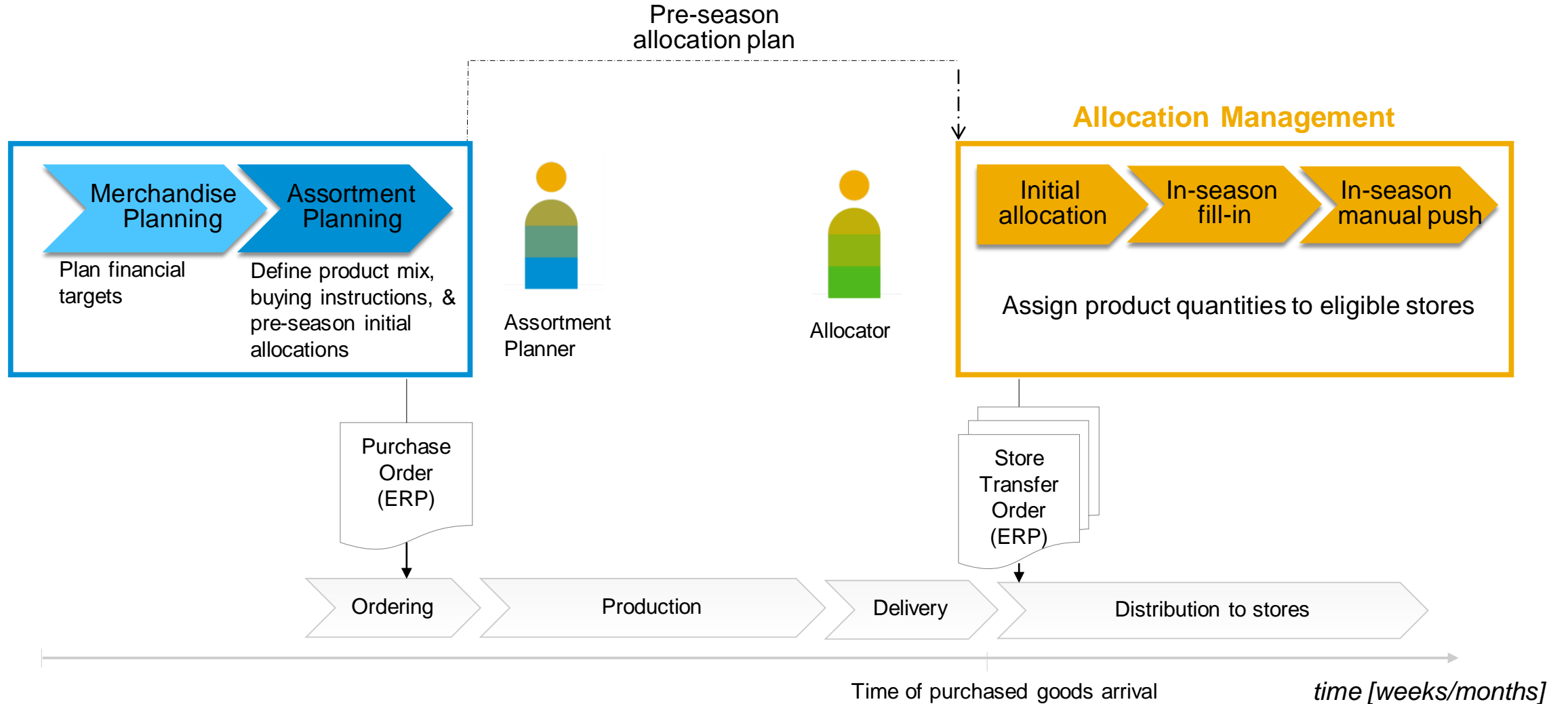
Demand & Buy Planning for All Merchandise Types

SAP Forecasting & Replenishment

SAP Assortment Planning



Omnichannel Planning & Allocation Management Working Together





Global Fashion

SAP Merchandise Planning, SAP Assortment Planning, SAP Allocation Management



National Department Store

SAP Merchandise Planning, SAP Assortment Planning, SAP Allocation Management, SAP Forecasting & Replenishment, HANA Enterprise Cloud



National Electronics & Appliances Retailer

SAP Assortment Planning

£299.95

We'll recycle your old appliance for free

£429.95

£249.95



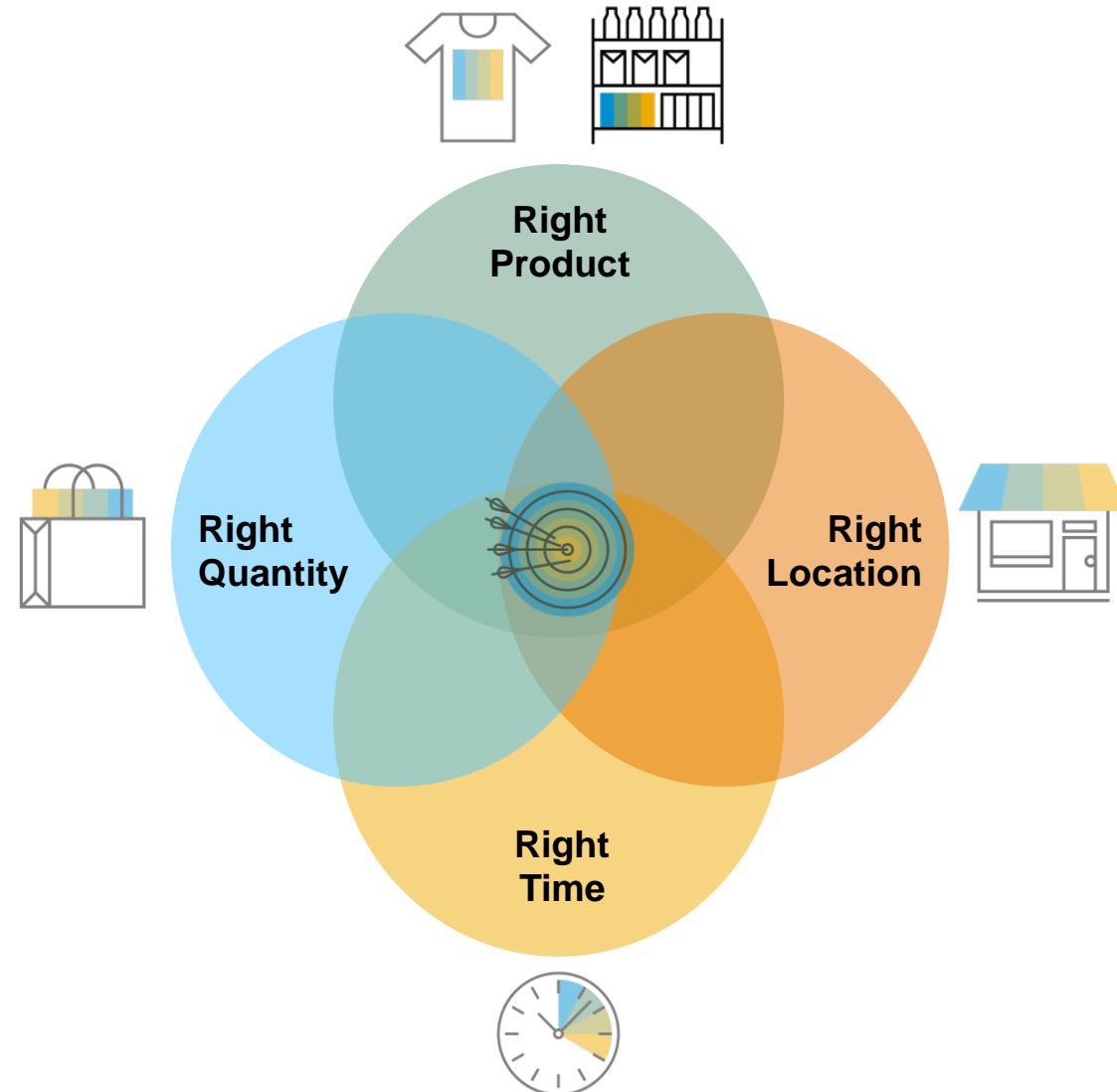
National Supermarket / Hypermarket
SAP Merchandise Planning



Global Sporting Goods

SAP Assortment Planning

What Planning is All About



Improving Performance with Omnichannel Planning



STRATEGIC PRIORITIES	KPIs	HOW
Increase revenue	<ul style="list-style-type: none"> • Sales • Inventory turns • Transaction size 	<ul style="list-style-type: none"> • Better customer insight for customer-centric decisions • Relevant assortments drive more sales, increased transaction size • Better inventory flow
Increase margin	<ul style="list-style-type: none"> • GMROI • Markdown % 	<ul style="list-style-type: none"> • Better forecasting means less over-/under-buying • More products sell for full price • Improved visibility
Efficiency / Speed / Control Spending	<ul style="list-style-type: none"> • Time to plan • Time to intelligently cluster stores • Actual spend vs OTB budget 	<ul style="list-style-type: none"> • Faster process steps, such as, store clustering • Integrated retail planning process • Unified data foundation • Simple, powerful tools for greater user efficiency • Monitor OTB spend (plan v actuals)
Customer satisfaction / Loyalty	<ul style="list-style-type: none"> • Purchase frequency • Retention rate • Market basket size increase 	<ul style="list-style-type: none"> • Relevant assortments • More seasons / collections

What You Get with SAP

NEXT-GENERATION PLANNING

Cutting-edge enterprise tech. Top planning architecture. Plan all channels. Future ready.

- **ULTRAFAST PROCESSING**

No batches. Rapid clustering & simulations. Real-time analysis.

- **UNIFIED PLANNING PLATFORM & INTEGRATED PROCESS**

A single data, planning, predictive, & analytics platform. Single version of the truth.

- **CONSUMER-GRADE USER EXPERIENCE**

Award-winning. Consumer-grade simplicity. Enterprise-grade power & flexibility. Visual.

- **INTELLIGENT**

Predict & optimize. Balance the art & science.

BEST PRACTICES

Start with best practice and tailor, as needed (not just a toolkit). Be best run. Deploy fast.

FLEXIBILITY

Customize views & capabilities for unique needs. Keep “secret sauce” planning methods.

BEST-OF-BREED OR INTEGRATED SUITE

Integrated but modular planning suite. E2E process integration from planning to execution.

MANAGE COMPLEXITY

Automate & manage by exception. Tech, tools, & rules provide a simplifying framework.



**When can we show you
omnichannel planning in
more detail?**

Thank you.

Contact information:

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