

# **Oracle® Retail Markdown Optimization**

User Guide

Release 13.0

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Primary Author: Cristina Maldonado

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# Preface

Markdown Optimization is an application that provides markdown recommendations and forecasts that allow customers to make informed markdown decisions. In this way, customers can maximize gross margins on seasonal merchandise while clearing inventory to specified levels by defined dates.

## Audience

Oracle Retail Markdown Optimization User's Guide is intended for Markdown Optimization users. It covers user tasks and application functionality and does not include system administration information.

## Related Documents

For more information, see the following documents in the Oracle Retail Markdown Optimization Release 13 documentation set:

- *Oracle Retail Markdown Optimization Installation Guide*
- *Oracle Retail Markdown Optimization Administration Guide*
- *Oracle Retail Markdown Optimization Configuration Guide*
- *Oracle Retail Markdown Optimization Operations Guide*
- *Oracle Retail Markdown Optimization Release Notes*
- *Oracle Retail Markdown Optimization Online Help*

## Customer Support

- <https://metalink.oracle.com>

When contacting Customer Support, please provide:

- Product version and program/module name
- Functional and technical description of the problem (include business impact)
- Detailed step-by-step instructions to recreate
- Exact error message received
- Screen shots of each step you take

## Review Patch Documentation

For a base release ("0" release, such as 13.0), Oracle Retail strongly recommends that you read all patch documentation before you begin installation procedures. Patch documentation can contain critical information related to the base release, based on new information and code changes that have been made since the base release.

## Oracle Retail Documentation on the Oracle Technology Network

In addition to being packaged with each product release (on the base or patch level), all Oracle Retail documentation is available on the following Web site:

[http://www.oracle.com/technology/documentation/oracle\\_retail.html](http://www.oracle.com/technology/documentation/oracle_retail.html)

Documentation should be available on this Web site within a month after a product release. Note that documentation is always available with the packaged code on the release date.

## Conventions

The following text conventions are used in this document:

Convention	Meaning
<b>boldface</b>	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
<code>monospace</code>	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

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# Getting Started

This chapter contains the following information:

- ["About Oracle Retail Markdown Optimization" on page 1-1](#)
- ["Checking Your Markdown Optimization Browser Settings" on page 1-2](#)
- ["Logging on to Markdown Optimization" on page 1-7](#)
- ["The Markdown Optimization User Interface" on page 1-9](#)
- ["Changing Your Password" on page 1-12](#)
- ["User Profiles" on page 1-13](#)
- ["Markdown Optimization Schedule" on page 1-14](#)
- ["Quick Reference to Common Markdown Optimization Tasks" on page 1-15](#)

## About Oracle Retail Markdown Optimization

The timing and depth of markdowns are important levers for managing the optimal balance of profitability and returns. To help you manage these levers, Markdown Optimization makes recommendations for markdowns within the constraints of your company's particular business requirements.

The markdowns that Markdown Optimization recommends:

- Bring inventory to the desired level, not only during the full-price selling period, but also during price-break sales.
- Maximize total gross margin dollars over the entire product lifecycle.

In addition to markdown recommendations, Markdown Optimization provides data about sales, gross margin, and inventory. This information can help you understand in-season performance as well as assess the impact of markdown decisions prior to execution.

Markdown Optimization provides the following features:

- Automated analysis—helps you to test possible scenarios, forecast demand in each scenario, and select the optimal scenario. You can test multiple scenarios prior to making a markdown decision. For more details, see ["What-If" on page 2-14](#).
- Automated optimize-to-budget process—enables you to take the optimal markdowns while remaining within your monthly budget. For more details, see ["Optimize-to-Budget" on page 2-26](#).
- Standardized markdown process—enables you to maximize gross margin dollars and meet defined sell-through targets, while conforming to your business

constraints. For details, see ["Markdown Prices" on page 2-8](#), ["Approving Decisions" on page 2-31](#), and the Business Rules section of the Administrator's Guide.

- Increased visibility—lets you examine store-level product demand over the entire merchandise lifecycle.
- Updated recommendations each week—facilitates decision-making that is based on recent data, including new sales, inventory, price levels, planned promotions, and other relevant data.
- Support for customized user preferences—enables you to tailor the information that is displayed on each screen to your particular needs. For details, see ["User Profiles" on page 1-13](#).

## Checking Your Markdown Optimization Browser Settings

Markdown Optimization is a web application that runs in the Microsoft Internet Explorer Web browser, version 7.x or higher.

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**Note:** In addition to the Internet Explorer Web browser, your personal computer must be set up with Microsoft Excel 2000 or higher, if you want to export Markdown Optimization data or access Markdown Optimization standard reports.

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Before you attempt to access Markdown Optimization, check your browser settings for the following:

- **Configure Internet Explorer's Security Settings**—add the Markdown Optimization URL to the appropriate zone (Local intranet or Trusted sites) to ensure that the Markdown Optimization application will use the appropriate security settings. For more information, see ["Configuring Internet Explorer's Security Settings" on page 1-2](#).  
  
**Important:** Do not use the Internet zone to configure browser settings for Markdown Optimization. Use only the Local intranet zone or the Trusted sites zone, as explained in ["Configuring Internet Explorer's Security Settings" on page 1-2](#).
- **Adjusting Internet Explorer's Language Settings**—if you are using a different language on your computer, you can adjust internet explorer to also use the same language. For more information, see ["Adjusting Internet Explorer's Language Settings" on page 1-5](#).
- **Cache Settings**—the default cache setting for Internet Explorer is Automatic, and normally these settings do not need to be adjusted. However, if you do want to check your cache settings, refer to ["Cache Settings" on page 1-6](#).
- **Install and Register ActiveX components**—install and register the ActiveX components on your computer to access the Markdown Optimization application URL. For more information, see ["Installing and Registering ActiveX Components" on page 1-6](#).

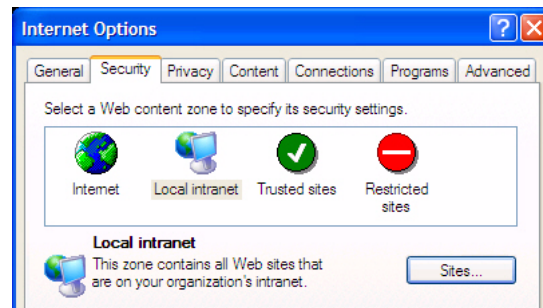
## Configuring Internet Explorer's Security Settings

To configure Internet Explorer for Markdown Optimization:

1. Open Internet Explorer.

2. From the **Tools** menu, select **Internet Options**.
3. On the **Internet Options** dialog box, click the **Security** tab.
4. From the **Security** tab, click **Local intranet**, or, if you have been instructed to do so by the administrator, **Trusted sites**, and then click the **Sites** button.

**Figure 1–1 Internet Options Dialog Box**

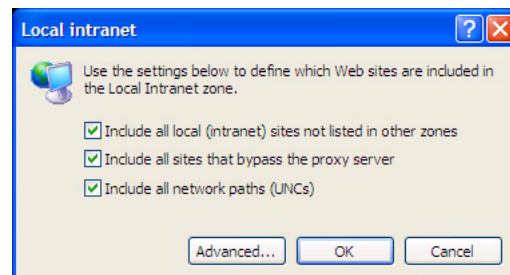


**Important:** Do not select Internet unless you have been instructed to do so by the administrator. In most cases, the Markdown Optimization application will be available on your company's intranet or on a Oracle Retail trusted site.

If you selected Local intranet, go to step 5. If you selected Trusted sites, go to step 6.

5. On the **Local intranet** dialog box, click the **Advanced** button, as in the following example:

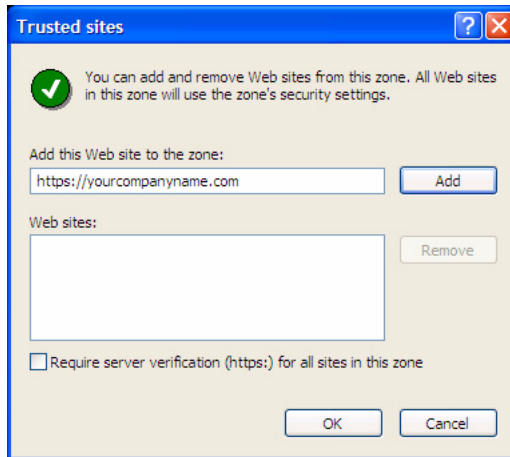
**Figure 1–2 Local Intranet Dialog Box**



6. On the resulting **Local intranet** or **Trusted sites** dialog box, add the Markdown Optimization URL if it is not already listed.

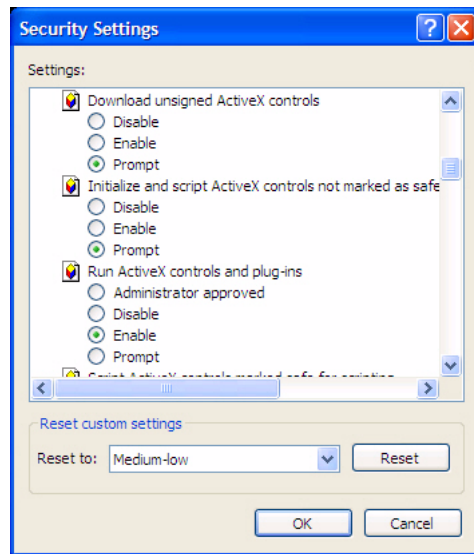
To do so, type the Markdown Optimization URL in the **Add this Web site to the zone** text box (similar to the following example). Click **Add**. When the URL appears in the Web sites list, click **OK**.

**Figure 1–3 Internet Explorer Trusted Sites**

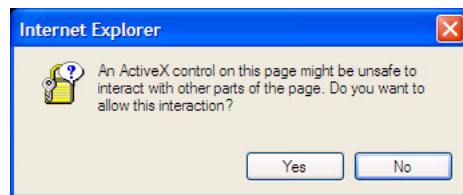


7. If the **Local Intranet** dialog box from step 5 is still open, click **OK** to close it.
8. From the **Security Tab** of the **Internet Options** dialog box, select **Local intranet** or **Trusted sites** (as in the following example) and then click the **Custom Level** button.
9. The **Security Settings** dialog box opens. Make sure the following commands are set to Prompt or Enable, and then click **OK**.
  - Download signed ActiveX controls
  - Run ActiveX controls and plug-ins
  - Script ActiveX controls marked safe for scripting
  - File download
  - Active scripting
  - Initialize and script ActiveX controls not marked as safe—a Microsoft ActiveX® control is required each time you export to Excel. While this ActiveX control is signed, it is not marked as safe (meaning that it could potentially be used to do unsafe things). If you set this option to Prompt, you will be prompted each time you select the Markdown Optimization Export action.

The following example uses the Prompt setting for the Initialize and script ActiveX controls not marked as safe command.

**Figure 1–4 Internet Explorer Security Settings**

The following example shows the prompt that appears when there is a request from an application to use an ActiveX control that is not marked as safe.

**Figure 1–5 Active X Warning**

10. On the **Internet Options** dialog box, click **OK** to return to the browser.

## Adjusting Internet Explorer's Language Settings

To adjust the language setting for Internet Explorer, do the following:

1. From Internet Explorer, select **Tools, Internet Options**.
2. Click the **Languages** button located across the bottom of the window.
3. Click the **Add** button to add another language. Select your desired language from the list and click **OK**.
4. From the list of existing languages, click once onto the name of the language you want to remove. Click **Remove**.
5. Click **OK** to exit the Languages dialog box.
6. From the Internet Options window, click **Apply** to apply your changes. Click **OK** to exit.

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**Note:** The Markdown Optimization application supports ten languages: English, German, Spanish, French, Italian, Russian, Japanese, Korean, Portuguese, simplified Chinese, and Taiwan Chinese. To change language settings ensure that your Web browser settings and Windows control panel settings are set to the same language. For more information, see the Markdown Optimization Configuration Guide.

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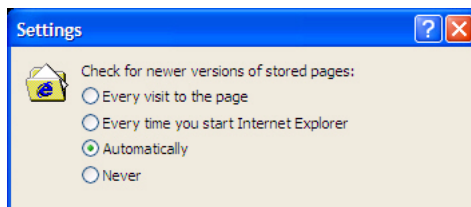
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## Cache Settings

To check Internet Explorer's cache settings

1. From the **Tools** menu, select **Internet Options**.
2. From the **Internet Options** dialog box, select **General** tab, **Temporary Internet Files** section, and then click the **Settings** button.
3. On the **Settings** dialog box, select **Automatically**, if it is not selected already, and click **OK**. An example is listed below:

**Figure 1–6** Internet Explorer Temporary Internet File Settings



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**Note:** You can also select Every visit to the page.

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4. On the **Internet Options** dialog box, click **OK** to return to the browser.

## Installing and Registering ActiveX Components

You must install and register the Markdown Optimization ActiveX components (included in the Markdown Optimization Installation CD) on your computer to access the application URL.

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**Note:** ActiveX components may not download or install properly, even if all of the browser security settings are correct due to firewall or destination directory restrictions. This may result in a white (blank) Internet Explorer screen when you attempt to access the Markdown Optimization login screen.

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To install and register the Markdown Optimization ActiveX components:

1. From the Markdown Optimization Installation CD, extract the **ActiveXInstaller.zip** contents to a directory on your computer. By default, the contents get stored in a **PLActiveXInstaller** folder.
2. In the **PLActiveXInstaller** folder, double-click the **ActiveXWrapper.html** file.



This opens the Web browser, downloads, and installs the required components. A message appears when the ActiveX installation is complete.

3. Close the browser window. You can now try accessing the Markdown Optimization application URL.

You can also manually register the ActiveX components using the following procedure:

1. Navigate to the following location in the PLActiveXInstaller folder:

```
PLActiveXInstaller\activex\components\plWebUI\
```

2. Extract the **PLWebUI.cab** contents to a directory on your computer. The following files are extracted:

- PLWebUI.inf
- PLWebUI.ocx

3. From a command prompt, run the following command:

```
regsvr32 PLWebUI.ocx
```

## Logging on to Markdown Optimization

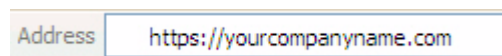
Before you access Markdown Optimization for the first time, do the following:

- Check your settings for Microsoft Internet Explorer. For details, see "[Checking Your Markdown Optimization Browser Settings](#)" on page 1-2.

To access Markdown Optimization:

1. Open Internet Explorer
2. In the **Address** field, enter the Markdown Optimization URL for your company, and press Enter.

**Figure 1-7 Internet Explorer - Address Field**



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**Note:** Make sure you use https (instead of just http).

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If you have not downloaded the Microsoft Common Dialog control yet, a prompt appears asking you to do so. Otherwise, the Markdown Optimization login screen appears.

**Figure 1–8 Internet Explorer - Security Warning Dialog Box**

To avoid further prompts of this security warning, click the **Always trust content from Microsoft Corporation** check box, and click the Yes button.

The Microsoft Common Dialog control is downloaded to your computer and appears in the Downloaded Program Files directory.

You are also asked to install the Microsoft XML Parser as follows:

**Figure 1–9 Internet Explorer - Security Warning Dialog Box**

3. On the login screen, enter your username and password in the appropriate fields. Click the **Login** button.

Your username and password are case-sensitive. If you are unable to log in, check your keyboard to make sure that the Caps Lock key is not selected.

If you forget your password, contact the Markdown Optimization administrator to get a new password.

When you successfully enter your username and password, the Markdown Optimization Main Menu appears.

### What to Do Next

For information on how to use the Markdown Optimization user interface, see "[The Markdown Optimization User Interface](#)" on page 1-9. Otherwise, select any of the following links from the Main Menu, depending on what you want to accomplish:

- Markdowns. For details, see "[Markdown Prices](#)" on page 2-8.
- Maintaining Merchandise. For details, see "[About Maintaining Merchandise](#)" on page 3-1.

- Business Rule Property Manager. For details, see the Business Rules section of the Markdown Optimization Administration Guide.
- User Management. This link appears only if your user account has been assigned a role to perform user management functions. For details, see the User Management section of the Markdown Optimization Administration Guide.
- Seasonality Manager. For details, see the Markdown Optimization Administration Guide.
- User Profiles. For details, see ["Changing Your Password" on page 1-12](#).
- Reports. For details, see ["Markdown Optimization Reports"](#).

You can return to the Main Menu by clicking the Main Menu link in the upper-right of most Markdown Optimization screens.

## The Markdown Optimization User Interface

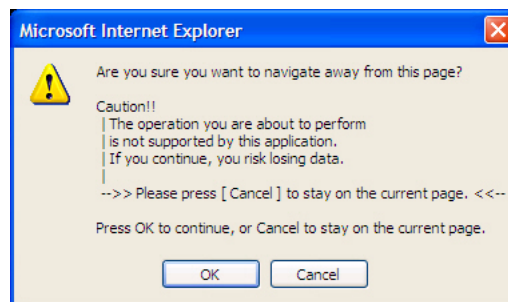
The following topics provide a general overview of the Markdown Optimization User Interface.

- ["Navigation Rules" on page 1-9](#)
- ["Timeouts" on page 1-9](#)
- ["The Main Screen" on page 1-10](#)
- ["Changing Your Password" on page 1-12](#)

### Navigation Rules

Always use the Markdown Optimization buttons, menus, and links to navigate from screen to screen. Do not use Internet Explorer's Back button or close windows by using the "X". If you attempt to exit a Markdown Optimization screen without using the applications built-in navigation, you will receive the following warning:

**Figure 1-10** *Navigation Rules*

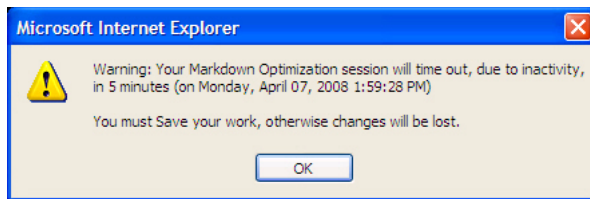


Click **Cancel** on this dialog box and then navigate from the Markdown Optimization screen using the Markdown Optimization buttons or links.

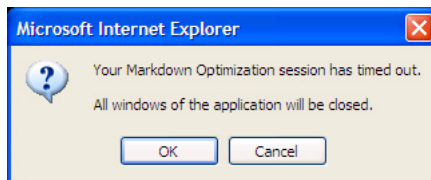
### Timeouts

Once you are logged into Markdown Optimization, it will timeout after one hour of inactivity. It is recommended that you save your work regularly.

The following message appears five minutes before the timeout occurs, giving you the opportunity to save your work.

**Figure 1–11 Session Time Out Message**

If your session does time out, the following message appears:

**Figure 1–12 Time Out Message**

When this occurs, click OK. The Login screen appears and you must enter your username and password again.

Additionally, the Business Rules Property Manager utility and the User Management utility (not available to most users) have separate timeouts. Thus, if you access either of these utilities and then leave them inactive, similar timeout messages will appear.

## The Main Screen

The following illustration shows features common to most Markdown Optimization screens

**Figure 1–13 Worksheets Summaries Screen**

ORACLE® Markdown Optimization									
Worksheet Summaries Cutoff Date: 04/10/2008 5:00 PM									
Action: (select action) [Apply]									
	HIERARCHY 1	HIERARCHY 1Name	HIERARCHY 2	HIERARCHY 2Name	HIERARCHY 3	HIERARCHY 3Name	# Rec MD	Rec MD \$	Rec MD \$ Cost
1	1								
3	1	ACME	1	MENS	11	MENS DENIM	818	\$3,033,432.87	\$2,947,080.04
4	1	ACME	1	MENS	12	MENS BOTTOMS	637	\$885,452.24	\$750,914.26
5	1	ACME	1	MENS	14	MENS SWEATERS	164	\$102,481.82	\$182,817.53
6	1	ACME	1	MENS	15	MENS SPORTSHIRTS	17	\$39,215.96	\$79,521.97
7	1	ACME	1	MENS	17	MENS FALL KNIT SHIRTS	233	\$165,805.74	\$205,201.01
8	1	ACME	1	MENS	18	MENS ACME ATHLETIC	5	\$3,835.04	\$12,904.82
9	1	ACME	1	MENS	19	MENS ACTIVE	732	\$445,072.30	\$662,975.65
10	1	ACME	4	FOOTWEAR	21	MENS FOOTWEAR	13	\$255,059.34	\$284,280.52

**Figure 1–14 Worksheets Summaries Screen - Legend**

**Note:** Although your Markdown Optimization screens will have the same features, the column names and metrics are typically customized for each site. Therefore, your screens may display column headings and metrics that do not appear in the screen captures.

**Table 1–1 Understanding the Markdown Optimization User Interface**

Screen area	Description
Merchandise hierarchy position	This gray text displays the names of the levels in your merchandise hierarchy, while the black text displays the current position in the hierarchy.
Deadline to take and submit markdowns	This date and time, commonly called the cutoff date, indicates the time by which you must take and submit markdowns so that they will be reflected in the next Markdown Optimization optimization and in your company's pricing system.
General links	<p>About - Shows the version number, build number, date, time, and status of Markdown Optimization.</p> <p>Help - Opens a browser that displays the online help system. When you click the Help link, a File Download dialog box may appear, asking if you would like to open the file or save it to your computer. It is recommended that you click Open to use the help system from its current location.</p> <p>Logout - Click this link to end your Markdown Optimization session.</p> <p>Main Menu - Opens the Markdown Optimization Main Menu, from which you can access worksheets, merchandise, Business Rule Property Manager, the worksheet rights assigned to your user account, and reports.</p>
Screen name	All screens are referred to by the screen name. Unlike the names of hierarchy levels and columns, the screen names are constant for all Markdown Optimization implementations.

**Table 1–1 (Cont.) Understanding the Markdown Optimization User Interface**

Screen area	Description
Command buttons	The names of the buttons vary slightly from screen to screen, but in general most screens provide a Save button and a Done button. It is important to regularly save your changes, especially if a time out message appears.
Data view tabs	One or more data view tabs are typically available, each describing the type or organization of merchandise data. Each view contains items or pricing groups (formerly called collections): <ul style="list-style-type: none"> <li>■ Items - You can change the price, but you can't expand them.</li> <li>■ Pricing groups - You can change the price for the entire group, and you can expand the group and change the price on the expanded items within the group.</li> </ul>
Action list	The Action list contains the actions you can perform on the current screen. Some actions require that you select one or more items first, and other actions apply to all of the data on the screen. After you select an action, click the Apply button.
Hierarchy filters	From these list boxes, you can filter the items or pricing groups that appear on the worksheet. After you select a merchandise or location hierarchy level, click the Show button.
Item or pricing group data	This section contains the actual data. The two left most columns are for selecting the items or pricing groups on which you want to perform an action.
Summary metrics and status	These are customized to reflect the metrics that are most important to your stores.

## Changing Your Password

After you log in to Markdown Optimization the first time, you may change your password from the one given to you by the administrator.

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**Note:** If you forget your password, contact the Markdown Optimization administrator to get a new password.

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To change your password:

1. From the **Main Menu**, click **User Profiles**.

The **User Profile** screen appears, as in the following example:

**Figure 1–15 User Profile Screen**



2. Click **Change Password**.

The **Set Password for user: username** dialog box appears.

3. Complete the **Set Password for user: username** dialog box as follows:

**Figure 1–16 Set Password for User Screen**

The screenshot shows a standard Oracle-style dialog box. The title bar is dark blue with the 'ORACLE' logo on the left and a 'Help' button on the right. The main area has a light blue background. At the top, it says 'Set Password for user: buyer' followed by 'Done' and 'Cancel' buttons. Below this, there are three text input fields: 'Old Password', 'New Password', and 'Confirm New Password'.

**Important:** All passwords are case-sensitive. Make sure that the Caps Lock key is not selected.

1. In the **Old Password** text box, type your existing password.
2. In the **New Password** text box, type your new password. You can use any combination of letters, numbers, and symbols, up to 50 characters.
3. In the **Confirm New Password** text box, type your new password again.
4. Click **Done**. Your password is changed to the new password. You must use this password the next time you want to log into Markdown Optimization.

## User Profiles

User Profiles are available from the Markdown Optimization Main Menu.

Both your username, which you used to log in to the application, and your full name are displayed on the top of this screen. The cutoff date, which is the date by which worksheets must be submitted and approved, is also displayed.

Use the User Profile screen to do the following:

- Change your password. For details, see ["Changing Your Password" on page 1-12](#).
- View a list of the worksheets you can access along with the level of access you have to each.
- Navigate directly to a worksheet. To do so, click the worksheet link in the Worksheets column.

## Access Levels

The following table describes Markdown Optimization access levels to worksheets. The access levels for each worksheet are set by the administrator. The Action list box and buttons that appear on the worksheet determine what actions you can perform on each worksheet.

**Table 1–2 Access Levels**

Access level	Description
View-only	You can view the contents of the worksheet, sort and filter the worksheet data, and perform a what-if analysis, but you cannot change it or take markdowns for it. When you access a worksheet for which you have view-only access, the following appears at the top of the worksheet:  Warning: The worksheet is read-only.  The Done button is the only available button.
Submitter	You can edit the worksheet, take or remove markdowns, perform what-if and optimize-to-budget analyses, and submit the worksheet for approval. You can also save the changes you make to the worksheet. However, you cannot approve (or decline) the changes made to a worksheet.
Approver	You can only approve or decline submitted worksheets. You may not submit worksheets.

## Markdown Optimization Schedule

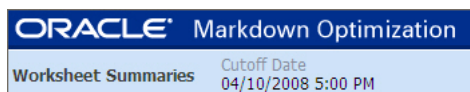
Typically, you can log on to Markdown Optimization at any time. However, there are a few very short periods (generally about five minutes) when the administrator (at your company or Oracle Retail Professional Services) will disable logins so that they can collect approved markdowns and generate the new prices for your pricing system.

There are two periods in the Markdown Optimization schedule:

- **Decision period.** The decision period is typically Monday and Thursday at 5pm. During the decision period, you can use all of the Markdown Optimization features to which you have access. The most important tasks during the decision period are taking markdowns and submitting, approving, or declining worksheets (depending on your access level).

The decision period is in effect until the date and time designated by the cutoff date. The cutoff date is viewable from the all Worksheet and Worksheet Summaries screens and the Merchandise Manager. The following image displays the cutoff date from the Worksheet Summaries screen:

**Figure 1–17 Cutoff Date**



- **"Read-only" period.** The "read-only" period begins at the time designated by the cutoff date. During this period, the markdowns you submitted are imported into your company's pricing system, and Markdown Optimization gathers sales and other data in order to produce recommendations and forecasts that will be ready for you on Monday (or the day designated for your decision period).

The intent is that no markdowns are submitted during the read-only period, but this is not explicitly enforced because there are occasions when certain items require accelerated markdowns. Thus, if necessary, you can submit markdowns during this time as explained in ["Accelerated Markdowns" on page 2-10](#). Otherwise, you can perform Markdown Optimization tasks such as the following:

- ["Viewing a Recommended Forecast" on page 2-31](#)



- ["What-If" on page 2-14](#)
- ["Changing Your Password" on page 1-12](#)

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**Note:** Check with the administrator to determine the exact Markdown Optimization schedule for your company.

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## Quick Reference to Common Markdown Optimization Tasks

The following table lists the key tasks that you will perform using Markdown Optimization.

To perform most of these tasks, you must first log in and select Markdowns from the Main Menu. You can initiate most of the following tasks from the Worksheet Summaries screen that appears.

**Table 1–3 Common Markdown Optimization Tasks**

Key task	Steps	Purpose
Reviewing Markdown Suggestions	Select a worksheet by clicking its link in the Key column (or the equivalent column that contains links to worksheets).	Each week, Markdown Optimization analyzes your most recent sales and inventory data to calculate markdown recommendations. The goal of the recommendation for each item is to maximize gross margin and sell through.
Viewing Forecasts for One or More Worksheets	Select the worksheet(s) to include by clicking the corresponding check box.  From the Action list box, select Show Recommended Forecast and click Apply.	Before you change a markdown price for an item, it's a good idea to view its forecast.
Asking What If	Select a worksheet by clicking its link in the Key column.  On the Items Worksheet, select the item(s) you want to analyze, then select What If from the Action list box and click Apply.  On the What If screen, select the Price Ladder and the Override Price.  Click Recalculate to see the way these price changes impact the forecasted sales, inventory, and gross margin.	After reviewing an item's forecast, you might decide that you would like to see how changes to the markdown schedule would alter its forecast.
Applying the Optimize-to-Budget Feature	Select the worksheet that includes the items you want to mark down by clicking its link in the Key column.  On the Items Worksheet, select the item(s) to which you want to apply the budget, and from the Action list, select Optimize to Budget and click Apply.	If you are not sure how to apply your markdown dollars, use the Markdown Optimization optimize-to-budget feature. The optimize-to-budget feature assesses items with pending markdowns and applies the markdown budget dollars to items that can yield higher gross margin and sell through.

**Table 1–3 (Cont.) Common Markdown Optimization Tasks**

Key task	Steps	Purpose
Taking Recommended Markdown	<p>Select the worksheet that includes the items you want to mark down by clicking its link in the Key column.</p> <p>On the Items Worksheet, select the item(s) for which you want to take markdowns, and then select Take Markdown or Take Markdown Adv from the Action list box and click Apply.</p> <p>Click Save to save your changes and update the Summary Metrics at the bottom of the worksheet.</p>	Once you decide which items you would like to mark down, you are ready to take your markdowns and save them.
Submitting Worksheets for Approval	Once you have taken markdowns (see steps above), click Submit.	Your markdown decisions are not submitted for approval unless you take this step.
Approving Worksheets	<p>Once a worksheet has been submitted, from the Worksheet Summaries screen click the check box for each worksheet to be approved.</p> <p>Select Approve from the Action list box and click Apply.</p>	You must have approval access rights to complete this task.
Managing Worksheets	<p>From the Action list box on the Worksheet Summaries screen or on a worksheet, select Sort Table, Filter Table, or Modify Columns.</p> <p>Note: The Filter Table action is not available on the Worksheet Summaries screen, and it may not be available on all tabs on the worksheets.</p>	Worksheets are the starting point for your markdown analysis. You can set up your worksheets to display the data in whatever way you prefer.
Exporting Data or Printing Data	<p>Select the worksheet you want to export by clicking its link in the Key column.</p> <p>On the Items Worksheet, select the item(s) you want to export, select Print or Export from the Action list box, and click Apply.</p>	<p>At any point in the markdown process, you can export a worksheet to Microsoft Excel.</p> <p>Note: Microsoft Excel 2000 or newer is required to use the Markdown Optimization export feature.</p>

**Table 1–3 (Cont.) Common Markdown Optimization Tasks**

<b>Key task</b>	<b>Steps</b>	<b>Purpose</b>
Managing Business Rules	From the Main Menu, click Business Rule Property Manager.	<p>Business rules are your company guidelines that Markdown Optimization uses when making pricing and markdown decisions. You may want to access business rules to determine why or why not Markdown Optimization made a markdown recommendation. In addition, you may want to change a business rule setting.</p> <p>Note: You can access Business Rule Manager only if your user account has been assigned the rights to do so.</p>
Reviewing Reports	From the Main Menu, click Reports.	Markdown Optimization provides you with reports that display your data with a variety of metrics that can help you to make business decisions.



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## Managing Markdowns

This chapter contains the following information:

- ["Worksheets" on page 2-1](#)
- ["Markdown Prices" on page 2-8](#)
- ["What-If" on page 2-14](#)
- ["Creating What-If Scenarios" on page 2-22](#)
- ["Optimize-to-Budget" on page 2-26](#)
- ["Recommended Forecast Screen" on page 2-30](#)
- ["Approving Decisions" on page 2-31](#)

### Worksheets

Worksheets and the Worksheet Summaries Screen are the starting point for your markdown analysis; select Markdowns from the Markdown Optimization Main Menu to open the Worksheet Summaries screen. Worksheets display items and pricing groups with associated pricing information.

See the following for more worksheet specific information:

- ["Worksheet Summaries Screen" on page 2-1](#)
- ["Opening Worksheets" on page 2-3](#)
- ["Editing Worksheets" on page 2-5](#)
- ["Viewing Item Details" on page 2-8](#)
- ["Item Messages" on page 2-8](#)

### Worksheet Summaries Screen

The tabs, column names, and content that appear on the Worksheet Summaries Screen are customized according to your company's preferences. If you are unsure about the meaning of a column, speak with your Markdown Optimization system administrator.

**Figure 2–1 Worksheet Summaries Screen**

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[About](#) | [Help](#) | [Logout](#) | [Main Menu](#)

Worksheet Summaries

Cutoff Date

04/10/2008 5:00 PM

Done

Action

(select action)

▼

Apply

	HIERARCHY 1	HIERARCHY 1Name	HIERARCHY 2	HIERARCHY 2Name	HIERARCHY 3	HIERARCHY 3Name	# Rec MD	Rec MD \$	Rec MD \$ Cost	Taken MD \$
3	1	ACME	1	MENS	11	MENS DENIM	818	\$3,033,432.87	\$2,947,080.04	\$0.0
4	1	ACME	1	MENS	12	MENS BOTTOMS	637	\$885,452.24	\$750,914.26	\$0.0
5	1	ACME	1	MENS	14	MENS SWEATERS	164	\$102,481.82	\$182,817.53	\$0.0
6	1	ACME	1	MENS	15	MENS SPORTSHIRTS	17	\$39,215.96	\$79,521.97	\$0.0
7	1	ACME	1	MENS	17	MENS FALL KNIT SHIRTS	233	\$165,805.74	\$205,201.01	\$0.0
8	1	ACME	1	MENS	18	MENS ACME ATHLETIC	5	\$3,835.04	\$12,904.82	\$0.0
9	1	ACME	1	MENS	19	MENS ACTIVE	732	\$445,072.30	\$662,975.65	\$0.0
10	1	ACME	4	FOOTWEAR	21	MENS FOOTWEAR	13	\$255,059.34	\$284,280.52	\$0.0

Use the Worksheet Summaries Screen to accomplish the following tasks:

- ["Opening Worksheets" on page 2-3](#)
- ["Viewing a Recommended Forecast" on page 2-30](#)
- ["Submitting Worksheets for Approval" on page 2-31](#)

The following options are available from the Worksheet Summaries Screen:

Feature	Description
Check Boxes	Use the check boxes to select one or more worksheets
Action drop-down list and Apply button	Use the Action drop-down list to select an action. Click Apply.
Done button	Click Done to save your changes and return to the Main Menu.

The Worksheet Summaries screen includes the following items (depending on implementation):

Metric	Description
# Rec MD	The total number of items recommended for markdowns this week.
Rec MD \$	The total dollar amount of the recommended markdowns in the worksheet (using retail accounting).
Rec MD \$ Cost	The total dollar cost of the inventory for the recommended markdowns in the worksheet
Taken MD \$	The total dollar amount of taken markdowns in the worksheet (using retail accounting).
Taken MD \$ Cost	The total dollar cost of the inventory for the taken markdowns in the worksheet
# Added MD	The total number of markdowns that have been added in addition to those that Markdown Optimization recommended.
# Taken MD	The total of recommended and non-recommended markdowns taken this week. Recommended markdowns are those recommended by Markdown Optimization, and non-recommended markdowns are those buyers may have added on their own.

Metric	Description
# Rec MD Taken	Of the items for which Markdown Optimization has recommended a markdown, the number of those items for which a markdown has been taken. However, the recommended price might not have been taken. For example, the total number of recommended markdowns taken includes recommended markdowns taken to any price—recommended, shallower, or deeper.
# Rec MD Taken Deeper	Of the number of recommended markdowns, this is the number that were taken at a lower price than the recommended one.
# Rec MD Taken Shallower	Of the number of recommended markdowns, this is the number that were taken at a higher price than the recommended one.
Oppy Cost	Opportunity Cost is the dollar amount you can generate in profit by taking the recommended markdowns
Lost Oppy Cost	Lost Opportunity Cost is the dollar amount lost by not taking the recommended markdowns.
MD Budget	The total markdown budget for the current month, in dollars.
MD Budget Next	The total markdown budget for the following month, in dollars.
Status	One of the following: <ul style="list-style-type: none"> <li>■ Not Submitted—this worksheet must be submitted or none of the markdowns or other price changes can take effect.</li> <li>■ Submitted for approval—this worksheet has been submitted and is waiting for someone with approval rights to approve it. This worksheet must be approved or none of the markdowns or other price changes can take effect.</li> <li>■ Approved—this worksheet has been approved. The markdowns and other price changes will be sent to the pricing system.</li> </ul>
Modified By	The user name of the person who last modified this worksheet
Modified Time	The time this worksheet was last modified

## Opening Worksheets

You can access only those worksheets that are assigned to you by an administrator.

To open your worksheets:

1. From the **Main Menu**, click **Markdowns**. The Worksheet Summaries Screen appears.
2. In the **Key** column (or the equivalent column on your Worksheet Summaries screen that contains links to worksheets), click the link that corresponds to the worksheet you want to open.

## Viewing Item and Pricing Group Data

Worksheet data can be viewed in the following ways:

- Grouped by items—in this case, all items (independent and those that are members of a group) appear in the worksheet in order of the hierarchy sorting and filtering you have selected.
- Grouped by pricing groups—in this case, pricing groups appear first (you must expand them to view their items) followed by the independent items (those that are not members of a pricing group).

Data views are important because they determine, in part, the mechanism for taking markdowns. For example, you can always take a markdown by selecting one or more items or pricing groups and selecting the Take Markdowns action (see ["Taking Recommended Markdowns" on page 2-9](#)). You can also simultaneously change and take a single markdown for one or more items or pricing groups via the Take Markdowns Adv action (see ["Taking Recommended Markdowns for Pricing Groups or Multiple Items" on page 2-9](#)). However, each data view provides a level with the drop-down price ladders and price-ladder values that make it easier for you to select new markdown prices.

The following table describes some common data views and the level of the price ladder (MD Type in the following table) and price-ladder values (MD Price in the following table).

View	Description
Items By Name	<p>Displays an entry, including price or percent off ladder, for each item along with the item's parent pricing group, if applicable. You can set markdowns on individual items, not a group.</p> <p>Use this data view when you want to set markdowns for individual items but you want the further context of which pricing group, if any, the item belongs to.</p>
Items (Flat)	<p>Displays an entry, including price or percent off ladder, for each item, completely independent of pricing groups. In the Items (Flat) view, you can set markdowns on individual items, not on a group.</p> <p>Use this data view when you want to take markdowns for individual items.</p>
Pricing Groups	<p>Displays each pricing group, including its price or percent off ladder, followed by items that are independent of pricing groups. To view the member items of each pricing group, expand the pricing group.</p> <p>You can change the price of pricing groups in a particular region. You can also take markdowns on entire pricing groups or on arbitrary collections of individual items, but you can't set item prices individually (unless you use the take advanced markdown feature, explained in <a href="#">"Taking Recommended Markdowns for Pricing Groups or Multiple Items" on page 2-9</a>.)</p> <p>In the Pricing Groups view, you can set a markdown for an entire pricing group, but you cannot set a separate markdown for a member of the pricing group.</p>
Items By Pricing Group	<p>Displays each pricing group and its member items. Each item is displayed with its price ladder.</p> <p>In the Items By Pricing Group view, you can set markdowns for individual items, and you can set markdowns on arbitrary collections of individual items.</p>



View	Description
Items (Aggregated)	Displays merchandise at the style level or some other level (depending on your implementation of Markdown Optimization) instead of the item level. You cannot drill down from this level, but you can take markdowns and make other changes that you would ordinarily make on worksheets.

### Taken Markdown Status

Markdown statuses are as follows:

Status	Description
Not Taken	You decided to delay (not take) the markdown.
Taken Modified	You decided to overwrite the Markdown Optimization markdown recommendation and instead enter your own markdown price. This status applies to all items, regardless of whether or not they are members of a group.
Taken Item Rec	You decided to take the recommended markdown for the item instead of the recommended markdown for the group to which the item belongs.
Taken Pricing Grp Rec	You decided to the markdown that was recommended for the entire group instead of the markdowns that were recommend for each individual item.
Mixed	This applies to pricing groups only. It indicates that you decided to apply a mixed approach to taking recommendations for the items in the group, i.e., taking the recommended markdown for some, entering a modified recommendation for some, and/or not taking a markdown for some.
Taken Budget Const	You used the optimize-to-budget functionality and decided to take those markdown recommendations.

## Editing Worksheets

Edit worksheets to add or remove items that are not currently recommended for a markdown. Items within the markdown cycle cannot be added to or removed from worksheets.

This procedure is especially useful when you want to view items that triggered a “buy more” alert. Because worksheets are intended to display items that have been recommended for a markdown, items that are selling well do not appear on them by default. If you want to view those items and their related metrics, you can do so by using the following procedure.

### Adding Non-Recommended Items to a Worksheet

To add non-recommended items to a worksheet

1. From the Worksheet Summaries screen, select a worksheet to edit. Click the check box located next to the worksheet’s name.
2. From the **Action** list box, select **Edit Worksheet**. Click **Apply**.
3. The following screen appears:

**Figure 2-2 Edit Item Worksheet Screen**

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Markdown Optimization

Edit Item Worksheet

Remove non-recommended items from the worksheet

Remove Items

(select action)

Find by HIERARCHY6

HIERARCHY4

HIERARCHY5

HIERARCHY6

	HIERARCHY6Name	item_id	HIERARCHY4	HIERARCHY4Name	HIERARCHY5	HIERARCHY5Name	HIERARCHY6
<input type="checkbox"/>	SHORTCAKE	509	2351	F CAMIS	5063	PRINT WRAP CAMI	646
<input type="checkbox"/>	CUPCAKE	622	1354	WMNS F LONG SLEEVE	5101	STRIPE POPLIN	650
<input type="checkbox"/>	ICICLE	623	1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	446
<input type="checkbox"/>	ICICLE	624	1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	446
<input type="checkbox"/>	WHITE	683	1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	100
<input type="checkbox"/>	WHITE	684	1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	100
<input type="checkbox"/>	SHORTCAKE	1040	2351	F CAMIS	5063	PRINT WRAP CAMI	646
<input type="checkbox"/>	ATMOSPHERE	3810	2351	F CAMIS	5109	PRINTED SILK CAMI	409
<input type="checkbox"/>	LANGOUSTINE	3982	2351	F CAMIS	5109	PRINTED SILK CAMI	653
<input type="checkbox"/>	LANGOUSTINE	3983	2351	F CAMIS	5109	PRINTED SILK CAMI	653

Add non-recommended items to worksheet

Add Items

(select action)

Find by HIERARCHY6

HIERARCHY4

HIERARCHY5

HIERARCHY6

The non-recommended items that can be added to the worksheet appear on the bottom of the screen.

**Figure 2-3 Add non recommended items to worksheet Screen**

**Add non-recommended items to worksheet**

Add Items  Find by HIERARCHY6  HIERARCHY4  HIERARCHY5  HIERARCHY6

(select action)

<input type="checkbox"/>	HIERARCHY6Name	item_id	HIERARCHY4	HIERARCHY4Name	HIERARCHY5	HIERARCHY5Name	HIERARCHY6
<input type="checkbox"/>	SHORTCAKE	509 2351	F CAMIS	5063	PRINT WRAP CAMI	646	
<input type="checkbox"/>	CUPCAKE	622 1354	WMNS F LONG SLEEVE	5101	STRIPE POPLIN	650	
<input type="checkbox"/>	ICICLE	623 1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	446	
<input type="checkbox"/>	ICICLE	624 1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	446	
<input type="checkbox"/>	WHITE	683 1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	100	
<input type="checkbox"/>	WHITE	684 1354	WMNS F LONG SLEEVE	5145	ACME TAHOE WESTERN SHIRT	100	
<input type="checkbox"/>	SHORTCAKE	1040 2351	F CAMIS	5063	PRINT WRAP CAMI	646	
<input type="checkbox"/>	ATMOSPHERE	3810 2351	F CAMIS	5109	PRINTED SILK CAMI	409	
<input type="checkbox"/>	LANGOUSTINE	3982 2351	F CAMIS	5109	PRINTED SILK CAMI	653	
<input type="checkbox"/>	LANGOUSTINE	3983 2351	F CAMIS	5109	PRINTED SILK CAMI	653	

4. Click the check box next to each item or pricing group you want to add. From the Action list box, select **Add Items**. Click **Apply**.
5. When you are finished adding items to the worksheet, click the **Worksheet** button in the upper-right corner of the screen. All of the non-recommended items that you added now appear on your original worksheet.

## Removing Non-Recommended Items from a Worksheet

## To remove items from a worksheet

1. From the Worksheet Summaries screen, select a worksheet to edit. Click the check box located next to the worksheet's name.
2. From the **Action** list box, select **Edit Worksheet**. Click **Apply**.
3. The following screen appears:

**Figure 2-4** *Edit Item Worksheet Screen*

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Markdown Optimization

Edit Item Worksheet

Remove non-recommended items from the worksheet

Remove Items

(select action)

Find by HIERARCHY6

HIERARCHY4

HIERARCHY5

HIERARCHY6

HIERARCHY6Name item\_id HIERARCHY4 HIERARCHY4Name HIERARCHY5 HIERARCHY5Name HIERARCHY6

☐

SHORTCAKE

509 2351

F CAMIS

5063

PRINT WRAP CAMI

646

☐

CUPCAKE

622 1354

WMNS F LONG SLEEVE

5101

STRIPE POPLIN

650

☐

ICICLE

623 1354

WMNS F LONG SLEEVE

5145

ACME TAHOE WESTERN SHIRT

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ICICLE

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WMNS F LONG SLEEVE

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ACME TAHOE WESTERN SHIRT

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WHITE

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ACME TAHOE WESTERN SHIRT

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SHORTCAKE

1040 2351

F CAMIS

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PRINT WRAP CAMI

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ATMOSPHERE

3810 2351

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LANGOUSTINE

3982 2351

F CAMIS

5109

PRINTED SILK CAMI

653

☐

LANGOUSTINE

3983 2351

F CAMIS

5109

PRINTED SILK CAMI

653

Add non-recommended items to worksheet

Add Items

(select action)

Find by HIERARCHY6

HIERARCHY4

HIERARCHY5

HIERARCHY6

The non-recommend items that can be removed from the worksheet appear in the top section.

**Figure 2-5 Edit Item Worksheet - Remove non-recommended items Screen**

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Markdown Optimization

Edit Item Worksheet

Remove non-recommended items from the worksheet

Remove Items

(select action) ▾

Apply

Find by HIERARCHY6

Search

HIERARCHY4

▾

HIERARCHY5

▾

HIERARCHY6

▾

Show

HIERARCHY6Name	item_id	HIERARCHY4	HIERARCHY4Name	HIERARCHY5	HIERARCHY5Name	HIERARCHY6
----------------	---------	------------	----------------	------------	----------------	------------

- Click the check box next to each item you want to remove. From the **Action** list box, select **Remove Items**. Click **Apply**.
- When you are finished removing items from the worksheet, click the **Worksheet** button in the upper-right corner of the screen.

## Locating an Item or Pricing Group

To locate a specific item or pricing group

- Use the hierarchy drop-down lists to limit the merchandise that is displayed on the worksheet. Hierarchy drop-down lists are named differently depending on your Markdown Optimization implementation.

- Use the sort and filter features to control how the merchandise is displayed. See ["Sorting Data" on page 4-8](#) and ["Filtering Data" on page 4-9](#).

## Viewing Item Details

To view detailed information about an item, click the item name link on the worksheet. This displays the Item Info dialog box, which provides you with the following:

- Edit Business Rules button—opens the Business Rules Property Manager utility for the selected items. If this button does not appear, you do not have access to the Business Rules Property Manager.
- Print button—opens a print dialog box so that you can print the displayed information for further review.
- Hierarchy Information—shows you the item's place in the merchandise hierarchy.
- Markdown Information—shows you the item's original retail price, its price last week, its current recommended price, and the outdate (exit date).
- Item Messages—provides you with status messages that can give you insight into why an item did not receive a markdown recommendation. For a list of the item messages, see ["Item Messages" on page 2-8](#).

## Item Messages

On the Item Info dialog box, the message category is in bold text followed by the actual message in plain text.

This table lists the categories of messages that may appear in the Item Messages section of the Item Info dialog box. In general, the categories are grouped from most common to least common.

Category	Description
Not recommended	Indicates that the item has reached the date in its lifecycle when it can receive a markdown recommendation, but a recommendation would not be optimal for this item. This can occur when the next markdown price available on the price ladder is lower than the optimal markdown, so, given the history and business rule settings, it is better to wait.
Markdown blocked	Indicates that the item has reached the date in its lifecycle when it can receive a markdown recommendation, but a markdown recommendation was not allowed. In most cases, this is the result of promotions or a business rule setting.
Item data or Inactivity Error	Inform your Markdown Optimization administrator if any of these messages appear.

## Markdown Prices

If you are managing your markdowns within a budget, or if you just want to experiment with a markdown budget, it is recommended that you first use the optimize-to-budget feature as explained in ["Optimize-to-Budget" on page 2-26](#).

After you use the optimize-to-budget feature, you can adjust prices as necessary before you take and submit markdowns.

- ["Taking Recommended Markdowns" on page 2-9](#)

- ["Taking Recommended Markdowns for Pricing Groups or Multiple Items" on page 2-9](#)
- ["Accelerated Markdowns" on page 2-10](#)
- ["Changing a Markdown" on page 2-12](#)
- ["Removing a Markdown" on page 2-13](#)
- ["Reverting a Markdown" on page 2-13](#)
- ["Deciding Not to Take a Recommended Markdown" on page 2-14](#)
- ["Viewing Results of Pricing Decisions" on page 2-14](#)
- ["Saving Changes" on page 2-14](#)

## Taking Recommended Markdowns

Use this procedure when you want to take Markdown Optimization recommendations “as is” with no changes. If you want to change one or more markdown recommendations, see ["Changing a Markdown" on page 2-12](#).

You can take markdowns for individual items even when they are members of a pricing group.

To take a recommended markdown

1. Open a worksheet from the Worksheet Summaries Screen.
2. Select the check box next to each item or grouping that you want to mark down. You can select more than one. Select all by selecting the box at the top of the column.
3. From the **Action** list box, select **Take Markdown** and then click **Apply**.
4. Repeat step 2 as necessary for other items on the worksheet.
5. When you have finished taking the recommended markdowns, click **Save**.

The summary metrics at the bottom of the worksheet show totals for the selected markdowns.

---

**Note:** Markdown Optimization makes two markdown recommendations for merchandise organized into pricing groups. One recommendation is for the entire pricing group, and the other for each individual item.

---

## Taking Recommended Markdowns for Pricing Groups or Multiple Items

Taking markdowns in a group (also known as taking advanced markdowns) allows you to select multiple items or pricing groups and then set them to a common price at one time. The alternative is to set the common price for one item or pricing group at a time as explained in ["Taking Recommended Markdowns" on page 2-9](#).

To take markdowns in a group:

1. From the **Worksheet** screen, use the hierarchy list boxes and the **Region** list box (if available) to filter the items or pricing groups that are displayed.
2. Click the check box next to each item or pricing group that you want to markdown to the same price.
3. From the **Action** list box, select **Take Markdown Adv** and then click **Apply**.

The **Take Markdown Advanced** dialog box appears, as in the following example:

**Figure 2–6 Take Markdown Advanced Dialog Box**



4. Select one of the following combinations:
  - Markdown Price and Price Ladder radio button—use this combination to take a markdown using a price ladder
  - Markdown Price and Item Recommendation—use this option to take the recommended markdowns specific to individual items even if the items are part of a pricing group
  - Markdown Price and Group Recommendation—use this option to take the markdown that is recommended for the entire pricing group
  - Markdown Price Take Current Value—take the markdown(s) you entered in the MD Pr column when you changed the recommended markdown from Markdown Optimization
5. (Optional) If you also want to accelerate these markdowns, you can do so by selecting **Sendback Date** and selecting a date. However, make sure you understand how accelerated markdowns work as explained in ["Accelerated Markdowns" on page 2-10](#). This feature may not be available depending on your Markdown Optimization implementation.
6. When the **Take Markdown Advanced** dialog box reflects your selections, click **Done**.

---

**Note:** If you took accelerated markdowns, the Date Sent, Price Sent, and Ladder Sent columns (or the equivalent names in your Markdown Optimization implementation) are not populated until the Markdown Optimization system is updated with the accelerated sendback file, which contains the new accelerated prices.

---

7. In order for these markdowns to be reported as input into your merchandise system, submit the worksheet by the cut off time as explained in ["Submitting Worksheets for Approval" on page 2-31](#).

## Accelerated Markdowns

---

**Note:** Depending on how Markdown Optimization is configured for your company, this feature may not be available.

---

## About Accelerated Markdowns

Taking accelerated markdowns means that you temporarily override the markdown schedule to address poorly performing items quicker than if you followed the markdown schedule in place for your stores. (The markdown schedule typically runs from the day you receive sales information to make pricing decisions to the day the price changes are visible on the retail floor. In many cases, this can be 14 days.)

Taking an accelerated markdown changes the date the markdown decisions are sent back to you (called sendback date) so that you get the markdowns at a date earlier than the sendback date set for your stores. The markdown decisions (taken markdown recommendations) are then input into your pricing system, and from there they are implemented on the retail floor in time for the effective date of the markdown.

Note the following:

- You can take accelerated markdowns for items or pricing groups at or below the worksheet level.
- The sendback date for accelerated markdowns must be between the current date and the date set by your stores as the global sendback date.
- You can take an accelerated markdown for a given item once within the markdown schedule. (After an item has been submitted and approved with a new sendback date, a confirmation date in the sendback file is recorded in the Date Sent column on the worksheet. When the Date Sent is set, you cannot submit the item again during the current markdown schedule. If you want to submit another sendback date for that item, you must wait for the next markdown schedule, e.g., when you next receive sales information and markdown recommendations at the beginning of a new markdown schedule.)

## Taking Accelerated Markdowns

To take accelerated markdowns:

1. From the **Worksheet** screen, use the hierarchy list boxes and the **Region** list box (if available) to filter the items or pricing groups that are displayed.
2. Click the check box for each item or pricing group whose markdown you want to accelerate to a new sendback date.
3. From the **Action** list box, select **Take Markdown Adv.** Click **Apply**.

The **Take Markdown Advanced** dialog box appears.

**Figure 2–7 Take Markdown Advanced Dialog Box**

4. Click the **Sendback Date** check box and then select the month, day, and year for the sendback date.



---

---

**Note:** You can select only from the months, days, and years listed. These dates are within the valid range between the current day and the day set by your stores as the global sendback date.

---

---

5. (Optional) If you also want to set the selected items or pricing groups to a common markdown price, you can do so by selecting the **Price Ladders** check box, a price ladder, and a price (or percent off). For more information on this feature, see ["Taking Recommended Markdowns for Pricing Groups or Multiple Items" on page 2-9](#).

6. When the **Take Markdown Advanced** dialog box reflects your settings, click **Done**.

The worksheet is updated with the new sendback date in the Sendback Date (or the equivalent name in your Markdown Optimization implementation) column. The Sendback Date is the date by which you want to receive the sendback file (which will contain the new markdown price for the specified item(s)).

The remaining sendback date columns (the Date Sent, Price Sent, and Ladder Sent, or the equivalent in your Markdown Optimization implementation) are not populated until the Markdown Optimization system is updated with the accelerated sendback file, which contains the new accelerated prices.

7. In order for these markdowns to be reported as input into your merchandise system, submit the worksheet as explained in ["Submitting Worksheets for Approval" on page 2-31](#).

Your worksheet must then be approved before the accelerated markdowns can be reflected in the sendback file.

## Changing a Markdown

For competitive or strategic reasons, you may want to change a markdown from the one recommended by Markdown Optimization. To change a markdown for one pricing group or item at a time, use the following procedure. To change a markdown to a common price for several items or pricing groups at a time, see ["Taking Recommended Markdowns for Pricing Groups or Multiple Items" on page 2-9](#).

To change a recommended markdown

1. From a worksheet, click the check box to select the item with the markdown price that you want to change.
2. From the **MD Type** column, select the value of the price ladder you want to use.
3. In the **MD Price** column, select the new markdown price for each individual item or grouping you would like to change.
4. From the **Action** list box, select **Take Markdown**, and click **Apply**.

The worksheet updates the Taken MD column with a status of Taken Modified, and it updates the Taken MD Cost column with the cost of this markdown.

5. In order for these markdowns to be reported as input into your merchandise system, submit the worksheet by the cut off time as explained in ["Submitting Worksheets for Approval" on page 2-31](#).



## Removing a Markdown

---

**Note:** You cannot remove a markdown after you have submitted a worksheet. After you submit markdowns, the worksheet is read-only.

---

Use the remove markdown feature when you have taken one or more markdowns (i.e., the Taken MD column displays a value other than Not Taken) but then decide that you do not want to take (accept) the specified markdowns.

Removing a markdown does not affect the markdown price or the sendback date (if specified). Instead, it simply changes the Taken MD status. Items with a Not Taken status do not receive a markdown price change.

If you have changed a markdown price or set a sendback date but want to revert back to the original Oracle Retail markdown price and global sendback date, see ["Reverting a Markdown" on page 2-13](#).

To remove a markdown for a specific item or pricing group:

1. Select the check box for the item(s) or pricing group(s) whose markdowns you want to remove.
2. From the **Action** list, select **Remove Markdown**, and click **Apply**.

The Taken MD column updates to Not Taken for the specified items.

### What to Do Next

To change markdown prices to the Markdown Optimization recommendation and to change sendback dates to the global date for your company, see ["Reverting a Markdown" on page 2-13](#).

To make these the final recommendations, you must submit the worksheet (["Submitting Worksheets for Approval" on page 2-31](#)) and make sure it is approved (["Approving Worksheets" on page 2-32](#)).

## Reverting a Markdown

---

**Note:** You cannot revert a markdown price or sendback date after you have submitted a worksheet. After you submit a worksheet, the worksheet is read-only.

---

Use the revert markdown feature when you have changed one or more markdowns and/or specified a sendback date but then decide that you want to use the original Markdown Optimization recommendation and global sendback date instead.

The Revert Markdown action changes an item's markdown status to Not Taken, in addition to clearing sendback dates and setting the price ladder/price point/% widgets to their initial state.

If you want to change the Taken MD status, see ["Removing a Markdown" on page 2-13](#).

To revert a markdown for a specific item or pricing group:

1. Select the check box for the item(s) or pricing group(s) whose markdowns you want to revert back to the original Price markdown recommendation(s) (for the current week).

2. From the **Action** list, select **Revert Markdown** and click **Apply**.

The worksheet updates with the original Markdown Optimization recommendation(s).

### What to Do Next

To make these the final recommendations, submit the worksheet ("[Submitting Worksheets for Approval](#)" on page 2-31) and make sure it is approved ("[Approving Worksheets](#)" on page 2-32).

To remove the markdowns so that not even the Markdown Optimization markdown recommendation is taken, see "[Removing a Markdown](#)" on page 2-13.

## Deciding Not to Take a Recommended Markdown

You may have more current data about your merchandise than the last weekly data sent to the Markdown Optimization engine. As a result, you may decide not to take a recommended markdown for a particular reason.

Valid reasons for not taking a markdown recommendation include competition, incorrect exit dates, future promotions, pre-planned markdowns (national brand suppliers), and RTV (return to vendor) guaranteed sales/recall.

No action is required to postpone or defer a markdown. However, if you already applied the Take Markdown or Take Markdown Adv action to a worksheet, you must remove the markdown(s) before the cutoff date. See "[Removing a Markdown](#)" on page 2-13.

## Viewing Results of Pricing Decisions

When you make changes to your worksheet and click Save, Markdown Optimization updates the summary metrics at the bottom of the screen. These metrics vary by implementation, but in general they summarize the results of the actions you have taken on the Worksheet screen, possibly including information such as the number of taken and modified recommendations, current and next month budgets, and opportunity costs.

## Saving Changes

From the Worksheet screen you can save your changes in any of the following ways:

- Click Save to save any changes made to the worksheet.
- Click Done to save changes and exit the screen.
- Click Submit to save changes, exit the screen, and submit the changes for approval.

## What-If

Markdown Optimization's What-If feature provides you with the capability to experiment with different markdown choices and target values and compare those outcomes to the original weekly forecast. You may enter your own markdown prices and other scenario variables to see the resulting forecast for the selected items.

Before you use the What-If feature, make sure you also understand the relationship between What-If and the following:

- Hierarchies

- Security Permission (User Roles)
- Business Rules

Hierarchies (and Attributes) are various levels created within Markdown Optimization to organize and assign your company's data, security permissions (user roles), and business rules. Understanding this interaction will assist you in using and correctly evaluating What-If scenario forecasts. To review Security Permission and Business Rules, see the Business Rules section of the *Oracle Retail Markdown Optimization Administration Guide*.

See the following topics for more What-If related information:

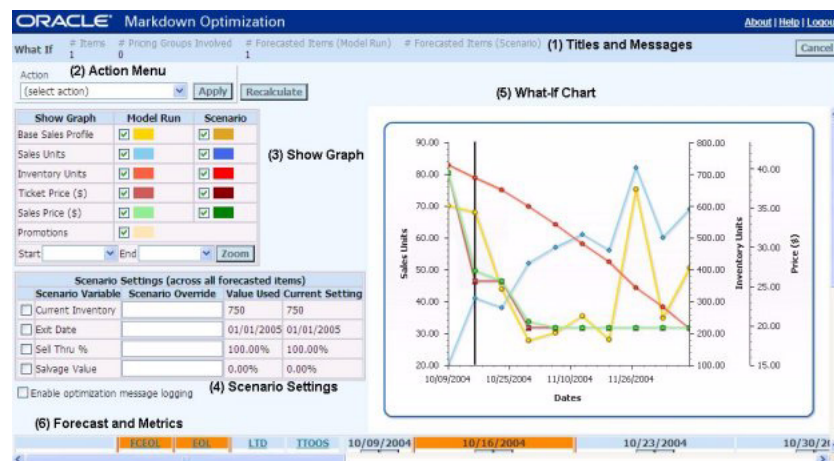
- ["The What-If Screen" on page 2-15](#)
- ["Creating What-If Scenarios" on page 2-22](#)

## The What-If Screen

The field labels displayed on the What-If screen are configured at system set up to display the information most meaningful to your company.

The What-If screen is divided into 6 sections as illustrated below:

**Figure 2-8 The What-If Screen**



### Titles and Messages (1)

This section of the What-If screen displays both the title of the screen and information about the items selected.

**Figure 2-9 What-If Screen - Titles and Messages**

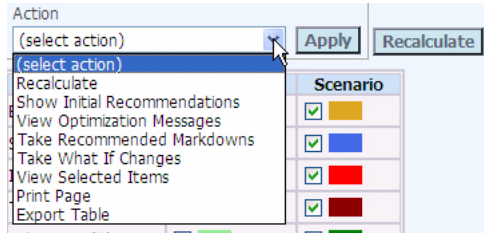
What If	# Items	# Pricing Groups Involved	# Forecasted Items (Model Run)	# Forecasted Items (Scenario)
1	0	1		

- If any of the selected items are also included in Pricing Groups
- How many of the selected items have recommendations
- The recalculation count, if present
- How many items have been included in the What-If forecast
- Error messages appear in red print.

### Action Menu (2)

Once you have evaluated, viewed, entered and/or changed information on the What-If screen, you may use the action list to complete tasks as follows:

**Figure 2-10 What-If Screen - Action Menu**

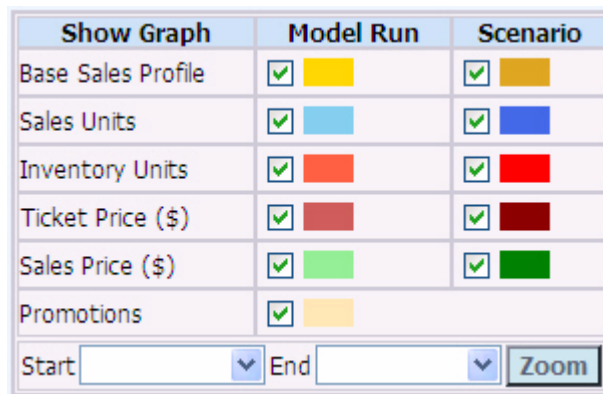


Action	Definition
Apply	Click Apply after you select an Action from the Action drop-down list.
Recalculate	Using markdowns and other value changes, re-optimize and show the new forecast. Performs the same action as Recalculate in the Action drop-down list. Either Recalculate directly from clicking on the button or select Recalculate from the Action drop-down list
Show Initial Recommendations	Redisplays and resets the initial Markdown Optimization recommended markdown(s).
View Optimization Messages	When selected, a pop-up displays information messages for the initial Markdown Optimization or your recalculated optimization.
Take Recommended Markdowns	Allows you to take the original or initial recommended markdown recommendations as in the Markdown Optimization Worksheet.
Take What-If Changes	Allows you to take your What-If changes from the What-If screen (including the business rule changes). If not changed, this value will be used in the next Markdown Optimization optimization.
Print or Export Page	Select the Print option to print the information on the What-If screen.

### Show Graph (3)

The show option is used to determine which data is available for viewing within the forecast graph. You can view metric information for the scenario (what-if) or model run (forecast values of the model run).

**Figure 2-11 What-If Screen - Show Graph**

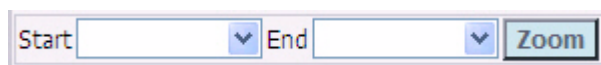


To change the show options for the What-If graph, select from the following options listed below:

1. For each item listed below, select the check boxes next to **Model Run**, **Scenario** or **both** to view related data
  - Base Sales Profile—base forecast without price optimizations or promotion effects.
  - Sales Units—the total Sales Units for the specified time period
  - Inventory Units—end of period inventory units.
  - Ticket Price (\$)—ticket price resulting from the What-If optimization. If no re-calculation has occurred, this will be the same as OPT Ticket Price. The Ticket Price is inventory-weighted averages across the forecasted items
  - Sales Price—sales price resulting from the What-If optimization including Temporary, POS, and Promotions. In weeks with markdowns, this number may be higher than the ticket price if any sales occurred at the pre-markdown price. The Sales Price is sales-weighted averages across the forecasted items.
  - Effective Date—the date when the markdown price is effective
  - Promotions—determines if any promotions are being run for the selected item.
2. Click **Recalculate** to update the What-If graph with your selections.

**Zoom To Feature** The Zoom feature allows you to focus in on details for a specific period of time.

**Figure 2-12 What-If Screen - Show Graph - Zoom To Feature**



The image shows a user interface for zooming into a specific time period. It consists of two text input fields labeled 'Start' and 'End', each followed by a small blue downward-pointing arrow icon. To the right of these fields is a button labeled 'Zoom'.

To Zoom to a time period:

1. Start—enter a start date
2. End—enter an end date
3. Click the **Zoom** to refresh the What-If graph.

### Scenario Settings Table (4)

When an item is selected for evaluation on the What-If page, Markdown Optimization automatically populates the screen with the item's markdown metrics and Scenario Settings from the most current optimization.

Scenario Settings are a set of operational constraints (business rules) contained in a table located on the What-If screen. For an explanation of business rules, see the Business Rules section of the *Oracle Retail Markdown Optimization Administration Guide*.

Overriding the Scenario Variables Settings allows you to experiment with markdown recommendations and forecast what will happen if these changes are applied to the selected items. The What-If function uses values from the table and metrics available for manipulation on the What-If screen to recalculate the optimal markdown forecast.

**Figure 2–13 What-If Screen - Scenario Settings Table**

Scenario Settings (across all forecasted items)			
Scenario Variable	Scenario Override	Value Used	Current Setting
<input type="checkbox"/> Current Inventory		465	465
<input type="checkbox"/> Exit Date		12/31/2004	12/31/2004
<input type="checkbox"/> Sell Thru %		100.00%	80.00%
<input type="checkbox"/> Salvage Value		0.00%	20.00%
<input type="checkbox"/> Enable optimization message logging			

**Overriding Scenario Settings** To override scenario values, use the text boxes within the Scenario Override column.

1. Enter override values in the Current Inv, Exit Date, Sell Thru%, or Salvage Value fields.
2. Click **Recalculate** to update the What-If graph.

**Scenario Settings Table Column and Row Definitions** A description of the Scenario Settings columns and fields is listed below:

COLUMNS in the Scenario Settings Table

Column	Description
Scenario Override	The selection boxes located next to each override value must be checked in order to enter override values. The value (number, date,%) in this field will override the current value last submitted within Business Rules Manager, Item Maintenance or a previous What-If Take Changes action. This value matches the forecast displayed in the grid and will be used for recalculation when applied.
What-If	Most recently altered Scenario Override value. Use this field value in conjunction with the Current Setting (default) value to determine if the What-If forecast differs from the default settings.
Current Setting	Values that will be used to calculate What-If forecasts, Grids and the next model run if no Override Value is entered. The Current Settings reflect up-to-date values that may have been set via the Business Rules Manager, Item Maintenance, or a previous What-If Take Changes action.

ROWS in the Scenario Settings Table:

Row	Description
Current Inv	Changing this value will allow you to experiment with canceling existing inventory orders or making new orders. This value may be represented as a range of numbers of units or a percentage of beginning on hand inventory.
Exit Date	The desired target date (expressed as mm/dd/yyyy) for selling out the inventory.
Sell Thru%	The desired target inventory level at the exit date, usually specified as a percentage of the original retail price.
Salvage Value	Value of any inventory left beyond the target exit date, usually specified as a percentage of the original retail price.

**Enable Optimization Logging** This option will enable the logging of optimization messages for the current What-If scenario. To enable optimization message logging

1. Locate the **Enable Optimization Message Logging** checkbox located underneath the Scenario Settings table.
2. Click the checkbox.
3. Click **Recalculate**.

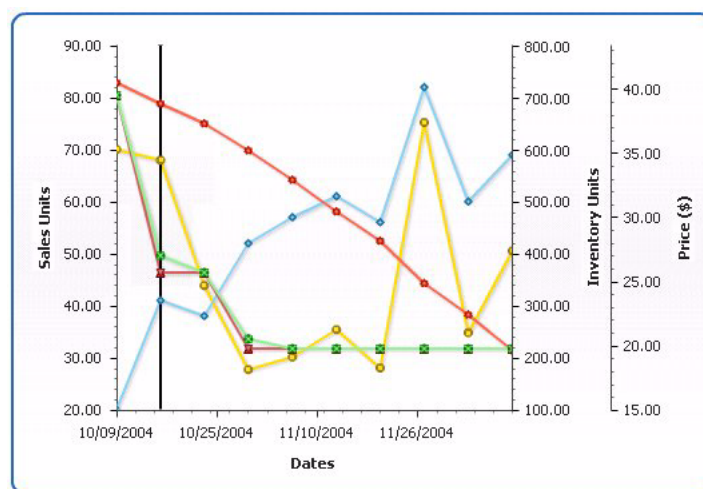
---

**Note:** If you change the What-If scenario and still want to log optimization messages, you will need to reselect the “Enable Optimization Message Logging” checkbox and select Recalculate once again.

---

## What-If Chart Graph (5)

**Figure 2-14** What-If Chart Graph



The graph on the What-If screen is a visual representation of the week-to-week EOP Units (End of Period Inventory) and Sales Units. The What-If graph displays the inventory and sales data for the initial Markdown Optimization forecast and for your What-If scenario forecast.

**Rollover Data Point Tooltips** If you hover your mouse over any part of the What-If graph, a popup will open displaying information related to the respective data point.

## Forecast and Metrics (6)

What-If Forecast and Metric information is displayed in the lower portion of the What-If screen. This data represents a table with labels listed across the top (Column metrics) and down the left side (Row Metrics). Scroll across the row or down the column to view the Metric contents.

Click directly onto any Metric labels to get a detailed definition or refer to the tables listed below.



Figure 2–15 What-If Screen - Forecast and Metrics

	FCEOL	EOL	LTD	TTOOS	10/09/2004	10/16/2004	10/23/2004	10/30/2004
Fill Right/Left					< >	< >	< >	< >
Store Count					1	1	1	1
Opt Ticket Price					\$39.50	\$27.65	\$27.65	\$27.65
Opt Sales Price			\$35.97	\$25.15	\$39.50	\$28.94	\$27.65	\$27.65
Orig. Price					\$39.50	\$39.50	\$39.50	\$39.50
Price Ladder								
Override Price			\$25.15		\$39.50			
Ticket Price					\$39.50	\$27.65	\$27.65	\$27.65
Sales Price					\$39.50	\$28.94	\$27.65	\$27.65
Sales \$	\$13,964.99	\$12,234.89	\$2,374.14	\$9,860.75	\$671.50	\$926.08	\$801.85	\$801.85
Sales Units	531	458	66	392	17	32	29	29
GM \$	\$8,722.03	\$8,722.03	\$1,867.92	\$6,854.11	\$541.11	\$680.64	\$579.42	\$579.42
GM %	71.3 %	71.3 %	78.7 %	69.5 %	80.6 %	73.5 %	72.3 %	72.3 %
Adj GM \$	\$8,162.12	\$8,162.12						
Adj GM %	66.7 %	66.7 %						
MD \$					80.6 %	72.3 %	72.3 %	72.3 %
MD %			\$2,559.05		\$0.00	\$1,030.40	\$0.00	\$0.00
Discount \$					\$0.00	\$0.00	\$0.00	\$0.00
Sell Thru %				84.3 %	3.7 %	7.1 %	7.0 %	7.0 %
Sell Thru % (Total)	86.3 %	86.3 %	12.4 %	73.8 %	3.2 %	6.0 %	5.5 %	5.5 %
EOP Units	0	73	465	73	448	416	387	387
EOP \$ (Retail)	\$0.00	\$1,730.10	\$13,926.75	\$1,730.10	\$13,417.60	\$11,502.40	\$10,700.55	\$10,700.55
EOP \$ (Cost)	\$559.91	\$559.91	\$3,566.55	\$559.91	\$3,436.16	\$3,190.72	\$2,968.29	\$2,968.29
Promo Flag								

Column Metric	Definition
FCEOL	ForeCasted End Of Life represents the forecasted total from the beginning of the life cycle to the exit date, using the forecast and markdowns from the weekly run.
EOL	End Of Life represents the sum of the LTD and TTOOS totals, representing the forecasted totals from the beginning of the life cycle to the exit date. This uses the forecast and markdowns from the What-If simulation, if re-calculation has occurred. Otherwise it is the same as FCEOL.
LTD	Life To Date is the total from the beginning of the life cycle to the most recent week of history.
TTOOS	Total Til Out Of Stock represents the forecasted total from the start of the simulation to the exit date. Displays the initial Markdown Optimization markdown recommendations or after a Show Initial action. Displays the forecast and markdowns from the What-If simulation, if a re-calculation has occurred.
Dates	The fiscal weeks' forecast until the End of Life for the items selected.

The following are some common Row Metrics and their definitions:

Row Metric	Definition
Fill Right/Left	Once a Price Ladder and/or Override Price have been entered (or left blank), click the Fill Right/Left arrows to automatically fill the empty fields with the values you select.
Store Count	The number of affected stores per week
OPT Ticket Price	Optimized Ticket Price represents the Ticket Price forecasted during the Price weekly run for the end of the specific time period.
OPT Sales Price	Optimized Sales Price is the forecasted Sales Price for the week, assuming all recommended markdowns are taken. This price may be lower than the forecasted ticket price due to promotions. It may be higher than the ticket price in markdown weeks since some sales in those weeks may be forecasted to occur prior to the markdown.
Orig. Price	Original Retail Price represents the ticketed price of the item before any markdown recommendations taken.



Row Metric	Definition
Price Ladder	<p>The available price ladders listed in the drop-down field will dynamically change the available options listed in the subsequent Override Price drop-down field.</p> <p>You may leave this field blank (not make a selection) -OR-</p> <p>Select a ladder from the drop-down list of price ladder options. Each price ladder represents a list of store-supported prices to which the merchandise may be marked down. These price ladders are configured to represent your company's business. Overall, the types of ladders that may be configured in the Markdown Optimization system are as follows:</p> <ul style="list-style-type: none"> <li>■ Perm Price Point—use permanent accounting, specify a dollar value</li> <li>■ Perm Percent Off—use permanent accounting, specify a percent of full price</li> <li>■ Temporary Price Point—use temporary accounting, specify as a dollar value</li> <li>■ Temporary Percent Off—use temporary accounting, specify as a percent of full price</li> <li>■ POS-Percent—use temporary accounting, specify as a percent off the current ticket price</li> </ul>
Override Price	<p>If you left the Price Ladder field blank (no selection from the drop-down list is made), the following choices are available in the Override Price drop-down list:</p> <ul style="list-style-type: none"> <li>■ Ticket—select this to make no change, accept values as is</li> <li>■ Recommended—select this to markdown to the initial/untaken Markdown Optimization recommendations</li> <li>■ Recommended as Temp—select this to markdown to the recommended level, but use temporary markdowns</li> </ul> <p>If you select a Price Ladder from the Price Ladder field, the Override Price drop-down list updates with either a list of prices or a list of percents off, dynamically changing to match the Price ladder selected.</p>
Ticket Price	<p>Ticket Price resulting from the What-If optimization. If no re-calculation has occurred, this will be the same as OPT Ticket Price. The Ticket Price is inventory-weighted averages across the forecasted items.</p>
Sales Price	<p>Sales Price resulting from the What-If optimization including Temporary, POS, and Promotions. In weeks with markdowns, this number may be higher than the ticket price if any sales occurred at the pre-markdown price. The Sales Price is sales-weighted averages across the forecasted items.</p>
Sales \$	<p>The total Sales Dollars for the specified time period.</p>
Sales Units	<p>The total Sales Units for the specified time period.</p>
GM \$	<p>Gross Margin Dollars include the sales dollars minus (Unit Cost multiplied by Total Units) plus (Residual value of unsold units).</p>
GM%	<p>Gross Margin Percent is the Gross Margin Dollars divided by Sales Dollars.</p>
MU%	<p>MarkUp Percent is the (Ticket Price minus Unit Cost) divided by Ticket Price.</p>
MD \$	<p>MarkDown Dollars equals the forecasted markdown cost for the specified time period. The markdown cost is the sum of the costs based on permanent markdowns.</p>

Row Metric	Definition
Discount \$	The forecasted discount cost for the specified time period. The discount cost is the sum of temporary markdown costs as well as promotions.
Sell Thru%	Sell Through Percent represents the Percentage of units sold during a given period, relative to units at the beginning of that period. Calculated as follows: Sales Units divided by (Cumulative Sales Units plus EOP Units). Cumulative Sales Units are the total sales through the period and EOP Units are the forecasted remaining units at the end of the period.
Sell Thru% (Total)	Percentage of units sold during a given period, relative to total buy quantity. Calculated as: Sales Units divided by (Cumulative Sales Units plus EOP Units). Cumulative Sales Units are total sales through the period and EOP Units are the forecasted remaining units at the end of the period.
EOP Units	End Of Period Units represent the Forecasted remaining units at the end of the period.
EOP\$(Retail)	End Of Period Dollars (Retail Value) is the Forecasted retail value of remaining units at the end of the period.
EOP\$(Cost)	End Of Period Dollars (Cost Value) is the Forecasted cost of remaining units at the end of the period.
Promo Flag	Indicates that the selected item(s) have a planned promotional event.

## Creating What-If Scenarios

A What-If scenario is the result of changes made to markdown prices and Scenario Override Values for selected items. To see the results of a scenario, you may click Recalculate (or select Recalculate from the Action drop-down list, then click Apply) to update the forecasts and graph. From there, you may compare Gross Margin and other metrics for both the Markdown Optimization initial recommendations and your What-If scenarios.

See the following for more information:

- ["Creating Scenarios Using Markdown Optimization Recommendations" on page 2-22](#)
- ["Creating Scenarios Using Pricing Ladders" on page 2-23](#)
- ["Creating Scenarios that Modify Operational Constraints" on page 2-25](#)

## Creating Scenarios Using Markdown Optimization Recommendations

To create a what-scenario using Markdown Optimization's Markdown Recommendations:

1. From your Worksheet, click the check box next to each item you want to include in a What-If scenario. You may select up to 100 items.
2. From the Action field drop-down list, select **What-If**, then click **Apply**.
3. The What-If screen appears showing the recommended forecast for the items selected.

---

**Note:** The first dated column highlighted in orange is the first week that your Taken Changes may be put into effect.

---

4. From the orange highlighted column, select the type of Markdown Optimization Recommended Markdown you wish to experiment with. Using the **Override Price** field, select one of the following:
  - Ticket—select this option to make no changes and to accept values as they are
  - Recommended—select this to markdown to the initial/untaken Price recommendation
  - Recommended as Temp—select this option to markdown to the recommended level but use temporary markdowns.

**Figure 2–16 What-If Scenario - Price Override**

	ECEOL	EOL	LTD	TTOOS	10/09/2004	10/16/2004
Fill Right/Left					< >	< >
Store Count					1	1
Opt Ticket Price					\$39.50	\$27.65
Opt Sales Price			\$35.97	\$25.15	\$39.50	\$28.94
Orig. Price					\$39.50	\$39.50
Price Ladder						
Override Price				\$25.15	\$39.50	Ticket
Ticket Price					\$39.50	Ticket
Sales Price					\$39.50	Rec.
Sales \$	\$13,964.99	\$12,234.89	\$2,374.14	\$9,860.75	\$671.50	Rec. as Temp
Sales Units	531	458	66	392	17	32
GM \$	\$8,722.03	\$8,722.03	\$1,867.92	\$6,854.11	\$541.11	\$680.64
GM %	71.3 %	71.3 %	78.7 %	69.5 %	80.6 %	73.5 %

5. Click on the Right arrow. Markdown Optimization automatically populates the same values in the Override Price field for all of the successive weeks located to the right.
 

If you wish to experiment with a different value in the Override Price field for a future week, locate that week's corresponding column. Change the Override Price field for that week, and then click the right arrow to change the weeks that follow.
6. (Optional) Select the Enable Optimization Message Logging checkbox located underneath the Scenario Settings table.
7. After each week reflects your pricing choices, click **Recalculate**. You may also select Recalculate from the Action drop-down list and click Apply.
8. The effects of your markdown selections appear in the EOL column and in the graph.
9. After you review the What-If results, you may perform any of the actions listed below:
  - **Keep a Record of Changes**—from the Action field, select **Print Page** and click **Apply**.
  - **Make No Changes and Return to Original Worksheet**—click **Cancel**. Your What-If modifications are not saved.
  - **Take Markdown Optimization's Recommended Markdowns without What-If Changes**—from the Action field, select **Take Recommended Markdowns**. Click **Apply**.
  - **Take the What-If Modifications**—from the Action field, select **Take What-If Changes** and click **Apply**. The worksheet from which you first selected the item(s) appears, and the status for the item(s) is Taken from What-If.

## Creating Scenarios Using Pricing Ladders

To create a What-If scenario using Pricing Ladders:

1. From your Worksheet, click the check box next to each item you want to include in a What-If scenario. You may select up to 100 items.
2. From the **Action** field drop-down list, select **What-If**, then click **Apply**.

The What-If screen appears showing the recommended forecast for the items selected.

---

**Note:** The first dated column highlighted in orange is the first week that your Taken Changes may be put into effect.

---

Scroll to the right to view the number of weeks until the target Exit Date. The What-If screen does not display recommendations for weeks past the latest Outdate.

3. To begin experimenting with markdown prices, locate the **Price Ladder** drop-down list within the orange column. Select one of the following options:
  - PP-PERM—use permanent accounting to specify a dollar amount
  - POS-TEMP%—specify a point of sale temporary percent off
  - POS-% Off Tkt—specify a point of sale percent off the current ticket price

---

**Note:** The Price Ladder options listed above may differ from those available in your implementation of Markdown Optimization. For questions regarding a Price Ladder option that is not listed above, speak with your Markdown Optimization system administrator.

---

4. Using the **Override Price** drop-down list, select your desired price or percentage off.
5. Click on the Right arrow. Markdown Optimization automatically populates the same values in the Override Price field for all of the successive weeks located to the right:

**Figure 2-17 What-If Scenario - Price Ladder**

10/16/2004	10/23/2004	10/30/2004
< >	< >	< >
1	1	1
\$27.65	\$27.65	\$23.70
\$28.94	\$27.65	\$24.31
\$39.50	\$39.50	\$39.50
Ticket	Ticket	Ticket
\$27.65	\$27.65	\$23.70
\$28.94	\$27.65	\$24.31
\$926.08	\$801.85	\$777.92
32	29	32
\$680.64	\$579.42	\$532.48
73.5 %	72.3 %	68.4 %
72.3 %	72.3 %	67.6 %
\$1,030.40	\$0.00	\$1,528.65
\$0.00	\$0.00	\$0.00
7.1 %	7.0 %	8.3 %
6.0 %	5.5 %	6.0 %
416	387	355
\$11,502.40	\$10,700.55	\$8,413.50
\$3,190.72	\$2,968.29	\$2,722.85

- If you wish to experiment with a different Price Ladder or value in the Override Price field for a future week, locate that week's corresponding column. Change the Price Ladder or Override Price field for that week, and then click the right arrow to change the weeks that follow.
6. (Optional) Select the Enable Optimization Message Logging checkbox located underneath the Scenario Settings table.
  7. After each week reflects your pricing choices, click **Recalculate**. You may also select Recalculate from the Action drop-down list and click Apply.
  8. The effects of your markdown selections appear in the EOL column and in the What-If graph.
  9. After you review the What-If results, you may perform any of the actions listed below:
    - **Keep a Record of Changes**—from the Action field, select **Print Page** and click **Apply**.
    - **Make No Changes and Return to Original Worksheet**—click **Cancel**. Your What-If modifications are not saved.
    - **Take Price's Recommended Markdowns Without What-If Changes**—from the Action field, select **Take Recommended Markdowns**. Click **Apply**.
    - **Take the What-If Modifications**—from the Action field, select **Take What-If Changes** and click **Apply**. The worksheet from which you first selected the item(s) appears, and the status for the item(s) is Taken from What-If.

## Creating Scenarios that Modify Operational Constraints

To create a What-If scenario that makes changes to the Operational Constraints listed in the Scenario Setting table:

1. On your Worksheet, click the check box next to each item you want to include in a What-If scenario. You may select up to 100 items.
2. From the **Action** field drop-down list, select **What-If** and click **Apply**.
3. The **What-If** screen appears showing the recommended forecast.  
 Scroll to the right to view the number of weeks until the target Exit Date. The What-If screen does not display recommendations for weeks past the latest Outdate.
4. In the first week for which you want to make a change, leave the Initial Markdown Optimization recommended markdown as it is.

---

**Note:** The orange dated column is the first week your Taken changes may be put into effect.

---

5. Leave the **Price Ladder** field blank (do not select a value). Leave the **Override Price** field as **Ticket** (this is the Markdown Optimization Recommended markdown default value for this field).
6. Navigate to the **Scenario Settings** table located to the lower left of the What-If graph.
7. Click in the box to the left of the Scenario Variable you wish to change.

- **Current Inventory Levels**—to increase the level, enter a number in the Scenario Override field greater than the Current Setting. To decrease the level, enter a number that is less than the Current Setting.
  - **Exit Date**—to extend the Exit Date, enter a date in the Scenario Override fields that is after the Current Setting date. To shorten the Exit Date, enter a date that is before the Current Setting.
  - **Sell Thru Percent**—to increase the Sell Through Percent, enter a number in the Scenario Override field that is greater than the current percent listed. To decrease the Sell Through Percent, enter a number that is less than the current percent listed.
  - **Salvage Value**—to increase the Salvage Value Percent, enter a scenario override value greater than the Current Setting. To decrease the Salvage Value Percent, enter a value less than the Current Setting.
8. (Optional) Select the Enable Optimization Message Logging checkbox located underneath the Scenario Settings table.
  9. Go to the **Action** field located in the upper left of the What-If screen. Either click **Recalculate**, or click the down arrow in the **Action** field. Select **Recalculate** from the **Action** Field's drop-down list. Click **Apply**.
  10. After viewing the What-If forecast scenario, decide to take an Action from the Action section. See ["Action Menu \(2\)" on page 2-16](#) for information.

---

**Note:** If you select Take What-If Changes after changing the following:

- Markdowns for dates other than the Effective Date (the first week listed in the Dates column of the What-If forecast scenario).
  - Inventory amounts
- 

A pop-up screen will appear indicating No permanent changes may be made.

Click **OK** or **Cancel** to exit out of the screen, or click on the check box in front of the change to be made in the What-If screen.

11. View the resulting What-If scenario forecast for the weeks listed on the What-If screen.

## Optimize-to-Budget

The optimize-to-budget feature assesses all selected items with markdown recommendations and intelligently applies your markdown budget dollars to provide the greatest gross margin. Markdown Optimization calculates the cost of the markdown assuming a permanent price change. A permanent price change is the markdown cost associated with the owned inventory. The results for each item might be the original optimal markdown, a shallower markdown, or no markdown.

See the following for more information:

- ["About the Optimize-to-Budget Feature" on page 2-27](#)
- ["Using the Optimize-to-Budget Feature" on page 2-27](#)

## About the Optimize-to-Budget Feature

Specifically, the optimize-to-budget feature allows you to do the following:

- Select only those items you want to include in the optimize-to-budget analysis.
- Take priority markdowns and exclude them from the optimize-to-budget analysis so that the markdowns are not altered. The optimize-to-budget feature will deduct the cost of those markdowns out of the total budget prior to optimizing your budget across the rest of the eligible items resulting in a more accurate allocation of the budget.

By default, the Optimize-to-Budget calculation considers the total inventory comprising of On Hand (OH), On Order (OO), and distribution center (DC) inventory. When computing markdown budgets, this calculation can be configured to exclude the DC inventory using the *pricefe.otb.excludeDCInventory* property in the *config.properties* file. For more information, see the chapter *Config.properties* in the *Markdown Optimization Configuration Guide*.

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**Note:** DC inventory includes inventory present in the distribution center (DC OH) and the inventory in transit to the distribution center (DC OO).

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## Using the Optimize-to-Budget Feature

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**Important:** It is highly recommended that you apply the optimize-to-budget feature before you perform item and pricing group maintenance. The markdown recommendations that appear on your worksheets are generated based on the pricing groups and items as they existed at the time of optimization. Therefore, if you make changes to pricing groups before applying the optimize-to-budget feature, you are bypassing that optimization.

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You can still manually change markdowns after you apply the optimize-to-budget feature.

To apply the optimize-to-budget feature:

1. From the **Main Menu**, select **Markdowns**. The Worksheet Summaries screen appears.
2. From the Worksheet Summaries screen, select the worksheet to which you want to apply the optimize-to-budget feature. The selected worksheet appears.
3. Do one of the following:
  - **Select All Items on Worksheet**—click the top left check box to select all items.
  - **Select Only the Items You Want to Include**—click the check box next to the items you want to include in the optimize-to-budget analysis.
4. From the **Action** list, select **Optimize to Budget** and click **Apply**.
  - If taken markdowns are included in the selected items, a confirmation dialog box appears asking if you want to include or exclude those items from the analysis.

**Figure 2–18 Optimize to Budget - Confirmation Dialog Box**

- Otherwise, the **Optimize To Budget** dialog box appears. Depending on the Markdown Optimization implementation for your company, your markdown budget may already appear in this dialog box.

**Figure 2–19 Optimize to Budget Dialog Box**

5. Complete the **Optimize To Budget** dialog box using the following table as a guideline:

Field	Description
Monthly MD Budget	<p>Enter the amount of your monthly markdown budget as a whole number, omitting the dollar sign, commas, and decimal values for cents.</p> <p>Example: If your markdown budget is \$1,790,000.50, you would enter 1790000.</p> <p>This field may be pre-populated with the markdown budget as submitted by your company.</p>
Committed MD Amount	<p>This information is for display only, and it is populated only if your company has submitted this value. It represents all of the markdown dollars that have been taken (already executed in stores) in previous weeks for the current month. Markdowns that have been taken but that have not been executed in stores are not included in the dollar amount.</p>



Field	Description
Taken MD Amount (this week)	<p>This information is for display only. It reflects the taken markdown amount as follows:</p> <ul style="list-style-type: none"> <li>■ It includes the dollar amount for markdowns you have taken on the worksheet but omitted from the optimize-to-budget feature.</li> <li>■ It excludes the dollar amount for markdowns you have taken on the worksheet but selected for the optimize-to-budget feature (because these items may be assigned new markdown amounts based on the optimize-to-budget results).</li> </ul>
MD Budget Balance	<p>This information is for display only. The markdown budget balance is calculated as follows:</p> <p>Monthly MD Budget - Committed MD \$ - Taken MD \$</p>
MD Amount to reserve for remaining periods this month	<p>Enter the amount of your budget that you want to save for the remainder of the month. This applies if you are executing your budget on a weekly basis.</p> <p>If you are not concerned about week-to-week budgets, leave this field blank.</p>
Budget to Optimize within	Enter the amount of your budget that you want the optimize-to-budget feature to use.
Only evaluate the Optimal price and No Action Taken options	<p>This option is provided if you used the fit-to-budget feature (in previous Markdown Optimization releases) and want your markdown budget to be calculated in a similar way. The fit-to-budget approach considers only optimal (Markdown Optimization) recommendations; it does not consider shallower markdowns. (For details on the fit-to-budget feature, see the Markdown Optimization User Guide or help that accompanied earlier releases of Markdown Optimization.)</p>

6. When the **Optimize To Budget** dialog box reflects the entries you want, click **Done**. When the reoptimization is finished, your worksheet is updated with the markdown recommendations that fit within your specified budget. The optimize-to-budget results are reflected in the following columns, which may be named differently at your company.

- Taken MD (Budget Constrained for markdowns applied by optimize-to-budget)
- MD Price
- GM \$ Oppty
- GM \$ Oppty-Budget Constrained Price
- Budget Constrained Price
- MD Status

If the GM \$ Oppty-Budget Constrained Price column is 0, there is no revenue lost by the budget constraint. On the other hand, the value displayed by the GM \$ Oppty-Budget Constrained Price column is potentially lost revenue because of the budget constraint.

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**Note:** The metrics at the bottom of the worksheet may or may not update, depending on the Markdown Optimization implementation at your site. If you are unsure about these metrics, check with the administrator.

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7. Review the markdowns and, if necessary, make changes as you normally would.  
For details on adjusting prices on your worksheets, see ["Markdown Prices" on page 2-8](#).
8. When you are satisfied with the results on the worksheets, submit your worksheets for approval.  
For details, see ["Submitting Worksheets for Approval" on page 2-31](#).

## Recommended Forecast Screen

Use the Recommended Forecast screen to view summary metrics for the weekly forecast for all items that have forecast information.

Some items have forecast information even though they do not have recommended markdowns. Each value on this screen is the sum of the corresponding values on all of the worksheets you selected when you chose to display the screen. Note that these values are view-only, and there are no item-level pricing drop-down lists.

From the Recommended Forecast screen you can:

- Send the summary to Excel.
- Click on column headings that are linked to descriptions of information in a column.

The Recommended Forecast screen always displays the forecast based on Markdown Optimization's markdown recommendations.

## Forecast Metrics

The data displayed on the Recommended Forecast screen is configured at implementation to display information meaningful to your company.

To display the metric definition selected by your company, click the metric name. A smaller browser window appears with the metric name and definition.

Some common metrics and definitions include the following (starting with time periods):

Metric	Definition
LTD	Life to Date—the total from the beginning of the season to today.
TTOOS	Today till Out of Stock—the forecasted total from today until the exit date.
EOL	End of Life—the sum of the STD and TTOOS totals, representing the forecasted total from the beginning of the season to the exit date, using your What-If markdown schedule.
EOH Inv \$	The dollar value of the number of on-hand inventory units.

Metric	Definition
Forecast Price	The Markdown Optimization optimized price schedule, constrained by business rules and including any planned promotions.
Sales \$	The total sales, calculated in dollars summed for multiple items or weeks.
Sales Units	The total number of unit sales for a given time period.
GM \$	The dollar amount of gross margin generated for an item in a given time period.
GM %	The gross margin percent generated for an item in the relevant time period.
ST %	The sell-through, which is the percentage of inventory sold at a given point in time.
Inventory Units	The number of on-hand inventory units.

## Viewing a Recommended Forecast

To view a recommended forecast for one or more worksheets:

1. From the **Worksheet Summaries** screen, select one or more check boxes corresponding to the worksheets that you want to include in the forecast.

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**Note:** To select all the worksheets, click the top check box.

---

2. From the **Action** list box, select **Show Recommended Forecast**. Click **Apply**.

The **Recommended Forecast** screen appears. For an explanation of the metrics on this screen, see ["Recommended Forecast Screen" on page 2-30](#).

## Approving Decisions

You can complete the following with the worksheets to which you have access:

- ["Submitting Worksheets for Approval" on page 2-31](#)
- ["Approving Worksheets" on page 2-32](#)
- ["Declining Worksheets" on page 2-32](#)
- ["Executing Worksheets" on page 2-32](#)

## Submitting Worksheets for Approval

Before you submit a worksheet(s):

- Make sure that the worksheet(s) reflects the markdowns you want. After you submit a worksheet, you can no longer make changes to it.
- Allow enough time for the worksheet to be approved and executed. In order for the worksheet's markdowns to be reported as input into your pricing system, the worksheet must be executed before the cutoff time.

When your worksheet(s) reflect the taken markdowns (and sendback dates, if applicable) you want, submit it for approval by clicking **Submit**.

After you submit the worksheet:

- The Worksheet Summaries screen appears with a status of Submitted for the affected worksheet.
- You can no longer make any changes to the worksheet. You can open the worksheet, but a message appears telling you that the worksheet is read-only.

## Approving Worksheets

If you have Approve access to a worksheet, you can approve a worksheet after it is submitted for approval.

To approve a worksheet

1. From the **Main Menu**, click **Markdowns**.

The **Worksheet Summaries** screen appears.

2. From the **Worksheet Summaries** screen, select the check box for each worksheet you want to approve. You can approve only worksheets that have a Submitted status and for which you have Approve access.

3. From the **Action** list box, select **Approve**. Click **Apply**.

A confirmation dialog box appears with the keys of the approved worksheets, and the status for each approved worksheet changes to Approved.

All approved worksheets are executed when the cutoff time is reached.

## Declining Worksheets

If you have Approve access to a worksheet, you can decline a worksheet after it is submitted for approval.

To decline a worksheet

1. From the **Main Menu**, click **Markdowns**.

The **Worksheet Summaries** screen appears.

2. From the **Worksheet Summaries** screen, select the check box for each worksheet you want to decline. You can decline only worksheets that have a Submitted or Approved status and for which you have Approve access.

3. From the **Action** list box, select **Decline** and then click **Apply**.

A confirmation dialog box appears with the keys of the declined worksheets, and the status for each declined worksheet changes to Not Submitted. However, the worksheets retain any changes that were made to them. These worksheets must be re-submitted and approved before they can be executed.

## Executing Worksheets

After worksheets have been approved and appear on the Worksheet Summaries screen, they are ready to be executed. No explicit action is required to execute the worksheets. Worksheet execution is an automatic procedure that occurs after the cutoff time is reached. The execution procedure reports all markdowns into the merchandise system.

All worksheets must be approved by the cutoff time in order to be executed. If you are working in Markdown Optimization close to the cutoff time, you will receive a warning message. Any worksheets that are open at the cutoff time will not be executed.

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## Maintaining Merchandise

This chapter includes the following information:

- ["About Maintaining Merchandise" on page 3-1](#)
- ["About Exit Dates and Exit Date Inventory" on page 3-2](#)
- ["Managing Exit Dates" on page 3-3](#)
- ["Managing Planned Start Dates" on page 3-8](#)
- ["Setting Exit Inventory or Sell-Through Targets" on page 3-6](#)
- ["Managing Pricing Groups" on page 3-11](#)

### About Maintaining Merchandise

You can maintain your merchandise by individual items or by pricing groups.

- Items are typically at a level in the merchandise hierarchy below the class or category level and above the color and size level. An item may also be known as a lot or a style. You can maintain the following aspects of items:
  - Change, remove, and reset (to the default values) exit dates and planned start dates.
  - Modify item properties such as salvage value, target sell-through, and ending inventory units
- Pricing groups are sets of items that are grouped together by style, or color, or vendor, or a combination of these, or by any other merchandise attributes that are meaningful for your company. You can take the same markdown for an entire pricing group, or you can take different markdowns for each item. The outdate, target sell through, and salvage value are derived (via an inference rule set during Markdown Optimization implementation) from the individual item properties. With that in mind, you can maintain the following aspects of pricing groups:
  - Change, remove, and revert (to their original values) exit dates and planned start dates of the member items
  - Modify properties such as salvage value, target sell-through, and ending inventory units of the member items
  - Add items to the pricing group
  - Remove items from the pricing group
  - Create a new pricing group
  - Change a pricing group name

## About Exit Dates and Exit Date Inventory

Typically, exit dates and exit date inventory (quantity or sell-through percent) are set by a Markdown Optimization administrator or Oracle Retail Professional Services at a high level in the merchandise and location hierarchies via Business Rule Property Manager. Your worksheets and key items then inherit those settings.

For more details, see the following topics:

- ["Exit Dates" on page 3-2](#)
- ["Target Exit Date Inventory and Sell-Through Percent" on page 3-2](#)

### Exit Dates

Markdown Optimization does not recommend markdowns for any item without an exit date, or for any item with an exit date in the past. New items are eligible for markdown recommendations when their level in the merchandise and location hierarchy has been assigned an exit date. If you want to make items ineligible for markdown recommendations, remove the exit date from them.

Check with the Markdown Optimization administrator to find out what date ranges and days of the week are valid for exit dates for items and pricing groups.

For example, the Markdown Optimization administrator might configure a date range of 90 days from the effective date (the Saturday of the week the markdown price is effective in the stores). In this case, the exit date must be within that 90-day range. If the markdown price is implemented in the stores on 02/02/2004, the effective date is Saturday, 02/07/2004. Therefore, the exit date would have to be before 05/07/2004 to be within the 90-day range.

Similarly, if the Markdown Optimization administrator configures Sunday as the only day of the week that is valid for exit dates, any exit dates you enter must fall on a Sunday.

Enter exit dates and exit inventory targets 30 days prior to receipt. Each month, review the next month's receivings and provide exit dates for these items.

Changing the exit date causes inventory to be marked down more aggressively or more conservatively, depending on which direction the exit date is changed.

- Lengthening the exit date can lead to less aggressive markdowns; you have more time to sell so you might not need to lower the price as much.
- Shortening the exit date can lead to more aggressive markdowns; you have less time to sell, so you might need to make steeper price reductions.

For details on changing, resetting, and removing exit dates, see ["Managing Exit Dates" on page 3-3](#).

### Target Exit Date Inventory and Sell-Through Percent

---

**Note:** You can specify the number of inventory units you want remaining at the exit date, or you can specify a sell-through percent. You cannot set both. The selection – exit inventory units or exit sell-through percent – is made during the Markdown Optimization implementation.

---

Typically the Markdown Optimization administrator sets the exit inventory or sell-through targets when the exit date is set. The earlier the exit inventory or sell-through target is set, the more accurate the markdown recommendations will be.

### Exit Date Inventory

Exit inventory is set as a percentage of the beginning inventory.

Depending on the amount of inventory:

- Lower exit inventory targets can lead to more aggressive markdown recommendations.
- Higher exit inventory targets can lead to less aggressive markdown recommendations.

---

**Note:** If no exit inventory target is provided for an item, Markdown Optimization assumes that the exit inventory target at the item's exit date is zero.

---

### Sell-Through Percent

For sell-through percent:

- Lower sell-through percents can lead to less aggressive markdown recommendations.
- Higher sell-through percents can lead to more aggressive markdown recommendations.

## Managing Exit Dates

For an explanation of exit dates, see ["About Exit Dates and Exit Date Inventory"](#) on page 3-2.

If your user account has access rights to Business Rule Property Manager, you can set exit dates for items or pricing groups anywhere on the merchandise and location hierarchy levels to which you have access.

Otherwise, you can also manage exit dates from the Maintaining Merchandise screen as follows:

- Change exit dates from their default values at or below a particular worksheet level. See ["Changing Exit Dates from Their Default Values"](#) on page 3-3.
- Reset changed exit dates to their default values, which are inherited from higher levels in the merchandise hierarchy. See ["Resetting Exit Dates to Their Default Values"](#) on page 3-5.
- Remove exit dates. See ["Removing Exit Dates"](#) on page 3-6.

---

**Note:** You can set exit dates only for those items and pricing groups that appear in your worksheets. If you want to set exit dates for items or pricing groups that do not appear, check with the Markdown Optimization administrator about having them added.

---

### Changing Exit Dates from Their Default Values

To set exit dates for individual items or pricing groups:

1. From the **Main Menu**, click **Maintaining Merchandise**.

The **Maintaining Merchandise** screen appears.

**Figure 3–1 Maintaining Merchandise Screen**

2. Click the tab that reflects the data view you want to work in. Sample data views include:
  - **Items By Name** - Items available at the selected hierarchy levels are listed in alphabetical order by name, with numbers appearing before letters.
  - **Items (Flat)** - Items are listed in the current sort order on the worksheet. To change this sort order, click a column heading.
  - **Pricing Groups** - Items are grouped by the pricing groups (formerly called collections) to which they were assigned.
  - **Items (Aggregated)** - Merchandise is listed by the style level or some other level (depending on your implementation) instead of the item level.
3. Find the item(s) or pricing group(s) whose exit date you want to change or enter, and select the corresponding check box(es).
4. From the **Action** list box, select **Change Item Prop. For Selected** and click **Apply**.  
The **Update Item Properties** dialog box appears.

**Figure 3–2 Update Item Properties Dialog Box**

5. Select the **Update Exit Date** check box, and use the Month, Day, and Year list boxes to select a new date.

The date you select must meet the restrictions set by the Markdown Optimization administrator. Typically, the date must fall within a range of valid dates and on a specific day of the week. (See ["Exit Dates"](#) on page 3-2.)

**Important:** If you are not changing the exit inventory or sell-through percent, clear the corresponding check box.



6. When the **Update Item Properties** dialog box reflects the settings you want, click **Done**.

A message appears that the operation was successful. Click **Done** on that message box to return to the items or pricing groups worksheet.

The new exit date appears on the items or pricing groups worksheet, and it takes effect with the following week's recommendations.

## Resetting Exit Dates to Their Default Values

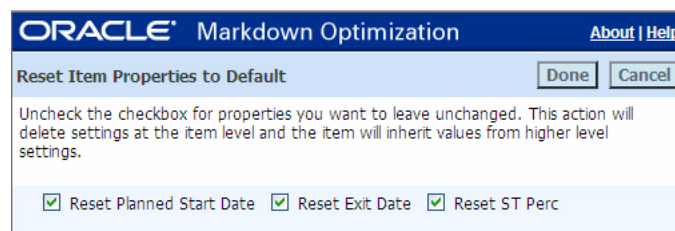
Default exit dates are set by a Markdown Optimization administrator at a high level in the hierarchies.

To reset exit dates that you have changed or removed:

1. From the **Main Menu**, click **Maintaining Merchandise**.
2. Select one of the following tabs:
  - **Items By Name** - Items available at the selected hierarchy levels are listed in alphabetical order by name, with numbers appearing before letters.
  - **Items (Flat)** - Items are listed in the current sort order on the worksheet. To change this sort order, click a column heading.
  - **Pricing Groups** - Items are grouped by the pricing groups (formerly called collections) to which they were assigned.
  - **Items (Aggregated)** - Merchandise is listed by the style level or some other level (depending on your implementation) instead of the item level.
3. Using the hierarchy level drop down menus, select the hierarchy level you wish to view.
4. Find the item(s) or pricing group(s) whose exit dates you want to revert back to their original values, and select the corresponding check box(es).
5. From the **Action** list box, select **Reset to Default** and click **Apply**.

The **Reset Item Properties to Default** dialog box appears.

**Figure 3–3** *Reset Item Properties to Default Dialog Box*



6. Make sure that the **Reset Exit Date** check box is selected.
 

**Important:** If you are not resetting sell-through percent, clear the **Reset ST Perc** check box.
7. When the **Update Item Properties** dialog box reflects the settings you want, click **Done**.

The **Update Item Properties** message box appears with a message that the operation was successful.

8. Click **Done** on that message box to return to the items or pricing groups worksheet.

The exit date for the selected item(s) or pricing group(s) is reverted back to the default date.

## Removing Exit Dates

Removing an exit date also removes the affected item or pricing group from Markdown Optimization optimizations. Therefore, when you remove an exit date, Markdown Optimization will make no markdown recommendations. To include the item or pricing group in Markdown Optimization optimizations again, reset the exit date or add a new one.

To remove exit dates:

1. From the **Main Menu**, click **Maintaining Merchandise**.
2. Select one of the following tabs:
  - **Items By Name** - Items available at the selected hierarchy levels are listed in alphabetical order by name, with numbers appearing before letters.
  - **Items (Flat)** - Items are listed in the current sort order on the worksheet. To change this sort order, click a column heading.
  - **Pricing Groups** - Items are grouped by the pricing groups (formerly called collections) to which they were assigned.
  - **Items (Aggregated)** - Merchandise is listed by the style level or some other level (depending on your implementation) instead of the item level.
3. Find the item(s) or pricing group(s) whose exit dates you want to remove, and select the corresponding check box(es).
4. From the **Action** list, select **Remove Exit Dates** and click **Apply**.

The **Update Item Properties** message box appears with a message that the operation was successful.

5. Click **Done** on that message box to return to the items or pricing groups worksheet.

The exit date is removed, which means that Markdown Optimization will stop providing recommendations for the affected pricing groups and items. When you want to include these pricing groups and items in the weekly Markdown Optimization recommendations, change or reset the exit date. See ["Resetting Exit Dates to Their Default Values"](#) on page 3-5 for instructions.

## Setting Exit Inventory or Sell-Through Targets

For an explanation of exit inventory and sell-through targets, see ["About Exit Dates and Exit Date Inventory"](#) on page 3-2.

If your user account has access rights to Business Rule Property Manager, you can set exit inventory or sell-through targets for items or pricing groups anywhere on the merchandise and location hierarchy levels to which you have access. When you use this method, the value you set at the highest level in the hierarchy is applied to the lowest level in the hierarchy until you or someone else overrides it.

Otherwise, you can also set exit inventory or sell-through targets in the following ways:

- By selecting individual items or pricing groups from a worksheet. See ["Setting for Multiple Items or Pricing Groups at a Time"](#) on page 3-7.
- By entering a value for one item or pricing group at a time. See ["Setting for One Item or Pricing Group at a Time"](#) on page 3-8.

---

**Note:** You can set exit inventory and sell-through targets only for those items and pricing groups that appear in your worksheets. If you want to set exit inventory and sell-through targets for items or pricing groups that don't appear, check with the Markdown Optimization administrator about having them added.

---

## Setting for Multiple Items or Pricing Groups at a Time

To set exit inventory or sell-through targets for multiple items or pricing groups at a time:

1. From the **Main Menu**, click **Maintaining Merchandise**.
2. Select one of the following tabs:
  - **Items By Name** - Items available at the selected hierarchy levels are listed in alphabetical order by name, with numbers appearing before letters.
  - **Items (Flat)** - Items are listed in the current sort order on the worksheet. To change this sort order, click a column heading.
  - **Pricing Groups** - Items are grouped by the pricing groups (formerly called collections) to which they were assigned.
  - **Items (Aggregated)** - Merchandise is listed by the style level or some other level (depending on your implementation) instead of the item level.
3. Find the item(s) or pricing group(s) whose exit inventory or sell-through target you want to change or enter, and select the corresponding check box(es).
4. From the **Action** list box, select **Change Item Prop. For Selected** and click **Apply**.

The Update Item Properties dialog box appears. The example below is from Oracle Retail Markdown Optimization implementation that standardized on sell-through percent rather than exit inventory.

**Figure 3-4 Update Item Properties Dialog Box**

**ORACLE** Markdown Optimization About | Help

**Update Item Properties** Done Cancel

Uncheck the checkbox for properties you want to leave unchanged. If you select the checkbox and don't enter a value, the value of the property will be removed.

☒ Update ST Perc ☒ Update Exit Date

**Tgt ST %**  
 %

**Set Exit Date**  
 Month  Day  Year

---

---

**Note:** Depending on the Oracle Retail implementation at your site, exit inventory and sell-through percent may not be available to you.

---

---

5. Select the appropriate check box – either **Update Exit Inventory** or **Update ST Perc** – and enter a value in the corresponding text box. Using the example dialog box above, you would select Update ST Perc and enter a value in the Tgt ST% text box.
6. When the **Update Item Properties** dialog box reflects the settings you want, click **Done**.

A message appears that the operation was successful. Click Done on that message box to return to the items or pricing groups worksheet.

The new exit inventory or sell-through target appears on the items or pricing groups worksheet, and it takes effect with the following week's recommendations.

## Setting for One Item or Pricing Group at a Time

To set exit inventory or sell-through targets for one item or pricing group at a time:

1. From the **Main Menu**, click **Maintaining Merchandise**.
2. Select one of the following tabs:
  - **Items By Name** - Items available at the selected hierarchy levels are listed in alphabetical order by name, with numbers appearing before letters.
  - **Items (Flat)** - Items are listed in the current sort order on the worksheet. To change this sort order, click a column heading.
  - **Pricing Groups** - Items are grouped by the pricing groups (formerly called collections) to which they were assigned.
  - **Items (Aggregated)** - Merchandise is listed by the style level or some other level (depending on your implementation) instead of the item level.
3. Find the item or pricing group for which you want to set the exit inventory or sell-through target.
4. In the corresponding column, click and type the exit inventory or sell-through target value.

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---

**Note:** Depending on the Markdown Optimization implementation at your site, exit inventory and sell-through percent may not be available to you. Further, the names of the exit inventory and sell-through percent columns may be different than those mentioned above.

---

---

5. Click **Save** or **Done** to save your changes.

The new exit inventory or sell-through target takes effect with the following week's recommendations.

## Managing Planned Start Dates

Along with the exit dates and sell-through inventory targets, you can also set the planned start date for the item or pricing group on the Maintaining Merchandise screen.

---

**Note:** If your user account has access rights to Business Rule Property Manager, you can set the planned start date for items or pricing groups anywhere on the merchandise and location hierarchy levels to which you have access. When you use this method, the value you set at the highest level in the hierarchy is applied to the lowest level in the hierarchy until you or someone else overrides it.

---

On the Maintaining Merchandise screen, the options in the Action list help you perform the following tasks to manage the planned start date:

- Change planned start dates from their default values at or below a particular worksheet level. See ["Changing Planned Start Dates from Their Default Values" on page 3-9](#).
- Reset the changed planned start dates to their default values, which are inherited from higher levels in the merchandise hierarchy. See ["Resetting Planned Start Dates to Their Default Values" on page 3-10](#).

---

**Note:** You can set planned start dates only for those items and pricing groups that appear in your worksheets. If you want to set planned start dates for items or pricing groups that do not appear, check with the Markdown Optimization administrator about having them added.

---

## About Planned Start Date

The planned start date is a date when the retailer plans to begin selling an item. This may vary by region for a given item (for example, shorts may come in earlier in the south region than in the north region) and will typically align with a season code.

## Changing Planned Start Dates from Their Default Values

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**Note:** The option to change the planned start date is not enabled by default within Markdown Optimization. This option will only be available to you if it has been activated for your implementation.

---

The planned start date defaults to the value set for the Planned Start Date business rule at a higher level in the hierarchy. If enabled, you can change the planned start date from within the Maintaining Merchandise screen.

To change the planned start date for an item or pricing group:

1. From the **Main Menu**, click **Maintaining Merchandise**.  
The **Maintaining Merchandise** screen appears.
2. Select one of the following tabs:
  - **Items By Name**—items available at the selected hierarchy levels are listed in alphabetical order by name, with numbers appearing before letters.
  - **Items (Flat)**—items are listed in the current sort order on the worksheet. To change this sort order, click a column heading.

- **Pricing Groups**—items are grouped by the pricing groups to which they were assigned.
  - **Items (Aggregated)**—merchandise is listed by the style level or some other level (depending on your implementation) instead of the item level.
3. Find the item(s) or pricing group(s) you want, and select the corresponding check box(es).
  4. From the **Action** list, select **Change Item Prop. For Selected**, and click **Apply**.  
The **Update Item Properties** message box appears.

**Figure 3–5 Update Item Properties Message Box**

---

**Note:** The date you select must meet the restrictions set by the Markdown Optimization administrator. Typically, the date must fall on specific days of the week.

---

5. Select the **Update Planned Start Date** check box, and use the Month, Day, and Year list boxes to select a new date.
- Important:** If you are not changing the other item properties, clear the corresponding check boxes.
6. When the **Update Item Properties** dialog box reflects the settings you want, click **Done**.

A message appears that the operation was successful. Click **Done** on that message box to return to the items or pricing groups worksheet.

The new planned start date appears on the items or pricing groups worksheet.

## Resetting Planned Start Dates to Their Default Values

Once you change the planned start date for an item or pricing group, you can revert the planned start date back to the default value set at a higher level in the hierarchy.

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**Note:** The option to change the planned start date is not enabled by default within Markdown Optimization. This option will only be available to you if it has been activated for your implementation.

---

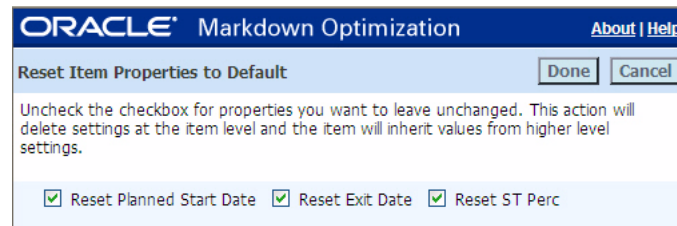
To reset the planned start date for an item or pricing group:

1. From the **Main Menu**, click **Maintaining Merchandise**.  
The **Maintaining Merchandise** screen appears.

2. Click the tab that represents the information you want to display.
3. Find the item(s) or pricing group(s) you want, and select the corresponding check box(es).
4. From the **Action** list, select **Reset to Default**, and click **Apply**.

The **Reset Item Properties to Default** dialog box appears.

**Figure 3–6 Reset Item Properties to Default**



5. Ensure that the **Reset Planned Start Date** check box is selected.  
**Important:** If you are not changing the other item properties, clear the corresponding check boxes.
6. When the **Reset Item Properties** dialog box reflects the settings you want, click **Done**.

A message appears that the operation was successful. Click **Done** on that message box to return to the items or pricing groups worksheet.

## Managing Pricing Groups

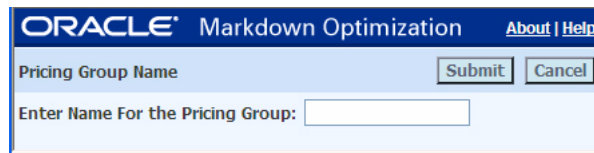
Managing pricing groups involves the following tasks:

- ["Creating New Pricing Groups" on page 3-11](#)
- ["Adding Items to Pricing Groups" on page 3-13](#)
- ["Removing Items from Pricing Groups" on page 3-13](#)
- ["Changing Pricing Group Names" on page 3-14](#)
- ["Deleting Pricing Groups" on page 3-15](#)

## Creating New Pricing Groups

To create a new pricing group:

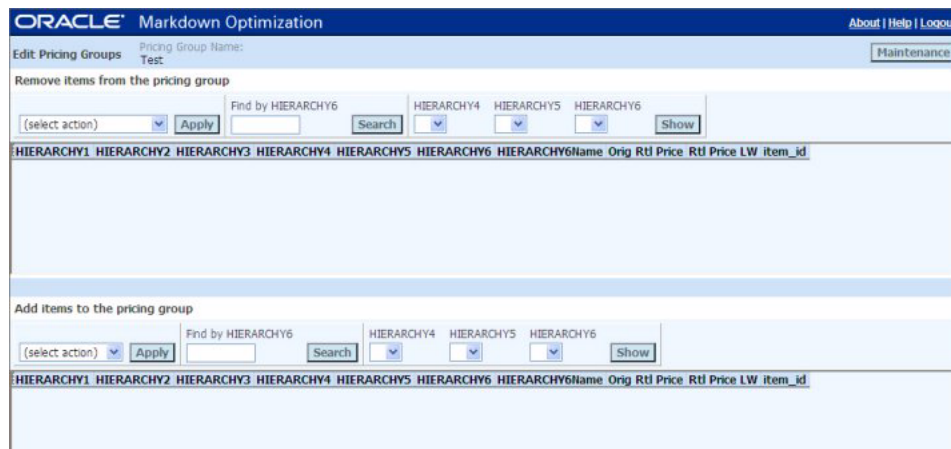
1. From the **Main Menu**, click **Maintaining Merchandise**.  
The **Maintaining Merchandise** screen appears.
2. Click the tab that represents the data view you want to display.
3. From the hierarchy list boxes, select the areas to which you want to add this pricing group and click **Show**.  
The current data view updates with the pricing groups in the selected hierarchy levels.
4. From the **Action** list box, click **Create Pricing Groups** and click **Apply**.  
The Pricing Group Name dialog box appears.

**Figure 3–7 Pricing Group Name Dialog Box**


The dialog box has a blue header with "ORACLE" and "Markdown Optimization" text, and "About | Help" links. Below the header, there is a label "Pricing Group Name" followed by "Submit" and "Cancel" buttons. At the bottom, there is a label "Enter Name For the Pricing Group:" followed by a text input field.

5. Enter a name for this pricing group, up to 200 characters using letters, numbers, spaces and dashes, and click Submit.

The Edit Pricing Groups screen appears with the new pricing group name at the top of the screen, as in the following example.

**Figure 3–8 Edit Pricing Group Screen**


The screen has a blue header with "ORACLE" and "Markdown Optimization" text, and "About | Help | Logout" links. Below the header, there is a label "Edit Pricing Groups" and "Pricing Group Name: Test" with a "Maintenance" button. The main area is divided into two sections: "Remove items from the pricing group" and "Add items to the pricing group". Each section has a search bar with "Find by HIERARCHY6" and "Search" buttons, and a table with columns: HIERARCHY1, HIERARCHY2, HIERARCHY3, HIERARCHY4, HIERARCHY5, HIERARCHY6, HIERARCHY6Name, Orig Rtl Price, Rtl Price, LW, item\_id. The "Remove items" section has a "(select action)" dropdown and an "Apply" button. The "Add items" section has a "(select action)" dropdown and an "Apply" button.

6. In the bottom portion of the **Edit Pricing Groups** screen, select the check box for each item you want to add to the pricing group, and from the **Actions** list box, select **Add Items** and click **Apply**.

The item(s) you selected now appear in the top portion of the Edit Pricing Groups screen, where you can remove them from the pricing group if necessary.

7. When you are finished adding items to this pricing group, click **Maintenance** to save your changes and to return to the **Maintaining Merchandise** screen.
8. (Optional.) On the **Maintaining Merchandise** screen, update the exit date and exit inventory or sell-through target for each item in this pricing group. You can set these values on the item level only, not on the pricing group level.

- For exit dates, each pricing group uses the latest exit date of the items contained in the pricing group.

**Important:** All items must have an assigned exit date or Markdown Optimization will not consider the item for recommendations. However, even if one or more items in the pricing group is missing an exit date, Markdown Optimization will still consider the remainder of the pricing group for recommendations. (In previous releases of Markdown Optimization, one item without an exit date would make the entire pricing group ineligible for markdown recommendations.)

- For exit inventory, each pricing group uses an adjusted exit inventory target that is calculated based on each item's individual target.



The alternative is to let the pricing group inherit the exit date and exit inventory or sell-through target as they are set in the business rules. See ["About Exit Dates and Exit Date Inventory"](#) on page 3-2 for more information.

## Adding Items to Pricing Groups

To add items to a pricing group:

1. From the **Main Menu**, click **Maintaining Merchandise**.

The **Maintaining Merchandise** screen appears.

2. Click the tab that represents the data view you want to display.

In most cases you will probably select the Pricing Groups tab (or its equivalent), but you can also access the edit pricing groups link from the items views.

3. From the list boxes, select the hierarchy levels to display pricing groups (or items) and click **Show**.
4. For the pricing group (or item) to which you want to add items, click the edit link. The edit link usually appears in the last column.

The **Edit Pricing Groups** screen appears.

**Figure 3–9 Edit Pricing Groups Screen**

5. In the bottom portion of the Edit Pricing Groups screen, click the check box of each item you want to add to this pricing group, and from the Actions list box, select **Add Items** and click **Apply**.

The item(s) you selected now appear in the top portion of the **Edit Pricing Group** screen (as in the example below).

6. When you are finished adding items to this pricing group, click **Maintenance** to save your changes and to return to the Maintaining Merchandise screen.

## Removing Items from Pricing Groups

To remove items from a pricing group:

1. From the **Main Menu**, click **Maintaining Merchandise**.

The **Maintaining Merchandise** screen appears.

2. Click the tab that represents the data view you want to display.

In most cases you will probably select the **Pricing Groups** tab (or its equivalent), but you can also access the edit pricing groups link from the items views.

- From the list boxes, select the hierarchy levels to display pricing groups (or items) and click **Show**.
- For the pricing group from which you want to remove items, click the edit link. The edit link usually appears in the last column.

The **Edit Pricing Groups** screen appears.

**Figure 3–10 Edit Pricing Groups Screen**

- In the top portion of the **Edit Pricing Groups** screen, click the check box of each item you want to remove from this pricing group, and from the **Actions** list box, select **Remove Items** and click **Apply**.  
The item(s) you selected now appear in the bottom portion of the Edit Pricing Groups screen, where you can add them to other pricing groups if necessary.
- When you are finished removing items from this pricing group, click **Maintenance** to save your changes and to return to the **Maintaining Merchandise** screen.

## Changing Pricing Group Names

To change a pricing group name:

- From the **Main Menu**, click **Maintaining Merchandise**.  
The **Maintaining Merchandise** screen appears.
- Click the tab that represents the data view you want to display.  
In most cases you will probably select the **Pricing Groups** tab (or its equivalent), but you can also access the edit pricing groups link from the items views.
- From the list boxes, select the hierarchy levels to display pricing groups (or items), and click **Show**.
- For the pricing group whose name you want to change, click the edit link. The edit link is in the next to the last column in the same row as the pricing group.
- In the top portion of the **Edit Pricing Groups** screen, from the **Actions** list box, select **Specify Pricing Group Name** and click **Apply**.  
The **Pricing Group Name** dialog box appears.

6. Type a new name for this pricing group and click **Submit**. The name can be up to 200 characters. Valid characters are letters, numbers, spaces, and dashes (-).

The name of the pricing group is updated and appears at the top of the **Edit Pricing Groups** screen.

7. Click **Maintenance** to return to the **Maintaining Merchandise** screen.

## Deleting Pricing Groups

To delete a pricing group:

1. From the **Main Menu**, click **Maintaining Merchandise**.

The **Maintaining Merchandise** screen appears.

2. On the **Maintaining Merchandise** screen, click the **Pricing Groups** tab (or its equivalent).

The **Pricing Groups** tab appears.

3. Select the hierarchy levels for the pricing group you want to delete and click **Show**.

4. For the pricing group you want to delete, click the delete link. The delete link is in the last column in the same row as the pricing group.

A confirmation dialog box appears asking if you want to delete this pricing group.

5. Click **OK** to delete the pricing group.

The pricing group is removed from the list of pricing groups. Note, however, that the items in the pricing group are not deleted; they are still available to be added to other pricing groups, if necessary.



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## Managing Worksheets

This chapter includes the following information:

- ["Displaying Columns" on page 4-1](#)
- ["Hiding Columns" on page 4-3](#)
- ["Reordering Columns" on page 4-3](#)
- ["Creating Columns" on page 4-4](#)
- ["Editing Columns" on page 4-5](#)
- ["Deleting Columns" on page 4-6](#)
- ["Sorting Data" on page 4-8](#)
- ["Filtering Data" on page 4-9](#)
- ["Exporting Data" on page 4-10](#)
- ["Printing Data" on page 4-11](#)

### Displaying Columns

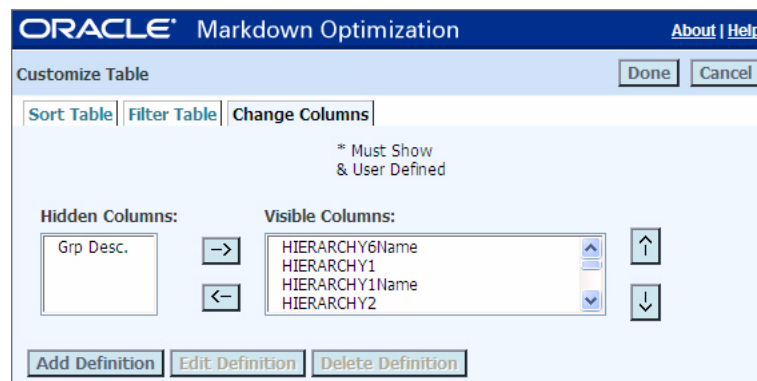
You can display existing, previously defined columns. If you want to create a column, see ["Creating Columns" on page 4-4](#). You can also adjust the width of columns and the height of rows. See ["Adjusting Column Width" on page 4-2](#) and ["Adjusting Row Height" on page 4-2](#).

To display a column on a worksheet:

1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet you want to work with.
2. From the **Action** list box, click **Modify Columns** and click **Apply**.

The **Customize Table** dialog box appears.

**Figure 4–1 Customize Table Dialog Box**



3. From the **Hidden Columns** list box, click the name of the column you want to display on your worksheet.  
If no columns are listed in the **Hidden Columns** list box, all of the columns defined for this worksheet are already visible.
4. When the column you want to display is selected, click the right arrow button to move the column to the **Visible Columns** list box.  
The column is added to the bottom of the **Visible Columns** list.
5. If you want to reposition the column, click the column name and click the up arrow button to move the column up or the down arrow button to move the column down.
6. Repeat steps 3 through 5 until you have added and repositioned all of the necessary columns. Click **Done** when you are finished.  
The **Customize Table** dialog box closes and the worksheet updates with the columns you just added.

## Adjusting Column Width

To increase or decrease the width of a column

1. Locate a column. Hover the mouse over the left or right edge of the column. A vertical line with arrows appears.
2. While the arrows are displayed, click, hold, and drag the mouse left or right to increase or decrease the width of the column.

## Adjusting Row Height

To adjust the height of a row

1. Locate a row. Hover the mouse over the top or bottom edge of the row. A horizontal line with arrows appears.
2. While the arrows are displayed, click, hold, and drag the mouse up or down to increase or decrease the height of the row.

## Hiding Columns

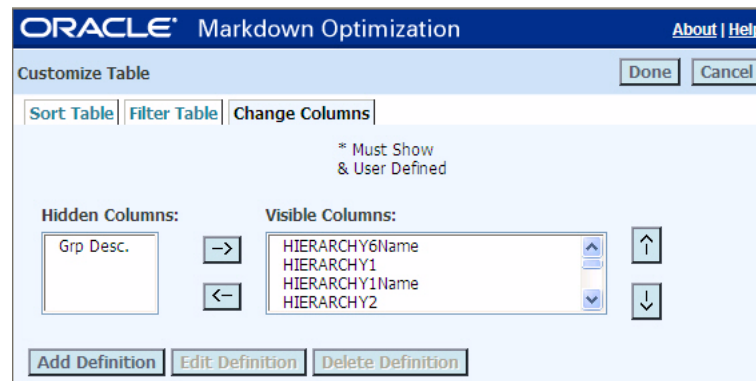
Hiding columns is a convenient way to customize your worksheets to show only the data you are interested in. You can hide almost all columns except for those designated by an asterisk ( \* ) on the Customize Table dialog box.

To hide columns on a worksheet

1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet you want to work with.
2. From the **Action** list box, click **Modify Columns** and click **Apply**.

The **Customize Table** dialog box appears.

**Figure 4–2 Customize Table - Hiding Columns**



3. From the **Visible Columns** list box, click the name of the column you want to remove from your worksheet.  
You cannot hide columns designated with an asterisk ( \* ).
4. When the column you want to hide is selected, click the left arrow button to move the column to the **Hidden Columns** list box.
5. Repeat steps 3 and 4 until you have listed all of the columns you want to hide, and then click **Done**.

The **Customize Table** dialog box closes and the worksheet updates without the columns you just hid.

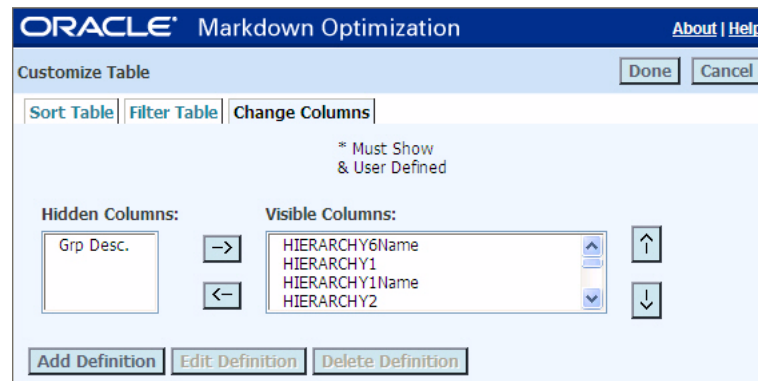
## Reordering Columns

You can customize all of your worksheets by positioning the columns in the order that is most relevant to you.

To reorder columns on your worksheet

1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet you want to work with.
2. From the **Action** list box, click **Modify Columns** and click **Apply**.

The **Customize Table** dialog box appears.

**Figure 4–3 Customize Table - Reordering Columns**

3. In the **Visible Columns** list box, click the name of the column you want to reposition on your worksheet.
4. When the column you want to reposition is selected, click the up arrow button to move the column up in the list, or click the down arrow button to move the column down in the list.
5. Repeat steps 3 and 4 until the columns are listed in the order you want, and then click **Done**.

The **Customize Table** dialog box closes and the worksheet updates with the new order of columns.

## Creating Columns

If you want a value that is not already provided by the existing columns, you can create a new column that produces a value from one or more columns. For example, you may want the value of total inventory for a given item or pricing group. In this case, you could create a new column called Total Inventory that sums the values of the On Hand inventory column and the On Order inventory column.

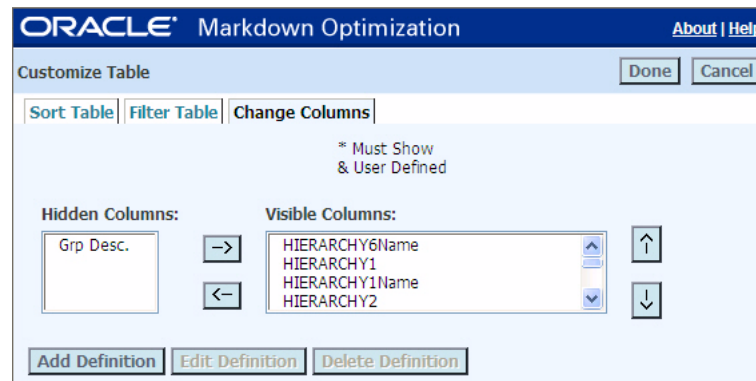
The columns you add are available to your login only; they are not available to other Markdown Optimization users. In addition, the columns you add are specific to worksheet types. For example, if you add the Total Inventory column to the Worksheet Summaries worksheet, that column is not available to the pricing groups worksheets. However, if you add a column to a pricing groups worksheet, that column is available to all pricing groups worksheets to which you have access.

To create a column:

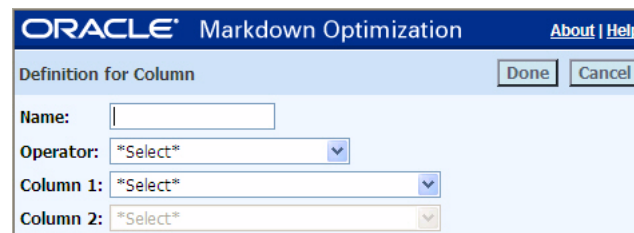
1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet to which you want to add a column.
2. From the **Action** list box, click **Modify Columns** and click **Apply**.

The **Customize Table** dialog box appears.



**Figure 4–4 Customize Table - Creating Columns**

3. Click **Add Definition**. The **Definition for Column** dialog box appears.

**Figure 4–5 Definition for Column Dialog Box**

4. Complete the "Definition for Column Dialog Box" on page 4-7.
5. When the definition for your new column is complete, click **Done**.  
The **Definition for Column** dialog box closes, and the column you just created appears in the **Hidden Columns** list. The column name is preceded by an ampersand ( & ) to indicate that it is a user-defined column.
6. On the **Customize Table** dialog box, select the column in the **Hidden Columns** list and click the right arrow button to move it to the **Visible Columns** list.  
The column is added to the bottom of the Visible Columns list.
7. If necessary, reposition the new column by clicking the up and down arrows, and then click **Done**.  
The Customize Table dialog box closes and the worksheet updates with the column you just created. The column is populated automatically.

## Editing Columns

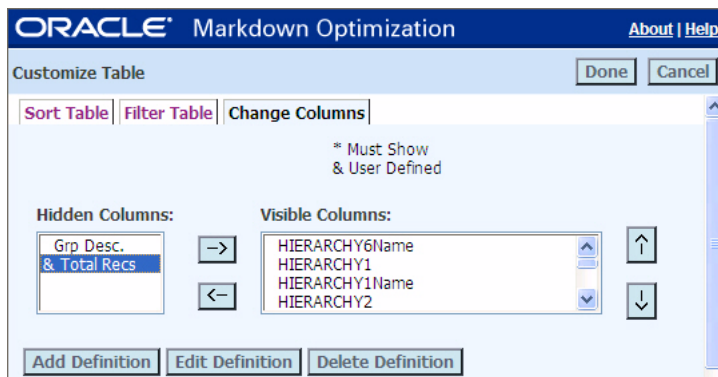
You can edit only columns that you have created. These columns, referred to as user-defined columns, are designated with an ampersand ( & ) after the column name within the Customize Table dialog box. You cannot edit the existing columns supplied by Markdown Optimization.

To edit a column:

1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet in which you want to edit a column.
2. From the **Action** list box, click **Modify Columns** and click **Apply**.

The **Customize Table** dialog box appears.

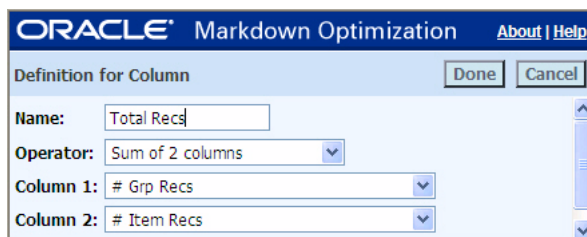
**Figure 4–6 Customize Table - Editing Columns**



3. In the **Hidden Columns** list box or the **Visible Columns** list box, select the column you want to modify. You can edit only those columns whose names are preceded by an ampersand (&).
4. Click **Edit Definition**.

The **Definition for Column** dialog box appears.

**Figure 4–7 Definition for Column Dialog Box**



5. Update the **Definition for Column** dialog box as necessary.
6. When your changes are complete, click **Done**.

The **Definition for Column** dialog box closes, and the updated column remains in its original position on the **Customize Table** dialog box.

7. If necessary, move or reposition the column on the **Customize Table** dialog box, and click **Done**.

The **Customize Table** dialog box closes and the worksheet updates with the column you just modified.

## Deleting Columns

You can only delete columns that you have created. These columns, referred to as user-defined columns, are designated with an ampersand ( & ) after the column name within the **Customize Table** dialog box.

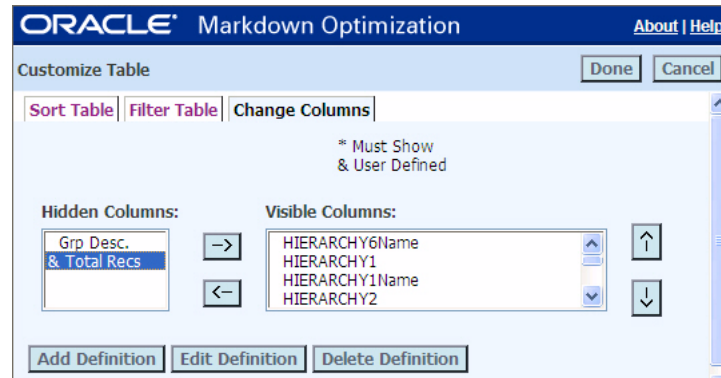
To delete columns:

1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet from which you want to delete a column.

- From the **Action** list box, click **Modify Columns** and click **Apply**.

The **Customize Table** dialog box appears.

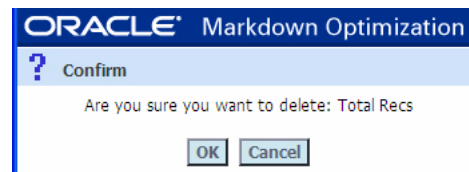
**Figure 4–8 Customize Table - Deleting Columns**



- In the **Hidden Columns** list box or the **Visible Columns** list box, select the column you want to delete. You can delete only those columns whose names are preceded by an ampersand (&).
- Click **Delete Definition**.

A confirmation dialog box appears.

**Figure 4–9 Confirmation Dialog Box**



- Click **OK** to delete the column.

The column is removed from the Customize Table dialog box. If you want to use this column again, you must recreate it.

## Definition for Column Dialog Box

Use the Definition for Column dialog box to create a new user-defined column or to modify an existing user-defined column.

Field	Description
Name text box	<p>Enter the name of this column as you want it to appear on the worksheet. The size of the worksheet column will expand to fit the name.</p> <p>Use only letters and digits in the column name. Do not use spaces or special characters.</p>

Field	Description
Operator list box	<p>Select one of the following:</p> <ul style="list-style-type: none"> <li>Sum of 2 columns to add two columns. For example, you might want to add the On Hand inventory column and the On Order inventory column to show the total of all inventory that will be available for selling.</li> <li>Difference of 2 columns to subtract one column from another. For example, you might want to see the difference between the Orig. Price column and the Rec. Price column to show the dollar amount by which the item has been reduced.</li> <li>Ratio of 2 columns to divide two columns. For example, you might want to divide the On Hand inventory column by the On Order inventory column to produce a ratio of how much inventory is in stock to how much inventory you expect to arrive.</li> <li>Cumulative sum of a column to show running (or incremental) totals. For example, you may want to see how the value of on hand inventory increases for each pricing group.</li> </ul>
Column 1 list box	Select the column appropriate for the operator that you selected. Make sure that you select only columns with numerical data; for example, the Status and Description columns cannot be calculated.
Column 2 list box	If you selected Cumulative sum of a column as the operator, the Column 2 list box is disabled. Otherwise, select the column appropriate for the type of operation you selected.

## Sorting Data

Sorting data allows you to display data in a specific order, such as highest to lowest gross margin and lowest to highest opportunity cost. By default, columns are sorted by opportunity cost.

To sort data:

- From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet whose data you want to sort.
- From the **Action** list box, click **Sort Table** and click **Apply**.

The **Customize Table** dialog box, **Sort Table** tab appears.

**Figure 4–10 Customize Table - Sort Table Tab**

ORACLE® Markdown Optimization [About](#) [Help](#)

Customize Table Done Cancel

**Sort Table** | Filter Table | Change Columns

	A - Z 1 - 100	Z - A 100 - 1
Sort by: *Select*	<input checked="" type="radio"/>	<input type="radio"/>
Then by: *Select*	<input checked="" type="radio"/>	<input type="radio"/>
Then by: *Select*	<input checked="" type="radio"/>	<input type="radio"/>

- Enter sort criteria as follows:
  - Select a column from the first list box. This column becomes the primary sort column for the worksheet.

2. For that column, select a sort order, either ascending order (A - Z or 1 - 10) or descending order (Z - A or 10 - 1).
3. If you want the worksheet to be sorted by additional columns, select a column and sort order for the remaining two list boxes.
4. When the list boxes and sort order reflect the way you want the worksheet to be sorted, click **Done**.

The **Customize Table** dialog box closes, and the worksheet is updated to display data in the sort order you selected.

To remove one or more of the sort criteria, click **\*Select\*** from the list boxes and then click **Done**.

## Filtering Data

Filtering allows you to display a subset of data that meets the criteria you define (such as Current Retail > \$10.00). You can filter by item and grouping attributes, or by using multiple criteria. For more information on filtering, see the following:

- ["Filtering by Columns" on page 4-9](#)
- ["Filtering by Merchandise Hierarchy" on page 4-10](#)

## Filtering by Columns

To filter data by column, independent of the merchandise hierarchy:

1. From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet whose data you want to filter.
2. From the **Action** list box, click **Filter Table** and click **Apply**.

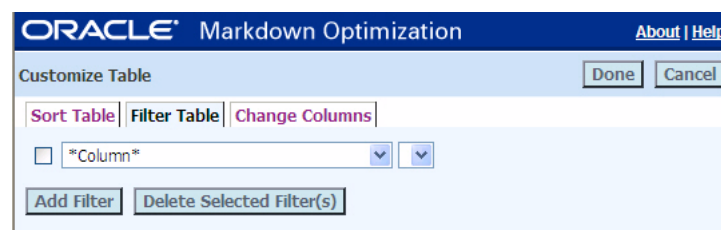
---

**Note:** The Filter Table action is not available on all worksheets.

---

The **Customize table** dialog box, **Filter Table** tab appears.

**Figure 4-11 Customize Table - Filter Table**



3. Add a filter as follows:
  1. Click **Add Filter**. A new **\*Column\*** list appears.
  2. From the **\*Column\*** list, select the column you want to filter by.
  3. In the middle list box, select an operator (less than, less than or equal to, equal to, greater than, greater than or equal to).
  4. In the text box, type a value appropriate for the data you want to filter.

- Repeat step 3 until you have added the necessary number of filters, and then click **Done**. (The check boxes to the left of the \*Column\* lists apply only to the Delete Selected Filter(s) button; they do not affect which filters are used on the current grid.)

The Customize Table dialog box closes, and the worksheet appears with data based on the filters you defined. In addition, the following message appears at the top of the screen:

This table has been filtered. Not all rows are visible.

To remove one or more of the filters, click the check box next to the filter(s) you want to remove, click Delete Selected Filter(s), and then click Done.

## Filtering by Merchandise Hierarchy

To filter data by the merchandise hierarchy:

- From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise** and navigate to the worksheet whose data you want to filter.
- From the merchandise hierarchy drop-down lists, select **Class**, **Sub Class**, and **Item** (or whatever the equivalent is for your implementation of Markdown Optimization), depending on the level of data you want to display.
- When the merchandise hierarchy filters reflect the level of data you want to display, click **Show**.

The worksheet appears with only the merchandise that meets the criteria you selected.

## Exporting Data

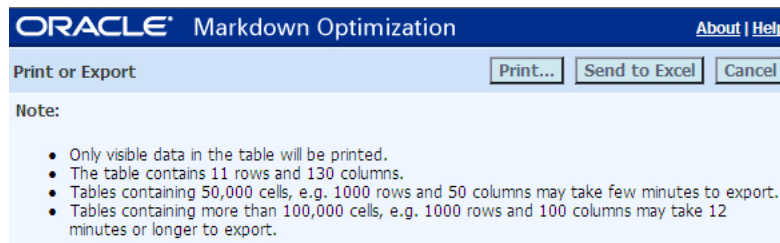
You can export data from most Markdown Optimization worksheets or maintenance grids into Microsoft Excel 2000 or newer.

To export data from worksheets:

- From the **Main Menu**, click **Markdowns** or **Maintaining Merchandise**, and open the worksheet whose data you want to export.
- On the resulting screen, filter the worksheet or merchandise grid, expand/collapse rows, and show/hide columns to reflect the data you want to export. Only visible data is exported.
- From the **Action** list box, click **Print or Export** and click **Apply**.

The following appears:

**Figure 4–12 Print or Export Screen - Exporting Data**



- Click **Send to Excel**.

A message box appears with an Export Complete message followed by the path and file name of the Excel file. Additionally, an Excel spreadsheet file with the exported data opens in a new browser window.

## Printing Data

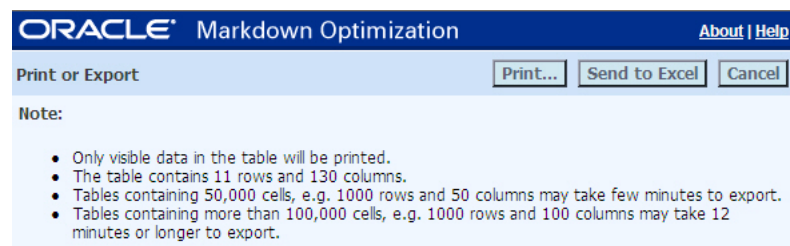
You can print from most Markdown Optimization screens, including worksheets, merchandise, and business rules grids.

To print a worksheet:

1. From the **Main Menu**, click **Markdowns**, **Maintaining Merchandise**, or **Business Rule Property Manager**, and open the worksheet you want to print.
2. On the resulting screen, filter the worksheet, merchandise, or business rules grid to reflect the data you want to print. Only visible data is printed.
3. From the **Action** list box, click **Print or Export** and click **Apply**.

The following appears:

**Figure 4–13 Print or Export Screen - Printing Data**



4. Click **Print**.

A print dialog box appears. This dialog box is part of your operating system and not Markdown Optimization.

5. Adjust the options on the dialog box as necessary, and click **OK**.





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# Markdown Optimization Reports

This chapter includes the following information:

- ["About Markdown Optimization Reports" on page 5-1](#)
- ["Creating Reports" on page 5-1](#)
- ["Opening Reports" on page 5-3](#)
- ["Deleting Reports" on page 5-3](#)

## About Markdown Optimization Reports

The reports contained within Markdown Optimization are determined at the time of implementation. All reports are in Microsoft Excel format. The report discussed in the following section may differ from the reports available within your implementation.

Two sample reports are described below, which may or may not be included in your implementation:

- **Sample MD Analysis Report**—This report provides you with information to assess how markdowns are being implemented throughout departments. It includes items, pricing information (e.g., original, current ticketed, recommended), inventory information (e.g., on hand and on order), and financial summary metrics.
- **Sample Price Change Report**—This report provides you with information for your pricing system. It includes a list of changed prices (current ticketed price and recommended ticketed price) for the current week and selected departments.

## Creating Reports

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**Note:** Each report you create represents data for the week in which it was created. As new information becomes available each week, you must create a new report. If you decide to change your report by adding or removing departments or other metrics, you must create a new report.

---

To create a report:

1. From the Markdown Optimization **Main Menu**, click **Reports**.

The Reports page appears.

**Figure 5–1 Reports Page**

- Click the **Sample Reports** tab. You will use one of the sample reports as a template from which you can create your custom report.

**Figure 5–2 Reports Page - Sample Reports Tab**

- From the **Report** list box, select a report. Depending on the report you select and the Markdown Optimization implementation at your site, one or more options may appear.
- Using the drop-down menu, select a division and department. There may also be additional options for further filtering the data.
- In the **Description** text box, enter a brief description for the report. If you omit a description, the reporting feature creates one for you based on the divisions and department you select.
- (Optional) Enter your email address. When you enter your email address, Markdown Optimization sends an email to you as soon as the report is generated. Depending on the amount of data you selected, the report could take several minutes to generate.
- When the sample report reflects your choices, click **Generate Report**.  
A confirmation message appears:

**Figure 5–3 Confirmation Message Screen**

8. Click **OK** to generate the report. If you entered your email address, Markdown Optimization will send a notification to you when the report is complete.
  - The completed report appears on the My Reports tab. To open the report, click the report name as explained in ["Opening Reports" on page 5-3](#).
  - The reports you create are available only to your username; other users do not have access to your reports. Your reports remain available until you delete them as explained in ["Deleting Reports" on page 5-3](#).
9. When you are finished creating reports, click **Done** to return to the Main Menu.

## Opening Reports

You can access your reports any time that you have access to Markdown Optimization. If you have not created any reports yet, see ["Creating Reports" on page 5-1](#).

To open a report:

1. From the **Main Menu**, click **Reports**. The Reports screen appears.
2. From the **Reports** screen, select the **My Reports** tab. Click the name of the report you want to open. The report appears in a separate window.
  - If you created a report but it does not appear in the list of reports, click the Refresh button. If the report still does not appear, it may not be generated yet. Depending on the amount data in the report, generation can take several minutes.
  - If the Oracle Retail reports for your site include macros, a Microsoft Excel message appears notifying you that the report you are attempting to open contains macros. To open the report with the macros enabled, click the Enable Macros button.
3. If you want to open other reports, click the Reports screen window and click a different report. You can view multiple reports simultaneously.
4. For each open report, do any of the following:
  - Print the report by selecting **File > Print**.
  - Save the report to your computer if you want to make and save changes or send the report to a colleague. Save the report by selecting **File > Save As**.
  - Close the report by selecting **File > Close**.
5. When you are finished viewing reports, click **Done** to return to the **Main Menu**.

## Deleting Reports

When you are finished with a report, you can delete it from the list of reports on your view of the My Reports tab. Once you delete a report, you must recreate it if you want to access it again.

To delete a report:

1. From the **Main Menu**, click **Reports**.  
The Reports screen appears, as in the following example with two reports already created.
2. On the **Reports** screen, **My Reports** tab (this tab may be named differently at your site), click the check box for each report you want to delete.

3. Click **Delete**.

A confirmation message similar to the following appears.

4. Click **OK**.

The selected report(s) is deleted and removed from the list of reports.

5. When you are finished deleting reports, click **Done** to return to the **Main Menu**.

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## Troubleshooting

This appendix explains the following:

- ["Markdown Optimization Problems and Solutions" on page A-1](#)

### Markdown Optimization Problems and Solutions

Following are problems and solutions for Markdown Optimization.

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**Note:** At the end of the table are several blank spaces for you to record problems and solutions specific to your company and customized Markdown Optimization implementation.

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Problem	Solution
You attempt to access the Markdown Optimization login screen, but a security warning message appears, asking if you want to install and run Service Pack 6 for Visual Basic.	See step 2 in.  This is a normal, expected message when your PC is missing a Microsoft Common Control dialog that Markdown Optimization uses.
When you attempt to access the Markdown Optimization login screen, a blank screen appears instead.	The ActiveX components may not have been downloaded properly due to file or firewall restrictions.  Before accessing the Markdown Optimization application URL, you must install and register the Markdown Optimization ActiveX component. For more information, see <a href="#">"Installing and Registering ActiveX Components" on page 1-6</a> .
After you enter your username and password and click Login, nothing happens.	It is possible that pop-up blocker software is prohibiting the Markdown Optimization main menu from appearing. Try disabling the software and then attempt to log in to Markdown Optimization again.

Problem	Solution
<p>One or both of the following error messages occur:</p> <ul style="list-style-type: none"> <li>■ Error with Excel Initiation: ActiveX component can't create object. - This occurs because of an Excel component that is marked as unsafe. Markdown Optimization does not install this component, but it does use it to export data to Excel.</li> <li>■ Export did not succeed. The settings on your version of Internet Explorer may need to be altered to accommodate this feature. Please contact PC Support to correct this problem. - This occurs because Markdown Optimization requires the components to be scriptable even though not all of the components are marked as safe.</li> </ul>	<p>These messages indicate that the internet browser setting are incorrect for the Markdown Optimization zone (Local intranet or Trusted sites). To remedy this situation, follow the instructions in <a href="#">"Configuring Internet Explorer's Security Settings"</a> on page 1-2, paying particular attention to the actual settings on the Security Settings dialog box.</p>
<p>Your password is no longer working</p>	<p>Passwords are case-sensitive, so make sure that the Caps Lock key has not been selected. In addition, if the administrator has changed your password or user name recently, it's possible that Internet Explorer is using the wrong stored password. This can occur when the only change in the user name or password is case.</p>
<p>You have been working in Markdown Optimization, but a timeout message still appears.</p>	<p>Timeout messages appear after a configured amount of time on the application server. Some of the actions you perform in the Markdown Optimization user interface do not communicate with the server and thus the server sends the timeout message.</p> <p>For more information, see <a href="#">"Timeouts"</a> on page 1-9.</p>
<p>You can't figure out what some of the column names mean</p>	<p>When a column name or meaning is unclear, hold the mouse pointer of over the column name until the hover text appears. In most Markdown Optimization implementations, each column has hover text that explains the column name.</p>
<p>The following error message appears:</p> <p>A System error has occurred during this action. Please report this as a bug.</p> <p>In addition, the following link appears in the upper-right corner of the screen:</p> <p>Must define these in XActionServlet.java.</p>	<p>At least once a week, Oracle Retail Professional Services must disable logins to Markdown Optimization (typically for about five minutes) so that they can synchronize markdown data. If you are using Markdown Optimization while the logins are disabled, this message appears.</p> <p>Just quit Markdown Optimization and check with an administrator or Professional Services to determine when Markdown Optimization will be available again.</p>

**Problem**

**Solution**





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# Glossary

## **access levels**

Access levels determine what actions you are permitted to perform on each worksheet. Markdown Optimization provides the following levels of access:

- View
- Submit
- Approve

## **blocking promotions**

Promotions that prevent a markdown either before, during, or after the promotion.

## **business rules**

Constraints and guidelines for making pricing and markdown decisions. Business rules may include guidelines and constraints such as the following:

- Markdowns must be at least 2 weeks apart.
- Markdowns must be at least 20% off current retail.
- Markdowns are recommended only for items with exit dates.

You cannot modify the business rules or the data that is covered by the rules. The rules and the data can be modified only as part of the implementation of Markdown Optimization, which is usually done by Oracle Retail Professional Services.

## **business rule instance**

The combination of the business rule and its value at the given hierarchy levels for the specified attributes.

## **chain level**

The highest level of your location hierarchy. At minimum, a typical location hierarchy consists of the chain level, a region level, and a store level.

## **clearance price ladder**

See price ladder.

## **collection**

See pricing group.

**cutoff time**

For a certain period each week, all worksheets in Markdown Optimization are read-only until the following week's data is available. The beginning of this period is called the cutoff time.

**dates and times**

See times and dates.

**exit dates**

The exit date (also called the out date or the out-of-stock date) is the last day an item is scheduled to be on hand in the stores. At this date, the intent is for the item to have the specified exit inventory target transferred to an outlet or packed away for the season.

The exit date is an important factor in generating markdown decisions.

**exit inventory targets**

The number of items specified to be remaining by the exit date. These items are then typically transferred to an outlet or packed away for the season.

**item**

A level in the merchandise hierarchy below the class or category level and above the color and size level. An item may also be known as a lot or a style.

**key**

A level in the merchandise hierarchy.

**location hierarchy**

The levels or groupings of stores in your company. Typically the levels in location hierarchies are chain, region (or zone), and store, as in the following example.

Level	Description
Highest	Chain
Middle	Region or zone
Lowest	Store

**markdown recommendations**

The percent off that Markdown Optimization recommends, after applying business constraints, for applicable items or pricing groups. Markdown Optimization provides markdown recommendations weekly for your review, analysis, and facilitation of markdown decisions.

**merchandise hierarchy**

The levels or groupings of product in your company, typically extending from SKU or size at the lowest level to company at the highest. The following table is an example of many levels in a merchandise hierarchy, from highest to lowest.

Level	Description
1 - Highest	Company
2	Division

Level	Description
3	Department
4	Category
5	Class
6	Subclass
7	Style
8	Lot
9	Item
10	Color
11	Size
12 - Lowest	SKU

### password

Your password is necessary to prevent unauthorized access to your data. Do not give your password to anyone, and if you think that someone has learned your password, change it as soon as possible.

### price ladder, price-point ladder, price-percentage ladder, clearance price ladder

See also POS percent-off ticket price ladder. A set of values that establish all possible prices for your merchandise (items and pricing groups).

A price-point ladder has a set of fixed prices, such as the following:

1.99  
2.99  
3.99  
5.99  
9.99

These values are called rungs.

A price-percentage ladder specifies percentages that are allowed as definitions for price markdowns, such as the following:

75%  
67%  
50%  
33%  
20%  
10%

A clearance price ladder distinguishes prices with a particular decimal amount, such as the following:

0.97  
1.97  
2.97

If Markdown Optimization generates a recommended price that is not on your price ladder, Markdown Optimization converts the price to the next highest price in the ladder.

### **pricing group**

A set of items that are grouped together based on style, color, vendor or any combination of these and other attributes. Pricing groups can take the same markdown for the entire group, or each item within the group can take a different markdown. There are also pricing rules about pricing groups – these rules define inter-item pricing restrictions, such as a rule that markdowns must be set to the same price or percentage off.

### **POS percent-off ticket price ladder**

See also price ladder. A list of percent-off values that can be applied to the ticket price (as opposed to the original retail price) of an item. The percent-off values are applied at POS (point of sale) and are accounted for as temporary markdowns.

### **promo indicators**

A promo indicator (“Promo”) appears next to an item to indicate that the item is recommended for a markdown at a time that occurs either before or during an advertised promotion.

The indicator does not affect the way Markdown Optimization treats the item in the future; it only alerts you to potential pricing conflicts.

Promo indicators are assigned to merchandise at only the item-region level. Thus, you must expand pricing groups or chain level information in order to see them.

### **promotional effect**

The lift on items associated with markdowns and promotions in addition to the effect of simple price changes.

### **read-only period**

For a certain period each week, all worksheets in Markdown Optimization are read-only until the following week’s data is available. The beginning of this period is called the cutoff time.

### **region**

Typically the second level in the location hierarchy, between the chain and the store levels. Also called the zone level.

### **SKU**

Stock-Keeping-Unit. A SKU is the lowest level in the merchandise hierarchy. Typically the SKU is size, but it could be item or color.

### **status codes**

Status codes provide information about the merchandise displayed on a worksheet. Merchandise is assigned a status code to indicate that some action has been taken on it.

Status codes are assigned to merchandise only at the item region level. You must expand pricing group or chain level information in order to see a status code.

Status codes include:

- Added – Assigned to any item that is added to a Worksheet, and that is not recommended for a markdown in the current week.
- Modified – Assigned to any item that is given a changed markdown; indicates that the markdown has been modified.

**store level**

The lowest level in the location hierarchy, below chain and zone (region) levels.

**times and dates**

Markdown Optimization handles time zones through an authoritative setting on the server and displaying the time zone explicitly whenever a time is displayed.

**worksheet**

Grouping and display of items or pricing groups of items with associated pricing information. In Markdown Optimization, a worksheet is the screen on which you change markdown prices, take (or do not take) markdowns, and select items for forecasting and What-If analysis.

**zone**

Typically the second level in the location hierarchy, between the chain and the store levels. Sometimes the zone is called the region level.



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