Oracle® Retail Category Management

User Guide for the RPAS Fusion Client

Release 13.4.1

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Oracle Retail Category Management User Guide for the RPAS Fusion Client, Release 13.4.1

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Preface

This guide describes the Oracle Retail Category Management user interface. It provides step-by-step instructions to complete most tasks that can be performed through the user interface.

Audience

This User Guide is for users and administrators of Oracle Retail Category Management. This includes merchandisers, buyers, business analysts, and administrative personnel.

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Related Documents

For more information, see the following documents in the Oracle Retail Category Management Release 13.4.1 documentation set:

- *Oracle Retail Category Management Implementation Guide*

- *Oracle Retail Category Management Release Notes*

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https://support.oracle.com

When contacting Customer Support, please provide the following:

- Product version and program/module name

- Functional and technical description of the problem (include business impact)
- Detailed step-by-step instructions to re-create
- Exact error message received
- Screen shots of each step you take

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When you install the application for the first time, you install either a base release (for example, 13.4) or a later patch release (for example, 13.4.1). If you are installing the base release or additional patches, read the documentation for all releases that have occurred since the base release before you begin installation. Documentation for patch releases can contain critical information related to the base release, as well as information about code changes since the base release.

Oracle Retail Documentation on the Oracle Technology Network

Documentation is packaged with each Oracle Retail product release. Oracle Retail product documentation is also available on the following Web site:

http://www.oracle.com/technology/documentation/oracle_retail.html

(Data Model documents are not available through Oracle Technology Network. These documents are packaged with released code, or you can obtain them through My Oracle Support.)

Documentation should be available on this Web site within a month after a product release.

Conventions

The following text conventions are used in this document:

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

1

Introduction

Effective category management (also sometimes referred to as merchandising) is the cornerstone of a successful retail business because it determines the variety and presentation of merchandise, which defines the customer's in-store experience. It involves managing individual product or merchandise categories as independent business units, which play a specific role in the retailer's scheme of things to achieve the set business objectives. Broadly, this practice facilitates determination of merchandise-mix, space-allocation, roles, strategies, and tactics assignment to individual merchandise categories, pricing, promotion, and inventory-related decisions across the retail chain. In recent years, retailers have experienced increased difficulty in achieving desired levels of same store sales growth, gross margin, and inventory productivity. This is partly due to smaller buying staffs, shorter product life cycles, increasingly savvy and demanding customers, and cutthroat competition.

In light of these issues, retailers are looking to service their customers better, drive profitable growth, and further differentiate themselves from the competition by tailoring their product offerings to the needs of their local customers. In the past, micro-merchandising or local market assortments were extremely complex, labor intensive, and yielded marginal results.

Oracle Retail Category Management brings in the contemporary best-practices from the retail industry as part of its functionality. The key differentiating factors of Category Management, which facilitate decision making in the category management business practice, include the following:

- Consumer Segment perspective based on demographics and psychographics

- Market, competition, and household customer perspectives based on external data sourced from third-party data aggregation companies

- Item Performance Index (IPI) to rank item's/product category's performance

- Consumer Decision Trees to understand the consumer's buying process based on consumer segments so as to align the retailer's offerings accordingly

It consists of two modules:

- Category Planning

- Assortment Rationalization, for store clusters and stores, sometimes referred to as Assortment Planning and Rationalization.

The Category Planning task enables the retailer to perform higher-level category planning activities within the Oracle Retail Category Management RPAS solution.

This solution supports the development of category business plans and broadly follows the traditional Category Management business process, with the inclusion of the consumer dimension, to provide the following:

- Analysis of market structure in terms of target shoppers/consumers and evaluation of trading area opportunity

- Performance analysis of individual product categories (on various retail business parameters) in relation to the market in general and competition in particular

- Role assignment to individual product categories

- Blueprint for strategic and tactical action within a category and across categories

- Ability to analyze by consumer segments (sometimes called the ninth step in the Category Management business process)

- Structured, measured set of activities designed to produce specified output, that is, the development and implementation of a written category business plan

- Consumer insights are core to this application, brought in by utilizing external market and consumer data sourced from third-party data aggregation sources

Consumer segmentation and store clustering can be utilized to tailor assortments to specific markets and consumer segments by providing a profile mix of who is shopping in the store and trading area. Store clusters are typically created for each product category in a trading area based upon similarity in consumers, stores, product attributes, sales profiles, and demographics such that assortments can be generated at the store cluster level. Assortments can also be generated at the store level.

Visibility to category roles, strategies, tactics, and financial objectives ensure assortments align back to overall category-level objectives.

Category Management Activities

The following Category Management activities and tasks are described in this guide:

- Planning activity:
  - Assortment Rationalization @ Cluster task

    For more information, see Chapter 8.
  - Assortment Rationalization @ Store task

    For more information, see Chapter 9.
  - Category Planning task

    For more information, see Chapter 7.
  - IPI Setup task

    For more information, see Chapter 5.
- Catman Administration activity:
  - Assortment Rationalization Admin task

    For more information, see Chapter 3.
  - CDT Administration task

    For more information, see Chapter 4.
  - Data Validation and Seeding task

For more information, see Chapter 6.

- CDT Editor activity:
  - CDT Editor task

    For more information, see Chapter 2.

Solution Task Flows

Figure 1–1 illustrates the flow of tasks for Category Planning.

Figure 1–1   Category Planning Task Flow
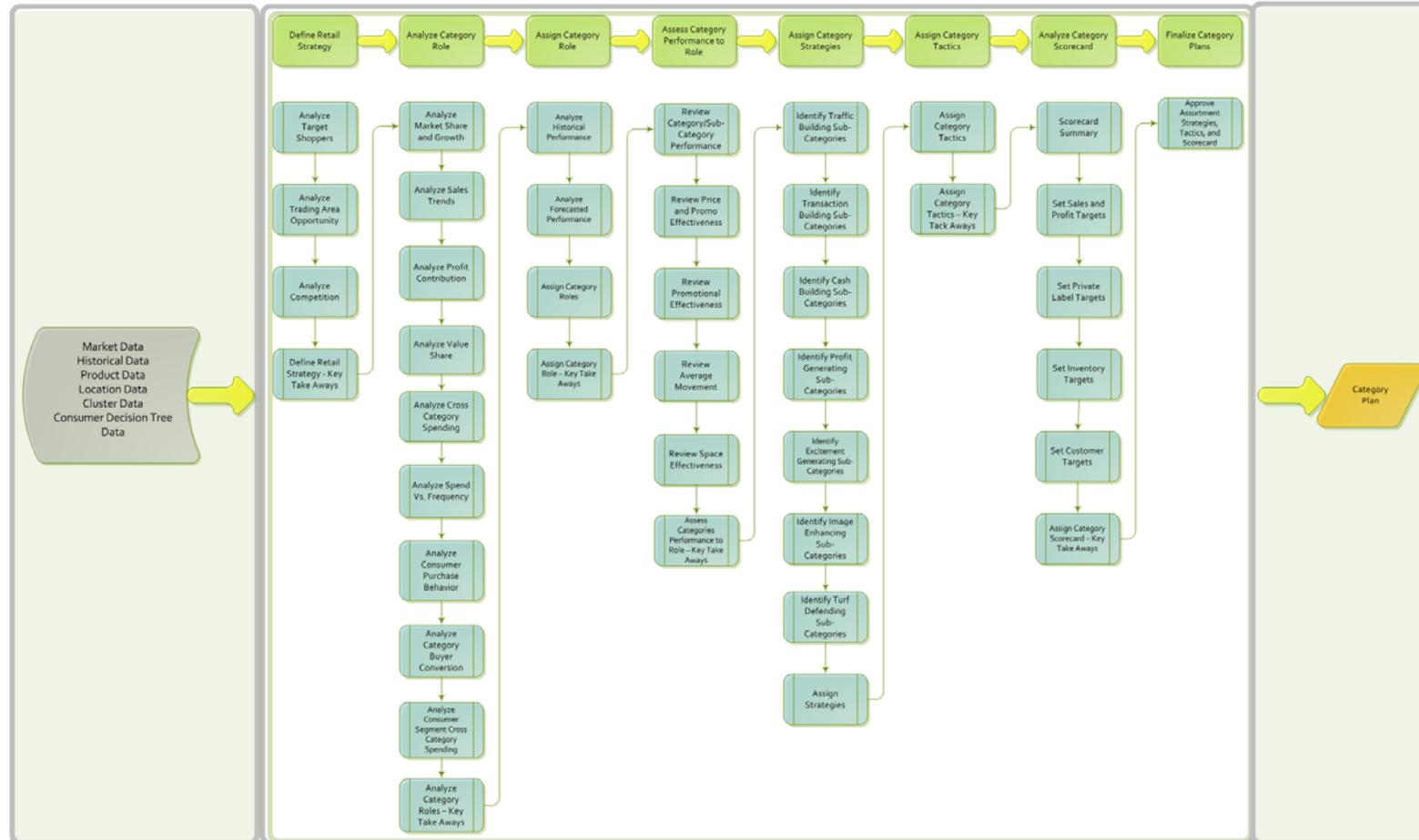
Figure 1–2 illustrates the flow of tasks for Assortment Rationalization @ Cluster.

Figure 1–2   Assortment Rationalization @ Cluster Task Flow
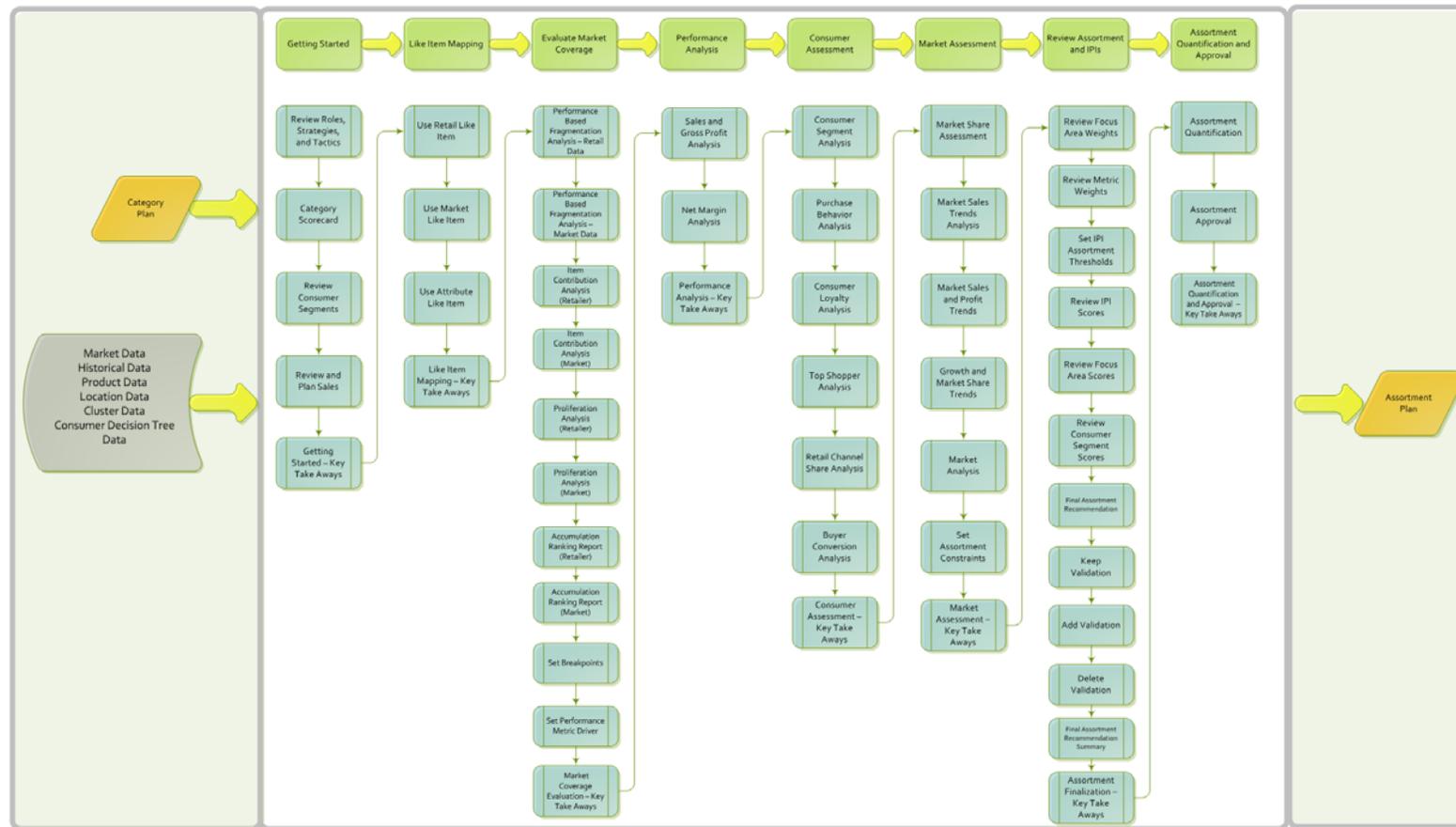
Figure 1–3 illustrates the flow of tasks for Assortment Rationalization @ Store.

Figure 1–3   Assortment Rationalization @ Store Task Flow
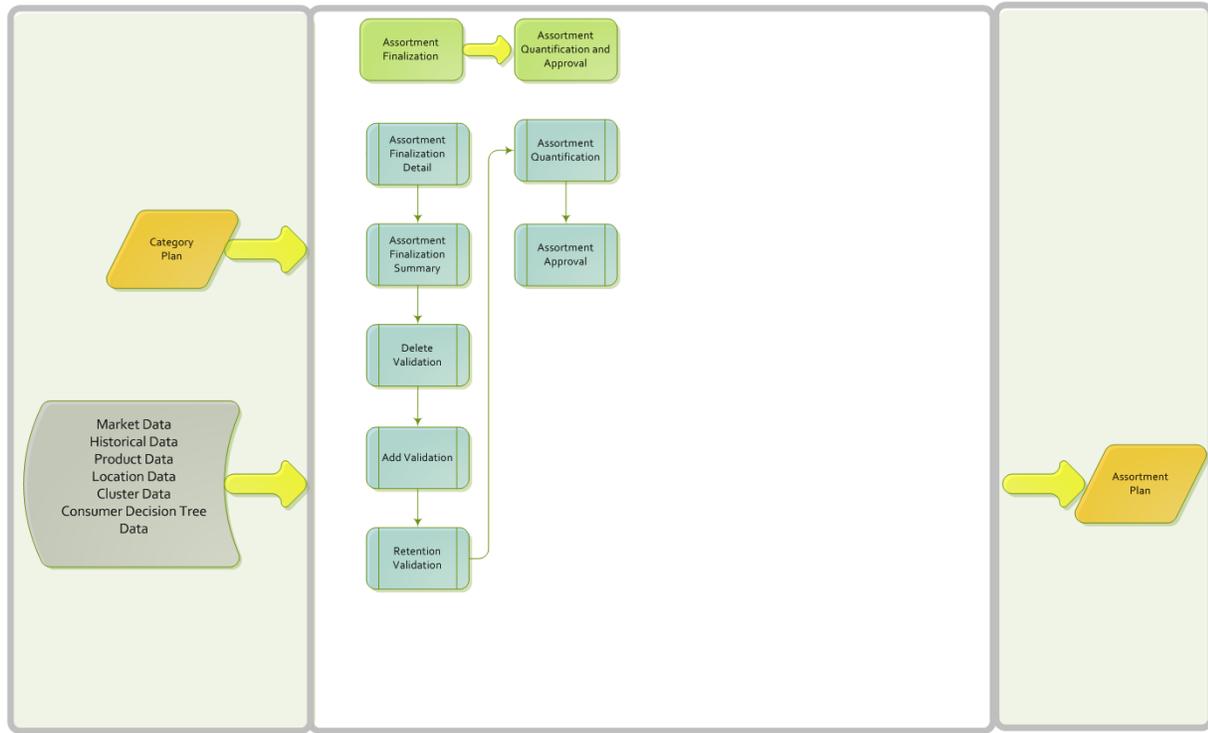
Types of Data

Table 1–1 describes the types of data entered and used for Category Management.

Table 1–1   Types of Data

Data	Description
Customer Loyalty	Data supplied to retailers by syndicated data suppliers, such as Nielsen, Symphony IRI, or for hardlines, NPD. It represents loyalty metrics associated with consumers within a particular trading area, that is, loyalty to a particular retailer.
Loyalty Card	Data captured through loyalty cards for a particular retailer. Retailers mine the data of their loyalty card holders for the purpose of understanding who their profitable customers are, what they buy, how often they buy, and which products and attributes they buy.
	Customer loyalty data is a helpful component of Assortment Rationalization as retailers need to ensure they are carrying products that appeal to their most profitable customers. This data is also referred to as frequent shopper data.
Market Syndicated Data	Retail Point-of-Sale (POS) data provided to retailers and their suppliers from third-party syndicated data suppliers. This data reflects most retailers as a whole.
Market Basket	Data about the total transaction (such as, market basket) of which SKUs are a part. This type of information provides insight into the product affinities, including halo and cannibalization, of items that are purchased.
Market Loyalty	Market loyalty represents consumer loyalty within the market. For example, brand loyalty is an example of market loyalty data which represents the percent of the category dollar volume that is satisfied by the brand among brand buyers within a particular trading area.

Required Data

This section lists all of the data that is required, along with its source, before a user can begin the category planning process.

The following data is required for category planning:

- Product categories fully defined for each vertical
- Products fully defined for each product category
- Consumer and customer segments defined for each vertical
- Trading areas defined

The data is acquired by importing the following:

- Store clusters
- Consumer decision trees (CDTs)
- Product hierarchy
- Location hierarchy
- Market scan data of the retailer
- Market scan data of the competition
- Retailer's POS data
- Space performance data
- Retailer's loyalty data
- Market basket data

Key Take Aways

Some tasks include a key take aways step. A key take away is a free-form text field that enables the user to enter notes pertinent to the task:

- The notes can be anything the user wants to capture such as additional information (personal knowledge or supplier insight) used in the decision rational or why they made the decision they did.
- The take aways can be used for saving notes from findings from the analytics.
- A workbook may be viewed by multiple users and the take aways provide a way for each user to record their individual perspective.
- Key take aways can be used by the owner of a step to provide notes to other users who have lower privileges.
- The take aways are preserved so that one user's comments do not wipe out the comments of any other user.

Roles

Roles can be defined by analyzing the part each category plays for a retailer by trading area based on different Category Management frameworks. The Category Management framework provides insights into which categories are most strategic in the market, as well as for the retailer's target shoppers. This sets the foundation for understanding which categories should be assigned which roles within the retailer's portfolio.

Users are assigned to the specific roles, typically based on organization structure.

> **Note:** Access to tasks is controlled by security permissions. If you do not have the permission to access a task, that task does not appear in your task list.

The following is an example list of roles:

- Administrator
- Executive
- Manager
- Planner

Custom Menu Options

Custom menu buttons are located above the top right corner of the content area for some workbooks. The custom menus are specific to the steps in the different tasks. If you are on a specific step, you see the custom menus that have been configured for that step. Figure 1–4 shows an example from the Market Assessment step in the Assortment Rationalization @ Cluster task. Create Assortment and Seed Assortment are the two available custom menus.

Figure 1–4   Example of Custom Menu Options
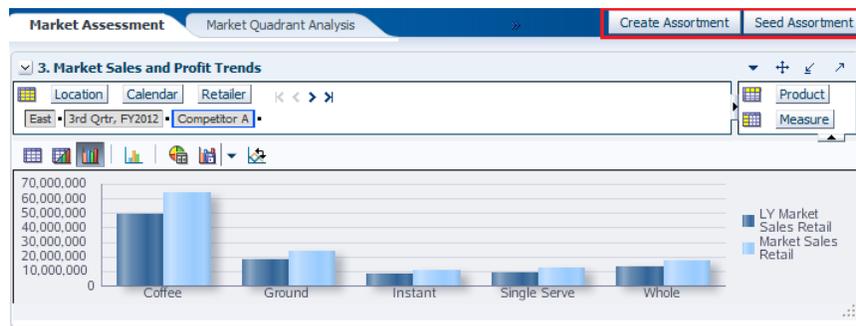
Getting Started

Before using Category Management, be sure that you are familiar with how to access the application and use the Fusion user interface. If you need more information, see the *Oracle Retail Predictive Application Server User Guide for the Fusion Client*.

2

CDT Editor Task

Consumer Decision Trees (CDT), with their dynamic hierarchical structure, help retailers get insights on the consumer decision process by analyzing and understanding the prioritization or importance of specific product attributes that determined the consumer's purchase. The output of a CDT is used to rationalize assortments for specific consumer segments.

The relationship of product segments to one another in terms of perceived consumer importance is called the structure or decision tree of the category. The CDT structure provides attribute ranking, which measures the importance of each attribute to the consumer relative to the other attributes within the category. The decision process can vary for each consumer segment within the category, which in turn influences the importance of attributes to vary per consumer segment.

Structure implies a hierarchical relationship among the segments. A consumer makes a specific judgment first (such as, what flavor do I want), proceeds to the second most important decision (such as, what size?), and then proceeds to the third decision (such as, do I want a branded SKU or retail branded SKU?). Therefore, the structure of a category (the relationship of the segments) can be thought of as a road map that consumers use to weed their way through the maze of segments and SKUs to arrive at a purchase decision.

Typically, the retailer can only store one hierarchy/decision tree. Since there are numerous consumers with varying decision tree processes, the process leverages the stored hierarchy, but enables the rationalization to accommodate multiple decision trees.

The following capabilities are supported:

- View the assortment list by CDT.

- View and compare the differences between the current CDT and previous CDT used at the time the assortment was created.

- Edit the current CDT.

For more information on viewing and editing the CDT, see the *Oracle Retail Predictive Application Server User Guide for the Fusion Client*.

This task has the following step:

- CDT Meta Data Step

Create the CDT Editor Workbook

To create the workbook:

1. Select the **New Workbook** icon in the CDT Editor task.

Figure 2–1 CDT Editor Task
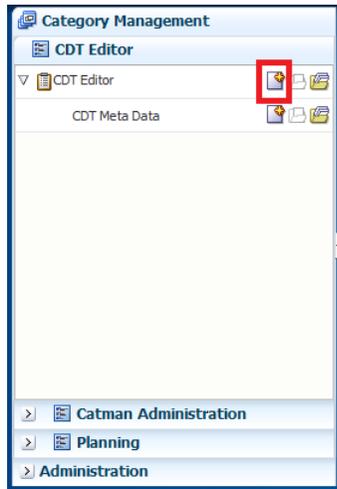
The workbook wizard opens.

2. Select the categories and move them to the Selected Category box. Click **Next**.

Figure 2–2 Workbook Wizard Select Category Page
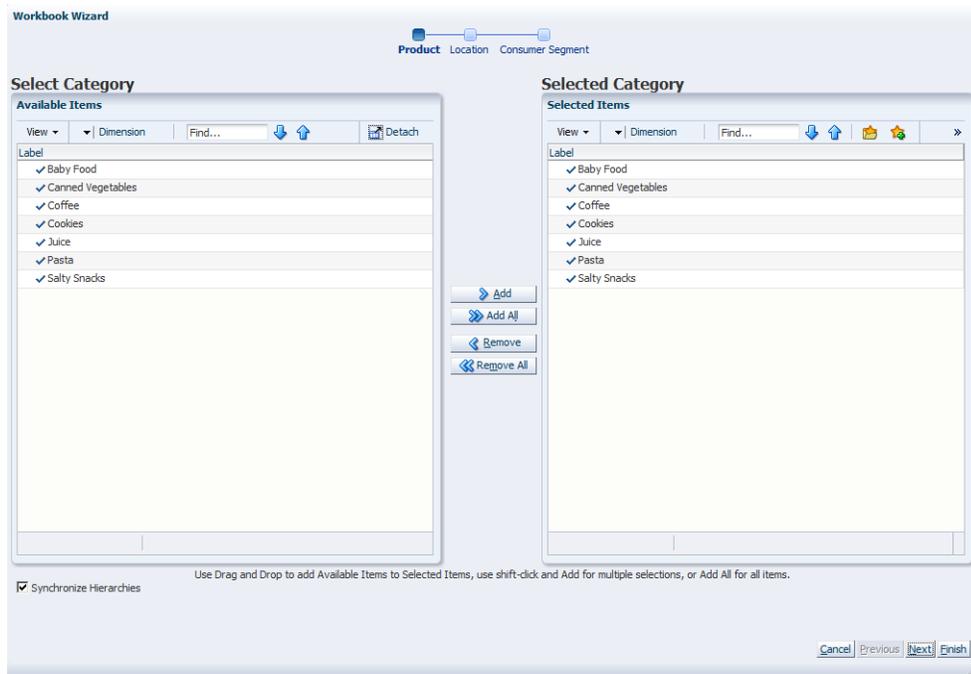
3. Select the trading areas and move them to the Selected Trading Area box. Click **Next**.

Figure 2–3   Workbook Wizard Select Trading Area Page
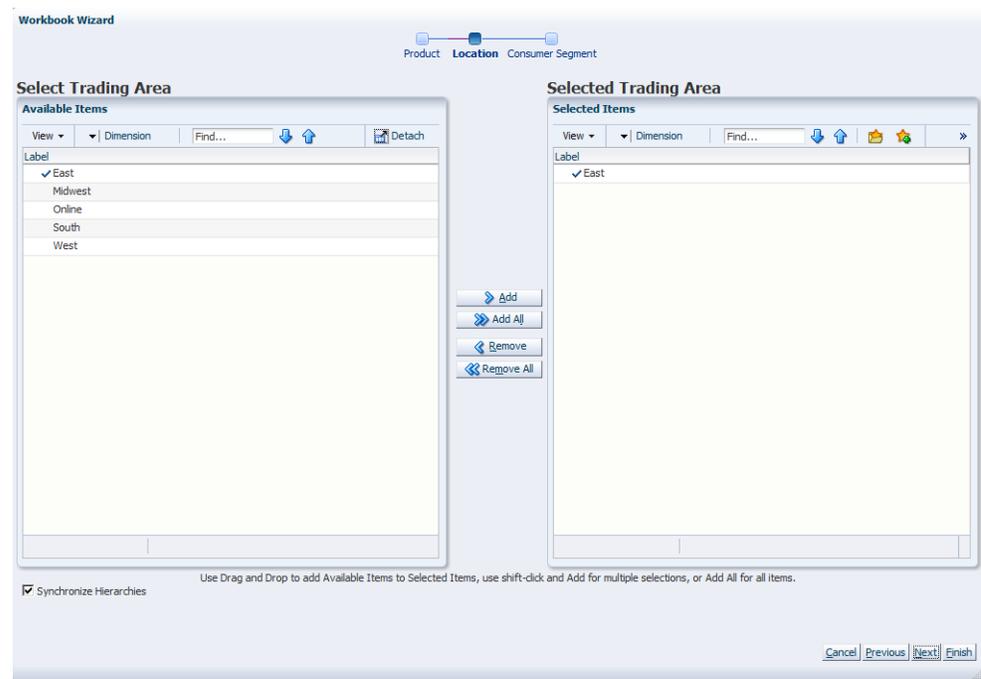
4.   Select the consumer segments and move them to the Selected Segment box. Click **Finish**.

Figure 2–4   Workbook Wizard Select Consumer Segment Page
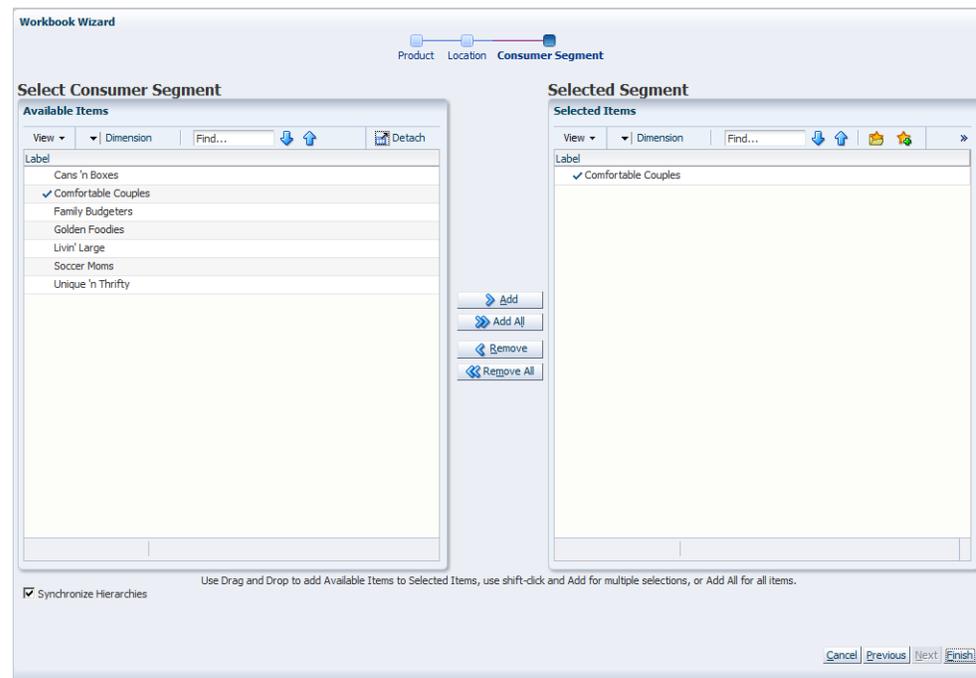
The workbook is created.

CDT Meta Data Step

This step has one view. Use the view to review and make changes to the CDT.

Figure 2–5   CDT Meta Data View
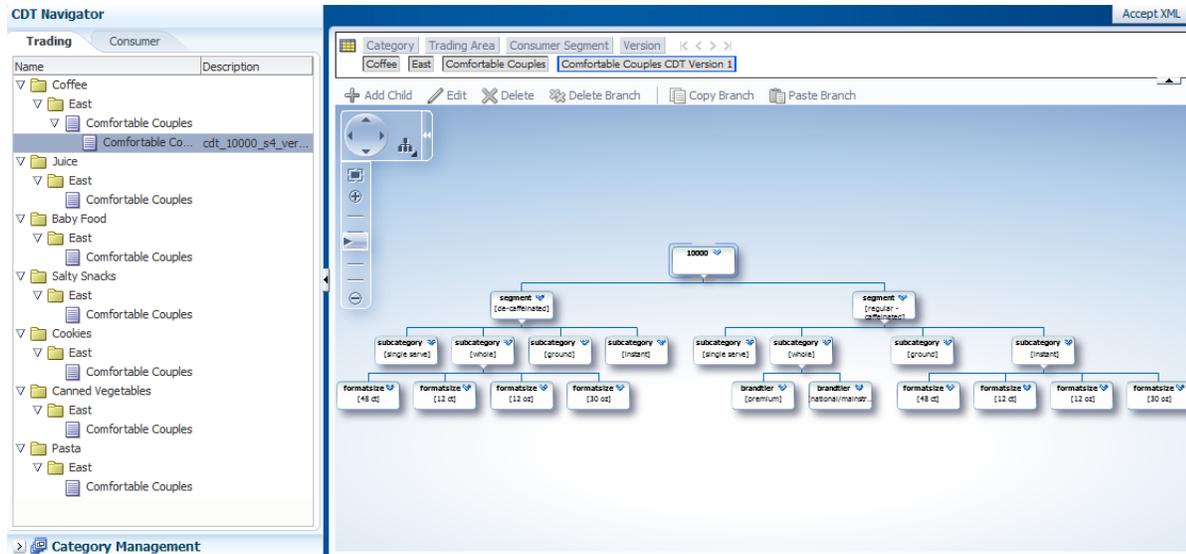
Next Steps

After all CDT edits are made, commit the workbook.

Custom Menu

The CDT Editor workbook has a available custom menu called Accept XML. This action is necessary for the changes made in the CDT Editor to be visible in the rest of the product. The custom menu processes all new and modified CDTs. This processing sets up the dynamic hierarchies that are used in the views in Assortment Rationalization.

After the Accept XML custom menu has been run, the CDT needs to be enabled in the domain. See Select CDT Version View in Chapter 4.

3

Assortment Rationalization Admin Task

The Assortment Rationalization Admin task is used to define the corporate guidelines and data required for assessment and optimization. It has steps and views that mirror the Category Management workflow. Each view requires the entry of corporate level data. As such, an administrator would manage and maintain this workbook.

All other administrative parameters are set in this Administration activity. For more information, see the *Oracle Retail Predictive Application Server Administration Guide for the Fusion Client*.

This task has the following steps:

- Attribute Definitions Step
- Week Mapping Setup Step
- Assign Tactics Step

Create the Assortment Rationalization Admin Workbook

To create the workbook:

1. Select the **New Workbook** icon in the Assortment Rationalization Admin task.

Figure 3–1 Assortment Rationalization Admin Task
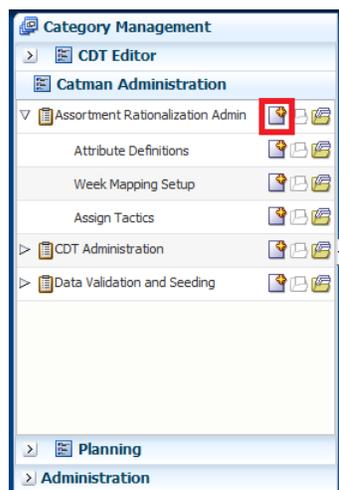
The workbook wizard opens.

2. Select the products and move them to the Selected Products box. Click **Next**.

Figure 3–2 Workbook Wizard Select Products Page
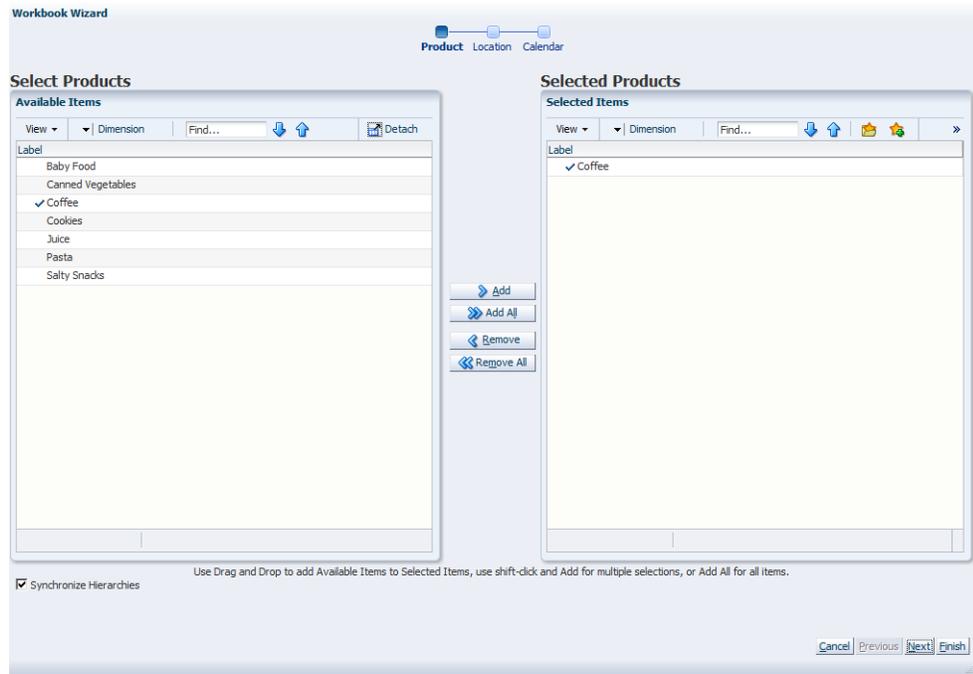
3. Select the locations and move them to the Selected Locations box. Click **Next**.

Figure 3–3 Workbook Wizard Select Locations Page
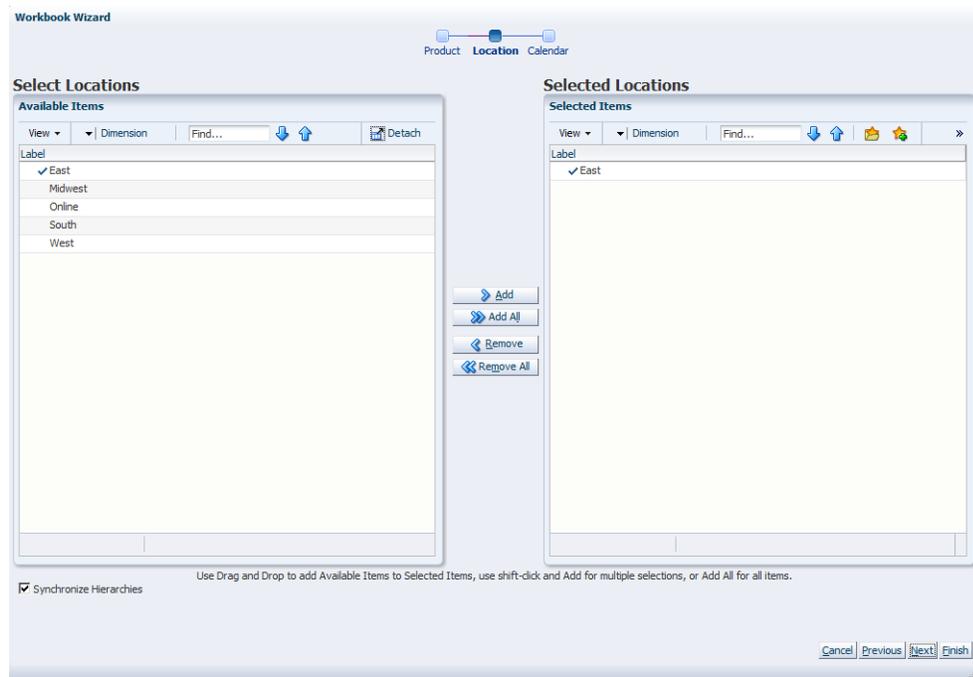
4. Select the calendar periods and move them to the Selected Periods box. Click **Finish**.

Figure 3–4   Workbook Wizard Select Periods Page
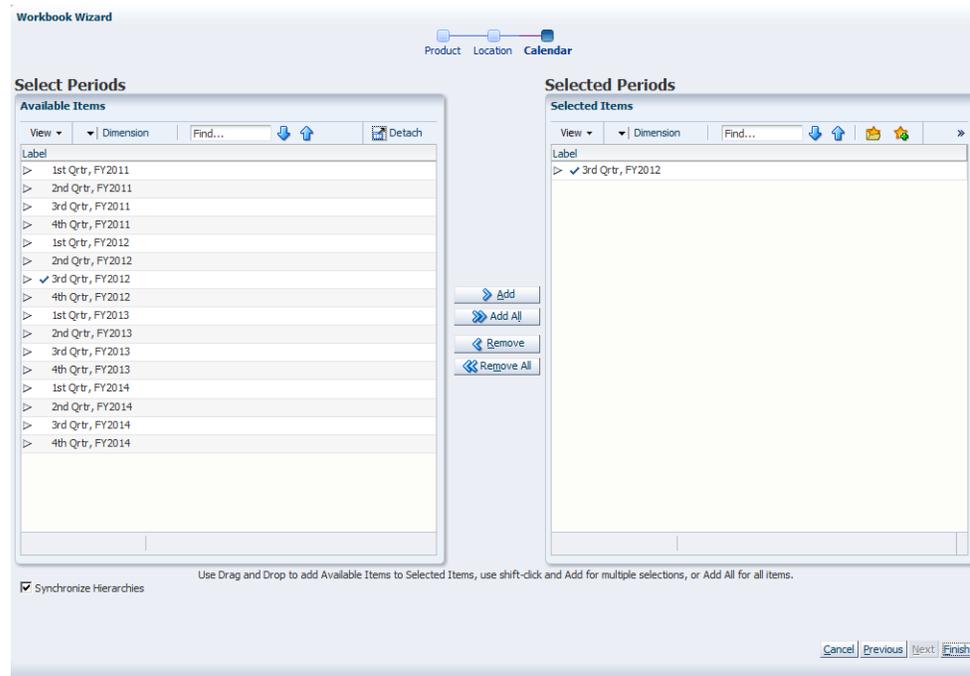
The workbook is created.

Attribute Definitions Step

This step has one view. Use the view to map the list of measures for each focus area.

Figure 3–5   Define and View Attribute Mapping View

Table 3–1 lists the measure available in this view.

Table 3–1   Define and View Attribute Mapping Measure

Label
Attribute Value

Week Mapping Setup Step

This step has one view. Use this view to assign and validate the last year week mapping. By default, the loaded file maps the last year as the same week last year. The mapping for any week can be reassigned in this workbook.

Figure 3–6   Week Mapping Setup View
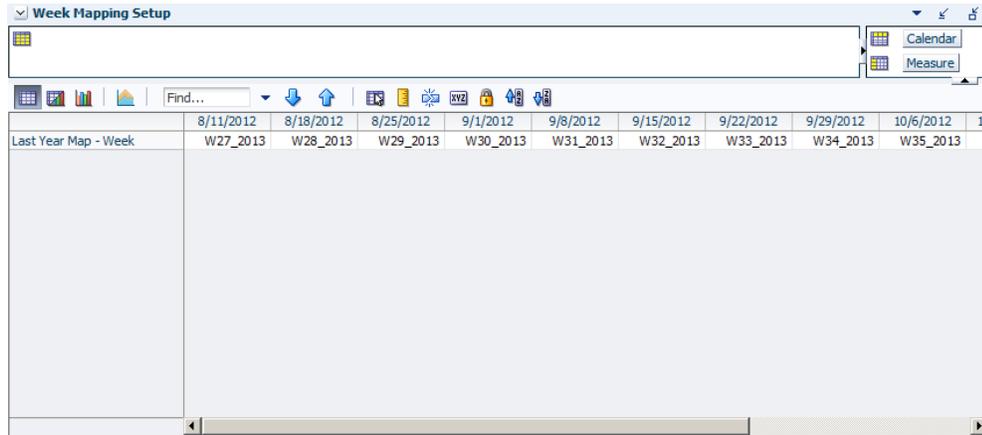
Table 3–2 lists the measure available in this view.

Table 3–2   Week Mapping Setup Measure

Label
Last Year Map - Week

Assign Tactics Step

This step has one view. Use the view to assign tactics for each tactical area:

- Assortment
- Inventory
- Pricing
- Promotion
- Space

Entries made in this table are used to populate-drop down lists that are used in Category Planning.

Figure 3–7   Assign Tactics View

Table 3–3 lists the measure available in this view.

Table 3–3   Assign Tactics Measure

Label
Assigned Tactics

Next Steps

After completing all of the Assortment Rationalization Administration steps, commit the workbook. Continue to the CDT Administration Task.

4

CDT Administration Task

The CDT Administration task is used to select the CDT versions available in the workbook.

This task has the following step:

- CDT Administration Step

Create the CDT Administration Workbook

To create the workbook:

1. Select the **New Workbook** icon in the CDT Administration task.

Figure 4–1   CDT Administration Task

The workbook wizard opens.

2. Select the locations and move them to the Selected Locations box. Click **Next**.

Figure 4–2   Workbook Wizard Select Locations Page
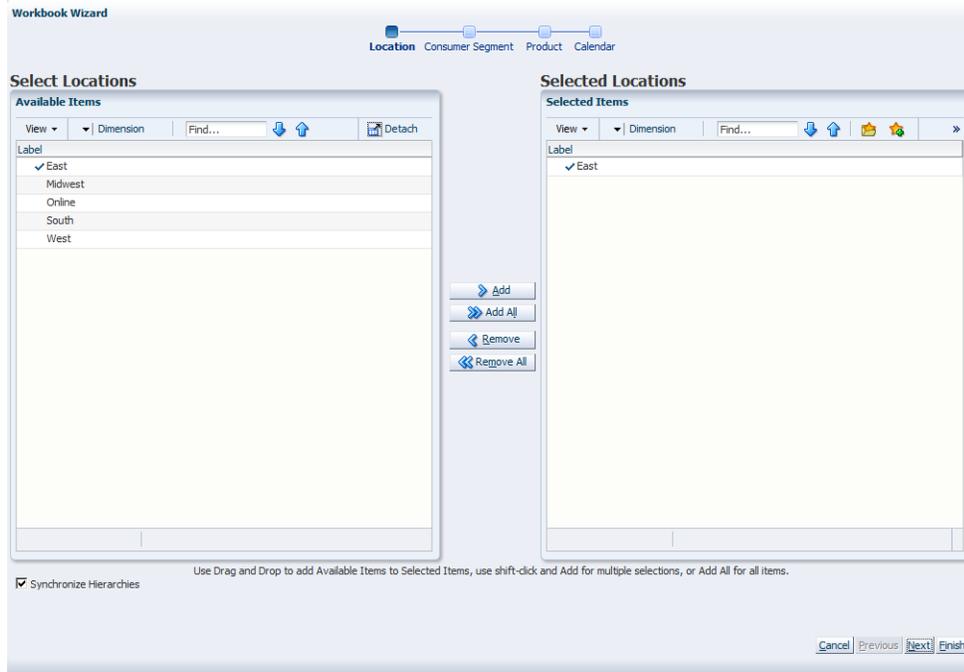
3. Select the consumer segments and move them to the Selected Segments box. Click **Next**.

Figure 4–3   Workbook Wizard Select Consumer Segments Page
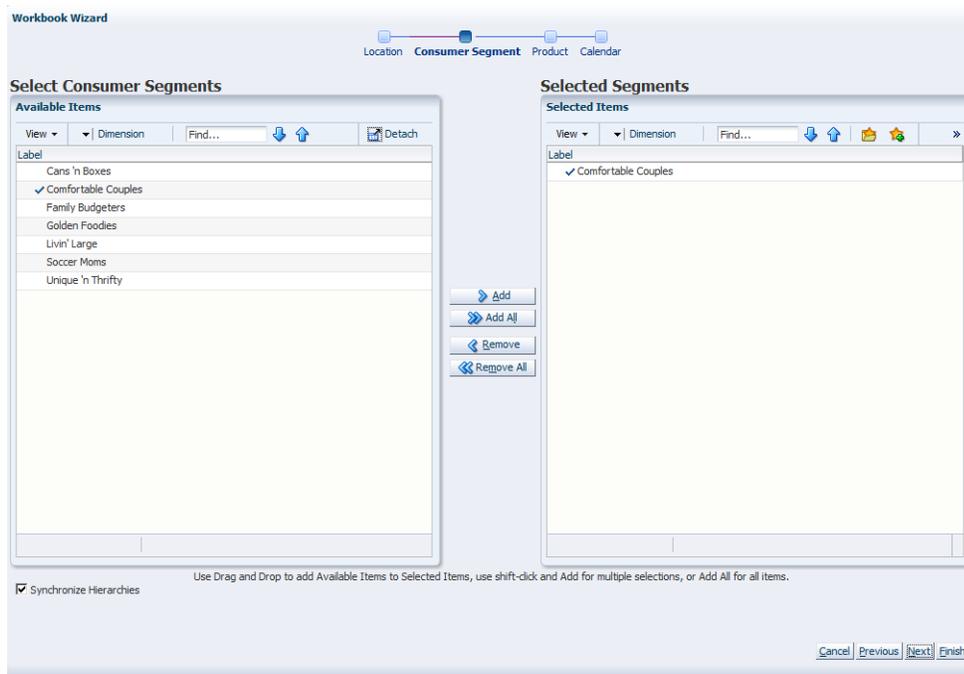
4. Select the products and move them to the Selected Products box. Click **Next**.

Figure 4–4   Workbook Wizard Select Products Page
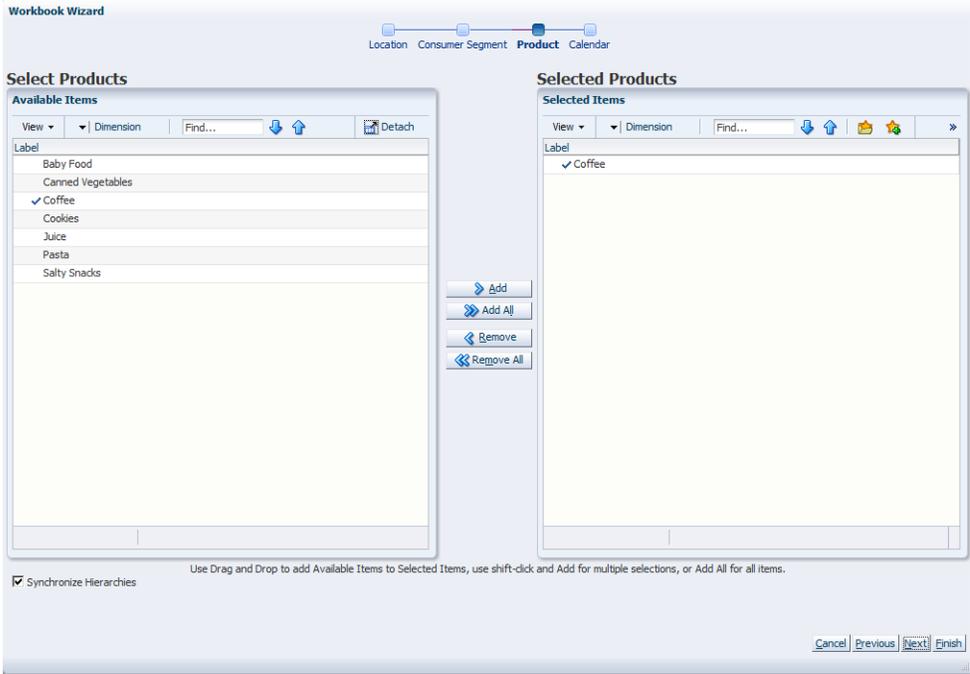
5. Select the calendar periods and move them to the Selected Periods box. Click **Finish**.

Figure 4–5   Workbook Wizard Select Periods Page
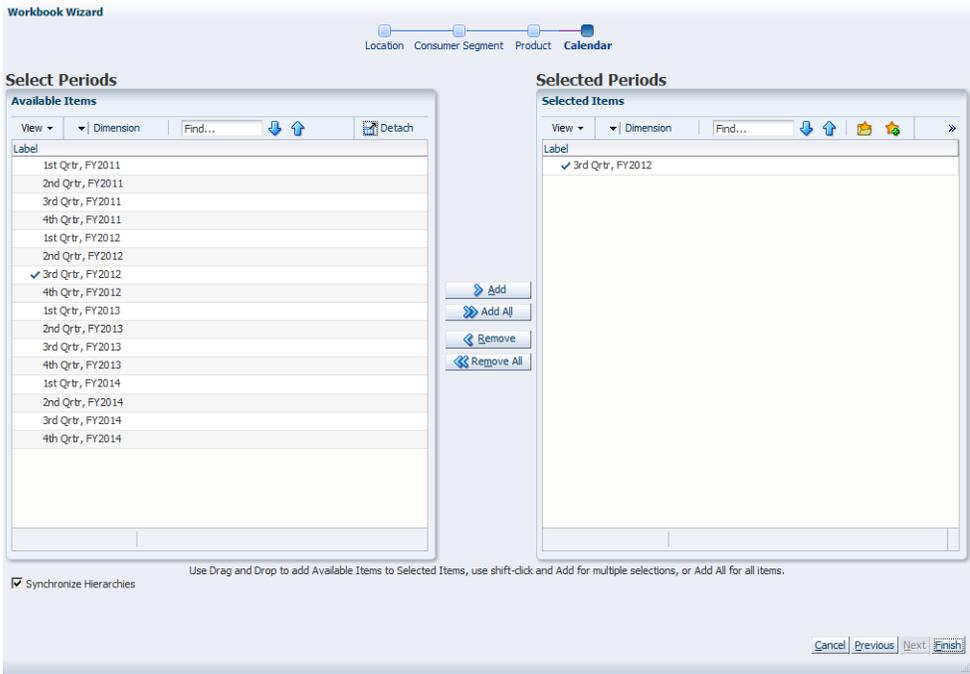
The workbook is created.

CDT Administration Step

This step has one view:

- Select CDT Version View

Select CDT Version View

Use this view to select the CDT versions that are available in the workbook. A CDT version must be enabled here before it can be used elsewhere in the application.

Figure 4–6   Select CDT Version View
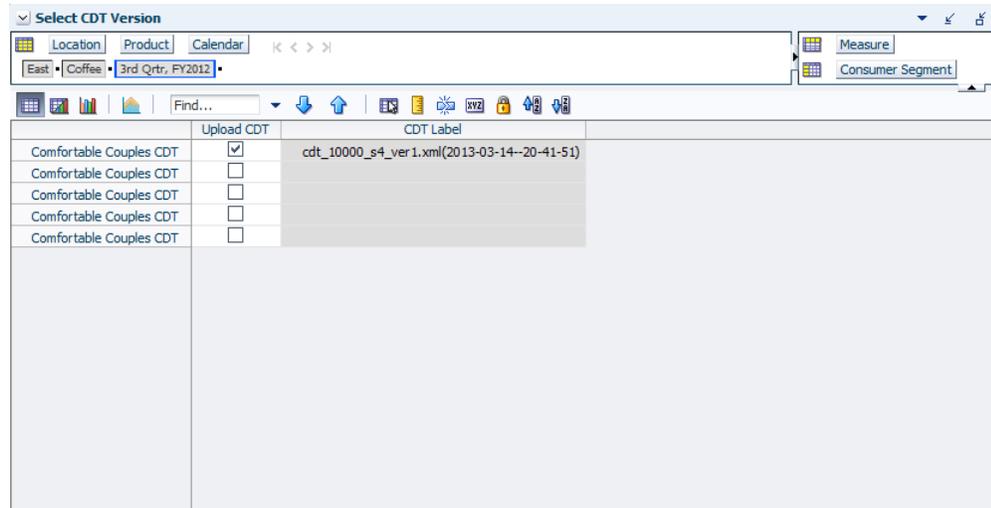
Table 4–1 lists the measures available in this view.

Table 4–1   Select CDT Version Measures

Label
Upload CDT
CDT Label

Next Steps

After completing all of the CDT Administration steps, commit the workbook. Continue to the IPI Setup Task.

5

IPI Setup Task

The Item Performance Index (IPI) Setup task enables the user to assign weighting to each of the focus areas for the defined strategies. In the example shown in the following table, the traffic building strategy is weighted 50% on attributes, 30% on market basket, and the remaining 20% on performance.

Weights for Focus Areas			
Strategy	**Attribute**	**Loyalty**	**Demand Transference**
Traffic Building	50%	0%	0%

For each strategy/focus area, a weight is assigned to each metric. In the example shown in the following table, the metrics associated with a 50% weighting on the attribute focus area for the traffic building strategy is weighted 30% on sales revenue, 50% on sales units, and 20% on inventory turns.

Performance Focus Area						
	Weights					
Strategy	**Sales Revenue**	**Sales Units**	**Margin $**	**Turns**	**Sales per Square Foot**	**Profit per Square Foot**
Traffic Building	30%	50%	0%	20%	0%	0%

For each strategy/focus area, a *Group By* attribute is defined for each metric. All items with the same value for the attribute are grouped together for IPI calculations. Using the preceding example, the Group By values could be set as shown in the following table.

Group by Sales Revenue	Group by Sales Units	Group by Margin $	Group by Turns	Group by Sales per Square Foot	Group by Profit per Square Foot
Size	Brand	Package Type	Calorie	Price Segment	Country of Origin

The computation of each item's IPI is specific to each assortment. Setting up IPI weights is necessary to compute IPIs and assortments based on IPIs in the Assortment Rationalization @ Cluster Task.

This task has the following step:

- IPI Setup Step

Create the IPI Setup Workbook

To create the workbook:

1. Select the **New Workbook** icon in the Setup IPI activity.

Figure 5–1   Select IPI Task
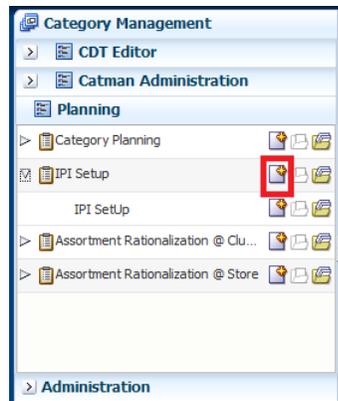
The workbook wizard opens.

2. Select the calendar weeks and move them to the Selected Items box. Click **Finish**.

Figure 5–2   Workbook Wizard Select Week Page
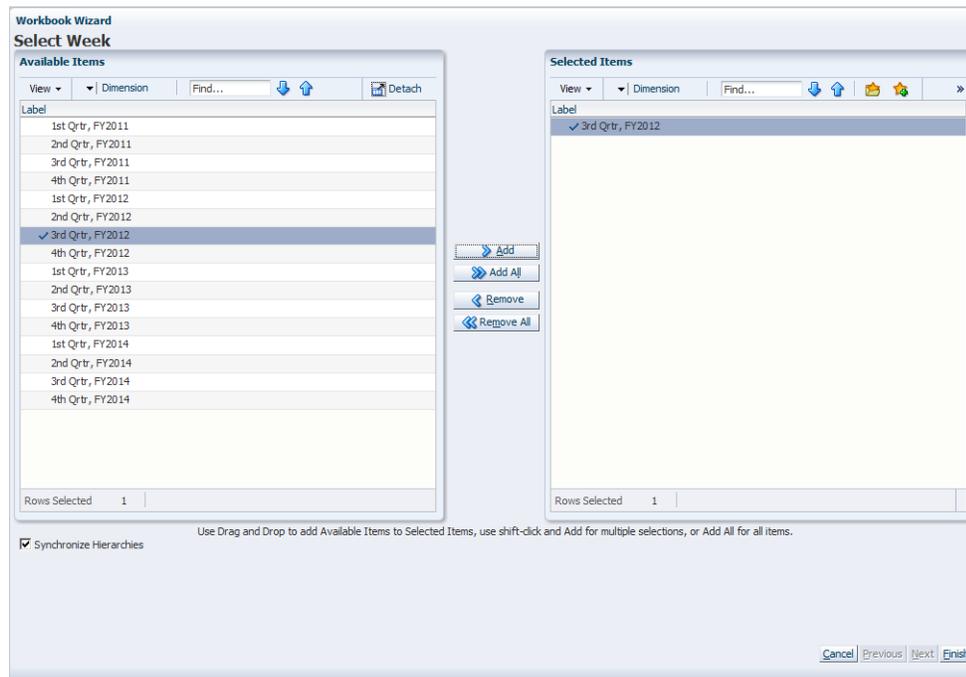
The workbook is created.

IPI Setup Step

This step has the following views:

- Assign Focus Area Weights View
- Assign Metric Weights View
- Assign Attribute Value Weights View

Assign Focus Area Weights View

Use this view to assign weights for each focus area and defined strategy.

Figure 5–3   Assign Focus Area Weights View

Table 5–1 lists the measure available in this view.

Table 5–1   Assign Focus Area Weights Measure

Label
Focus Area Weights

Assign Metric Weights View

Use this view to assign weights to each metric for each focus area.

Figure 5–4   Assign Metric Weights View

Table 5–2 lists the measures available in this view.

Table 5–2   Assign Metric Weights Measures

Label
Sales Unit Weight
Sales Weightage
Gross Margin Weightage
Exclusivity Weightage
Loyalty Weightage
Profit /sq. ft /week Weightage
Profit Weightage
Sls/sq. ft Weightage

Assign Attribute Value Weights View

Use this view to assign weights to each attribute for each category.

Figure 5–5   Assign Attribute Value Weights View

Table 5–3 lists the measures available in this view.

Table 5–3   Assign Attribute Value Weights Measures

Label
Sales Unit Attribute Value Weight
Sales Retail Attribute Value Weight
Exclusivity Attribute Value Weight
Loyalty Attribute Value Weight
Profit /sq. ft /week Attribute Value Weight
Profit Attribute Value Weight
Sls/sq. ft/week Attribute Value Weight

Next Steps

After completing the IPI Setup task, commit the workbook. Continue to the Data Validation and Seeding Task.

6

Data Validation and Seeding Task

The Data Validation and Seeding task is used to validate the loaded measure values. All the measures that are loaded into the workbook are visible in this workbook as read-only measures.

> **Note:** If two identical labels are shown in the same view, query the measure status to see the measure name in order to trace your data load to the correct measure in the view.

This task has the following steps:

- Administration Data Step
- Market Data Step
- Household Panel Data Step
- Actuals-Sourced Data Step
- Space Data Step
- Store Cluster Data Step

Custom Menu

This task has a custom menu called Seed Third Party Data. It copies data in select measures backwards in time by a user-specified amount.

Create the Data Validation and Seeding Workbook

To create the workbook:

1. Select the **New Workbook** icon in the Data Validation and Seeding task.

Figure 6–1   Data Validation and Seeding Task
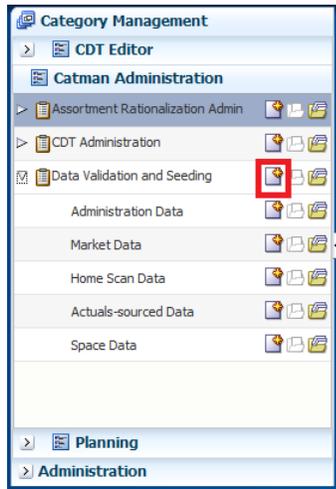
The workbook wizard opens.

2.   Select the action and move it to the Selected Action box. Click **Next**.

Figure 6–2   Workbook Wizard Select Action Page
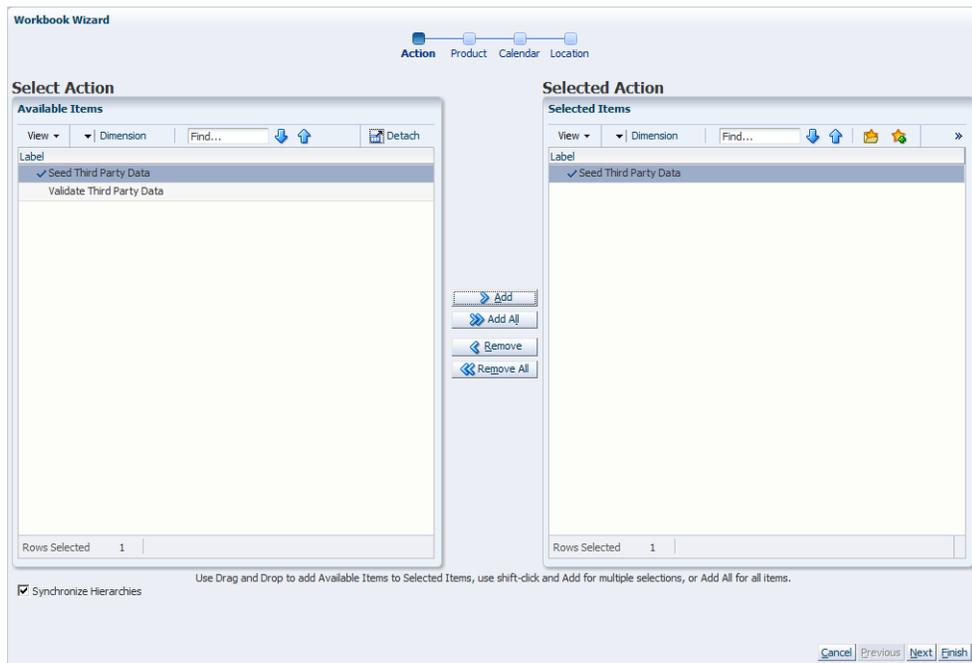
3.   Select the products and move them to the Selected Products box. Click **Next**.

Figure 6–3   Workbook Wizard Select Products Page
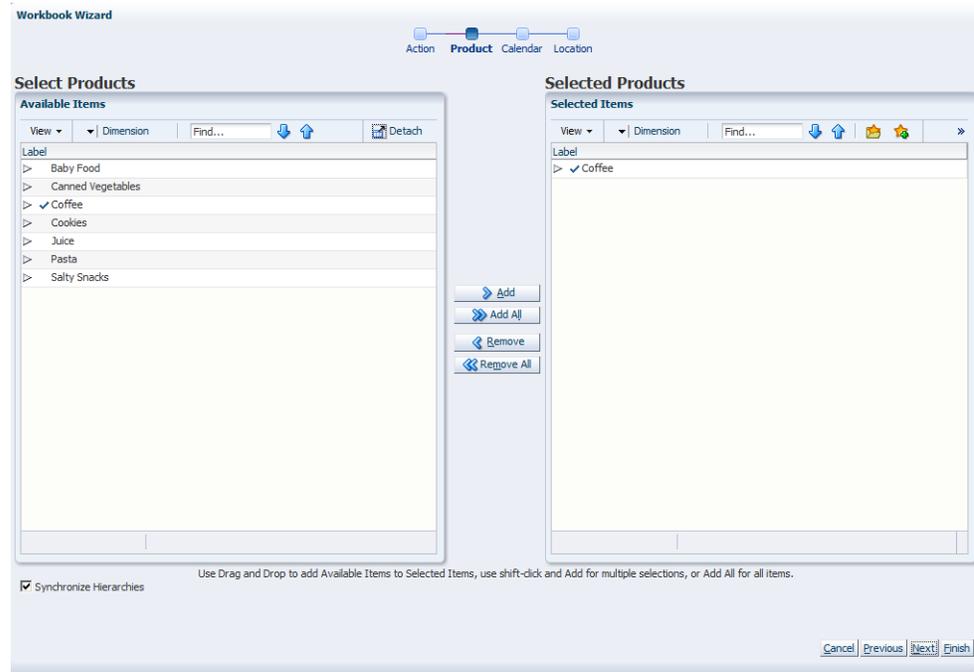
4. Select the calendar periods and move them to the Selected Periods box. Click **Next**.

Figure 6–4   Workbook Wizard Select Periods Page

5. Select the locations and move them to the Selected Locations box. Click **Finish**.

Figure 6–5   Workbook Wizard Select Locations Page
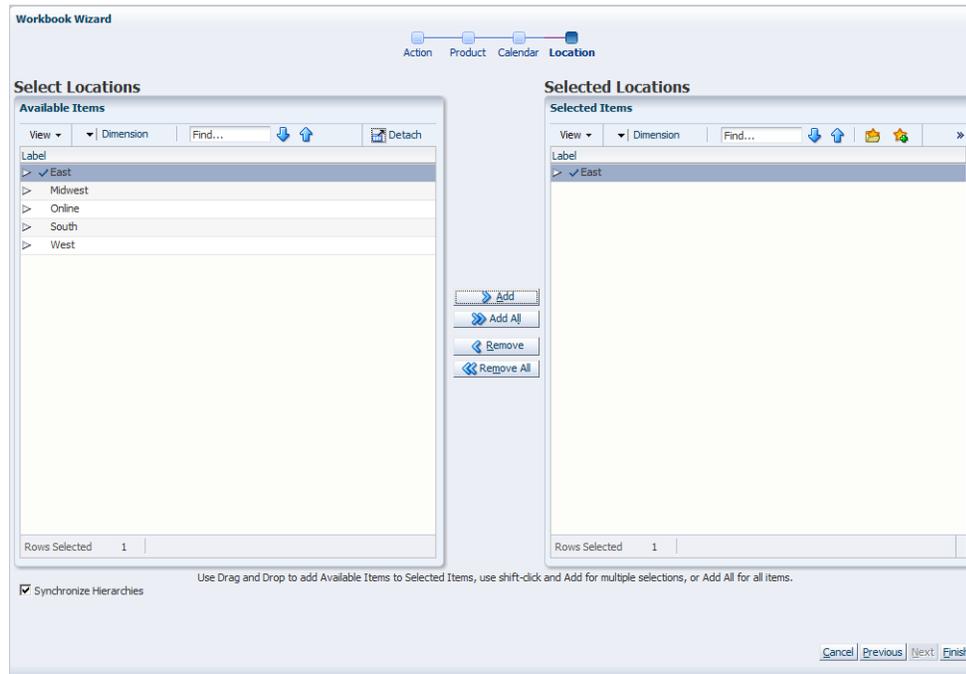
The workbook is created.

Administration Data Step

This step has the following views:

- Administration Data Week View
- Administration Data Quarter View
- Administration Data Class CDT View
- Administration Data Breakpoint View

Administration Data Week View

Use this view to validate the administration data week.

Table 6–1 lists the measures available in this view.

Table 6–1   Administration Data Week Measures

Label
Last Year Map - Week
Last-Last Year Map - Week

Administration Data Quarter View

Use this view to validate the administration data quarter.

Table 6–2 lists the measure available in this view.

Table 6–2   Administration Data Quarter Measure

Label
Last Year Map - Quarter

Administration Data Class CDT View

Use this view to validate the administration data class CDT.

Table 6–3 lists the measures available in this view.

Table 6–3   Administration Data Class CDT Measures

Label
Consumer Segment Status
Consumer Segment Distribution

Administration Data Breakpoint View

Use this view to validate the administration data breakpoint.

Table 6–4 lists the measure available in this view.

Table 6–4   Administration Data Breakpoint Measure

Label
Fragmentation Analysis Breakpoints Loaded

Market Data Step

This step has the following views:

- Market Data Week SKU Retailer View
- Market Data Quarter Category View
- Market Data Quarter Category Consumer Segment View
- Market Data Quarter SubCategory View
- Market Data Quarter Trading Area SubCategory Consumer Segment View

Market Data Week SKU Retailer View

Use this view to validate the market data.

Table 6–5 lists the measures available in this view.

Table 6–5   Market Data Week SKU Retailer Measures

Label
Market Sales Retail
Market Sales Units

Market Data Quarter Category View

Use this view to validate the market data for quarter, trading area, and category.

Table 6–6 lists the measures available in this view.

Table 6–6   Market Data Quarter Category Measures

Label
Market Inventory Turn
Market Growth
Market Share

Market Data Quarter Category Consumer Segment View

Use this view to validate the market data for quarter, trading area, category, and consumer segment. This helps to identify which customer segments account for the volume for each category.

Table 6–7 lists the measures available in this view.

Table 6–7   Market Data Quarter Category Consumer Segment Measures

Label
Baskets with Category
Annual Spend Index
Transaction Size with Category

Market Data Quarter SubCategory View

Use this view to validate the market data for quarter, trading area, and sub-category.

Table 6–8 lists the measures available in this view.

Table 6–8   Market Data Quarter SubCategory Measures

Label
Plan Market Avg Promo Price
Plan Market Avg Base Price

Market Data Quarter SubCategory Consumer Segment View

Use this view to validate the market data for quarter, trading area, sub-category, and consumer segment.

Table 6–9 lists the measure available in this view.

Table 6–9   Market Data Quarter SubCategory Consumer Segment Measure

Label
Market Sales Retail

Household Panel Data Step

This step has the following views:

- Household Panel Data Store Sku Consumer Segment View
- Household Panel Data Trading Area Category View
- Household Panel Data Trading Area Category Consumer Segment View
- Household Panel Data Trading Area Consumer Segment View

- [Household Panel Data Trading Area Retailer View](#)
- [Household Panel Data Trading Area SubCategory Consumer Segment View](#)
- [Household Panel Data Trading Area SubCategory Retailer Consumer Segment View](#)
- [Household Panel Data Store Category View](#)
- [Household Panel Data Store Category Retailer Type View](#)
- [Household Panel Data Trading Area Consumer Profile View](#)
- [Household Panel Data Store Sku View](#)
- [Household Panel Data Store Sku Retailer Type View](#)
- [Household Panel Data Store Style View](#)
- [Household Panel Data Store Style Retailer Type View](#)
- [Household Panel Data Store StyleColor View](#)
- [Household Panel Data Store StyleColor Retailer Type View](#)
- [Household Panel Data Store SubCategory View](#)
- [Household Panel Data Store SubCategory Retailer View](#)
- [Household Panel Data Store SubCategory Retailer Type View](#)
- [Household Panel Data Trading Area Consumer Profile View](#)

Household Panel Data Store Sku Consumer Segment View

Use this view to validate the data for quarter, store, SKU, and consumer segment.

Table 6–10 lists the measures available in this view.

Table 6–10   Household Panel Data Store Sku Consumer Segment Measures

Label
Exclusivity Index
Loyalty Index
Consumer Worth Index
Switching Index

Household Panel Data Trading Area Category View

Use this view to validate the data for trading area and category.

Table 6–11 lists the measures available in this view.

Table 6–11   Household Panel Data Trading Area Category Measures

Label
Plan GPROI
Plan GPROS
Plan Average Inventory Retail
Plan Inventory Retail Turns
Plan Consumer Loyalty

Table 6–11   (Cont.) Household Panel Data Trading Area Category Measures

Label
Retailer Purchase Frequency
Plan Consumer Retention Level
Plan Inventory Service Level

Household Panel Data Trading Area Category Consumer Segment View

Use this view to validate the data for quarter, trading area, category, and consumer segment.

Table 6–12 lists the measure available in this view.

Table 6–12   Household Panel Data Trading Area Category Consumer Segment Measure

Label
Purchase Frequency

Household Panel Data Trading Area Consumer Segment View

Use this view to validate the data for quarter, trading area, and consumer segment.

Table 6–13 lists the measures available in this view.

Table 6–13   Household Panel Data Trading Area Consumer Segment Measures

Label
Avg. Basket Value
# of Categories in Basket
Shopping Frequency
Total Shoppers Index

Household Panel Data Trading Area Retailer View

Use this view to validate the data for quarter, trading area, and retailer.

Table 6–14 lists the measures available in this view.

Table 6–14   Household Panel Data Trading Area Retailer Measures

Label
Loyalty (% of Buyer Spend at Retailer)
Penetration (% Buying at Retailer)
Spend Index (Buyer Spend Compared to Average Spend)

Household Panel Data Trading Area SubCategory Consumer Segment View

Use this view to validate the data for quarter, trading area, sub-category, and consumer segment.

Table 6–15 lists the measure available in this view.

Table 6–15   Household Panel Data Trading Area SubCategory Consumer Segment Measure

Label
Consumer Purchase Frequency for Sub-Category percentage

Household Panel Data Trading Area SubCategory Retailer Consumer Segment View

Use this view to validate the data for quarter, trading area, sub-category, retailer, and consumer segment.

Table 6–16 lists the measure available in this view.

Table 6–16   Household Panel Data Trading Area SubCategory Retailer Consumer Segment Measure

Label
Buyer Conversion Rate

Household Panel Data Store Category View

Use this view to validate the data for store and category.

Table 6–17 lists the measures available in this view.

Table 6–17   Household Panel Data Store Category Measures

Label
Item Revenue per Buyer
% Item Spend on Promotion
Item Penetration
Item Spend on Item per Trip
Item Trips per Buyer

Household Panel Data Store Category Retailer Type View

Use this view to validate the data for store, category, and retailer type.

Table 6–18 lists the measures available in this view.

Table 6–18   Household Panel Data Store Category Retailer Type Measures

Label
% Buyers @ Category (Str)
% Dollars @ Category (Str)

Household Panel Data Trading Area Consumer Profile View

Use this view to validate the data for trading area and consumer profile.

Table 6–19 lists the measures available in this view.

Table 6–19   Household Panel Data Trading Area Consumer Profile Measures

Label
Retailer Trading Area Spend %
Market Trading Area Spend %
Market Trading Area HH %
Retailer Trading Area HH %

Household Panel Data Store Sku View

Use this view to validate the data for store and SKU.

Table 6–20 lists the measures available in this view.

Table 6–20   Household Panel Data Store Sku Measures

Label
Item Revenue per Buyer
% Item Spend on Promotion
Item Penetration @ SKU (Str)
Item Spend per Item per Trip
Item Trips per Item Buyer @ SKU (Str)

Household Panel Data Store Sku Retailer Type View

Use this view to validate the data for store, SKU, and retailer type.

Table 6–21 lists the measures available in this view.

Table 6–21   Household Panel Data Store Sku Retailer Type Measures

Label
% Buyers @ SKU (Str)
% Dollars @ SKU (Str)

Household Panel Data Store Style View

Use this view to validate the data for store and style.

Table 6–22 lists the measures available in this view.

Table 6–22   Household Panel Data Store Style Measures

Label
Item Revenue per Buyer
% Item Spend on Promotion
Item Penetration @ Style (Str)
Item Spend per Item per Trip
Item Trips per Item Buyer @ Style (Str)

Household Panel Data Store Style Retailer Type View

Use this view to validate the data for store, style, and retailer type.

Table 6–23 lists the measures available in this view.

Table 6–23   Household Panel Data Style Retailer Type Measures

Label
% Buyers @ Style (Str)
% Dollars @ Style (Str)

Household Panel Data Store StyleColor View

Use this view to validate the data for store and style/color.

Table 6–24 lists the measures available in this view.

Table 6–24   Household Panel Data Store StyleColor Measures

Label
Item Revenue per Buyer
% Item Spend on Promotion
Item Penetration @ Style/Color (Str)
Item Spend per Item per Trip
Item Trips per Item Buyer @ Style/Color (Str)

Household Panel Data Store StyleColor Retailer Type View

Use this view to validate the data for store, style/color, and retailer type.

Table 6–25 lists the measures available in this view.

Table 6–25   Household Panel Data Store StyleColor Retailer Type Measures

Label
% Buyers @ Style/Color (Str)
% Dollars @ Style/Color (Str)

Household Panel Data Store SubCategory View

Use this view to validate the data for store and sub-category.

Table 6–26 lists the measures available in this view.

Table 6–26   Household Panel Data Store SubCategory Measures

Label
Item Revenue per Buyer
% Item Spend on Promotion
Item Penetration @ Sub-Category (Str)
Item Spend per Item per Trip
Item Trips per Item Buyer @ Sub-Category (Str)

Household Panel Data Store SubCategory Retailer View

Use this view to validate data for store, sub-category, and retailer.

Table 6–27 lists the measures available in this view.

Table 6–27   Household Panel Data Store SubCategory Retailer Measures

Label
Buyer Conversion Rate
Top Shopper Index

Household Panel Data Store SubCategory Retailer Type View

Use this view to validate the data for store, sub-category, and retailer type.

Table 6–28 lists the measures available in this view.

Table 6–28   Household Panel Data Store SubCategory Retailer Type Measures

Label
% Buyers @ Sub-category (Str)
% Dollars @ Sub-category (Str)

Household Panel Data Trading Area Consumer Profile View

Use this view to validate the data for trading area and consumer profile.

Table 6–29 lists the measures available in this view.

Table 6–29   Household Panel Data Trading Area Consumer Profile Measures

Label
Working Plan (Str) % of Retailer Turnover Trading Area Level percentage
% of Retail Shoppers at Trading Area Level (Raw)

Actuals-Sourced Data Step

This step has the following views:

- Actuals-Sourced Data View
- Actuals-Sourced Data Consumer Segment View
- Actuals-Sourced Data SKU View

Actuals-Sourced Data View

Use this view to validate the actuals-sourced data.

Table 6–30 lists the measures available in this view.

Table 6–30   Actuals-Sourced Data Measures

Label
TY Sales Units
TY Sales Retail

Table 6–30   (Cont.) Actuals-Sourced Data Measures

Label
Plan End of Period Inventory Units
Plan End of Period Inventory Retail
TY Price Retail
Promotional Sales Retail
Promotional Sales Units
Cost Retail
Forecast Cost Retail
Cost Price

Actuals-Sourced Data Consumer Segment View

Use this view to validate the actuals-sourced consumer segment data.

Table 6–31 lists the measures available in this view.

Table 6–31   Actuals-Sourced Data Consumer Segment Measures

Label
Plan Sales Retail
Plan Sales Units
Promotional Sales

Actuals-Sourced Data SKU View

Use this view to validate the actuals-sourced SKU data.

Table 6–32 lists the measure available in this view.

Table 6–32   Actuals-Sourced Data SKU Measure

Label
Private Label Item

Space Data Step

This step has the following view:

- Space Data View

Space Data View

Use this view to validate the space data for SKU, store, and week.

Table 6–33 lists the measures available in this view.

Table 6–33   Space Data Measures

Label
Total Cubic Feet
# of Facings

Table 6–33   (Cont.) Space Data Measures

Label
Total Shelf Capacity
Equivalent Sales Retail
Plan Square Footage

Store Cluster Data Step

This step has the following view:

- Store Cluster Data View

Store Cluster Data View

Use this view to validate the store cluster data for category and store.

Table 6–34 lists the measures available in this view.

Table 6–34   Store Cluster Data Measures

Label
Store Cluster Label
Store Cluster Name
Store Cluster Attribute 1 Label
Store Cluster Attribute 1
Store Cluster Attribute 2 Label
Store Cluster Attribute 2
Store Cluster Attribute 3 Label
Store Cluster Attribute 3

Next Steps

After completing all of the data validation and seeding steps, commit the workbook. Continue to the Category Planning Task.

7

Category Planning Task

This task has eight steps. The steps cover all the activities related to Category Planning. Each of the defined steps is one of the significant steps in the Category Planning process. The objective is to view and analyze information from diverse sources and use the information to drive the creation, approval, and review of category plans.

This task has the following steps:

- Define Retail Strategy Step

- Analyze Category Role Step

- Assign Category Role Step

- Assess Category Performance to Role Step

- Assign Category Strategies Step

- Assign Category Tactics Step

- Analyze Category Scorecard Step

- Finalize Category Plans Step

Create the Category Planning Workbook

To create the workbook:

1. Select the **New Workbook** icon in the Category Planning task.

Figure 7–1   Category Planning Task
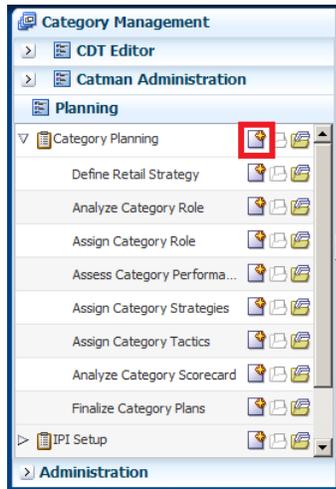
The workbook wizard opens.

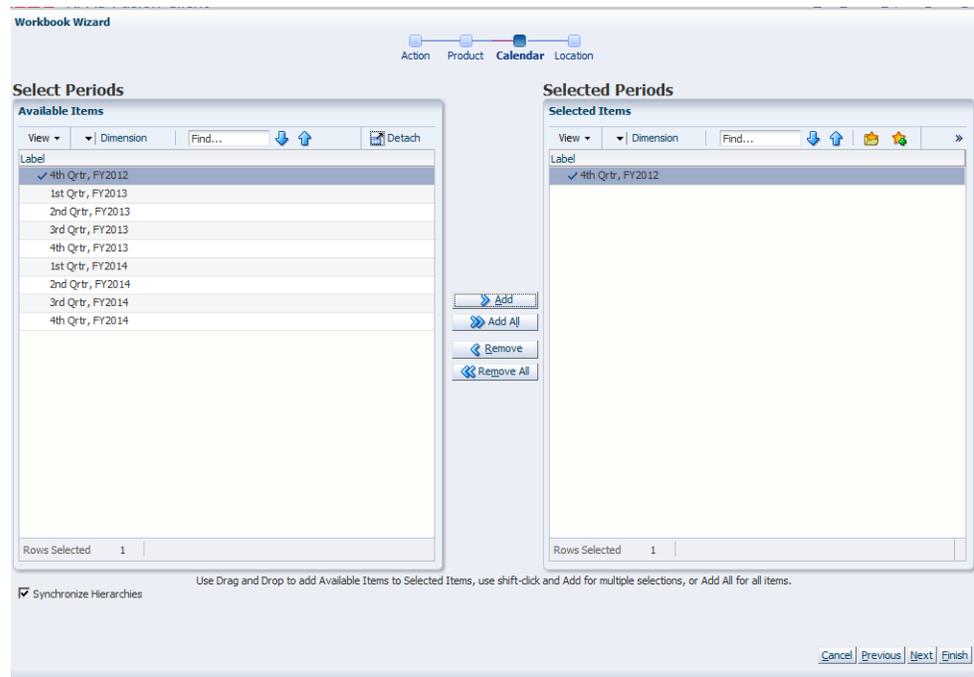2.   Select one location and move it to the Selected Location box. Click **Next**.

Figure 7–2   Workbook Wizard Select Location Page
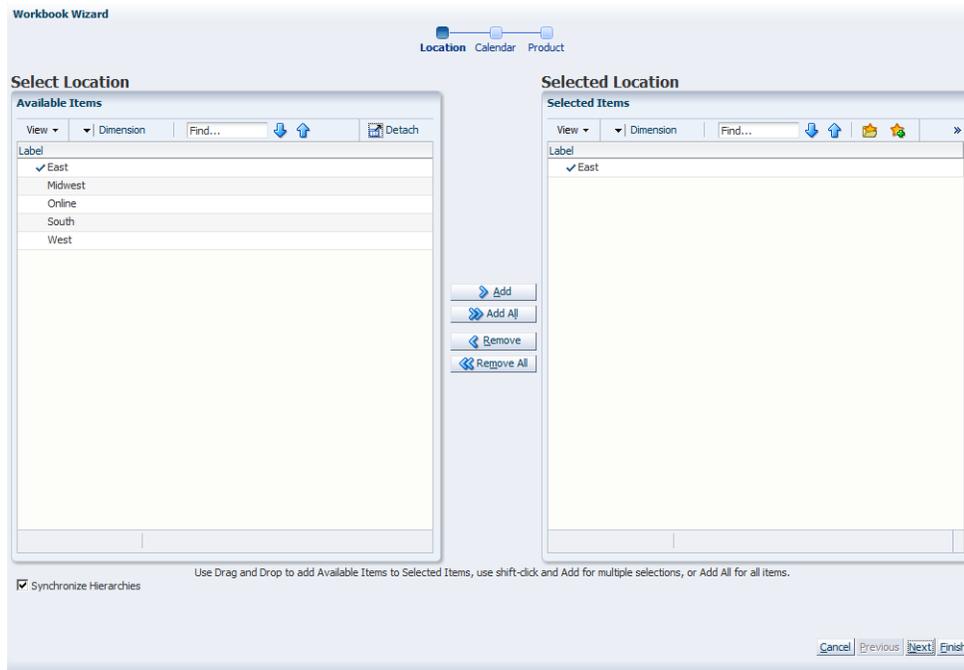
3.   Select the calendar periods and move them to the Selected Periods box. Click **Next**.

Figure 7–3   Workbook Wizard Select Periods Page
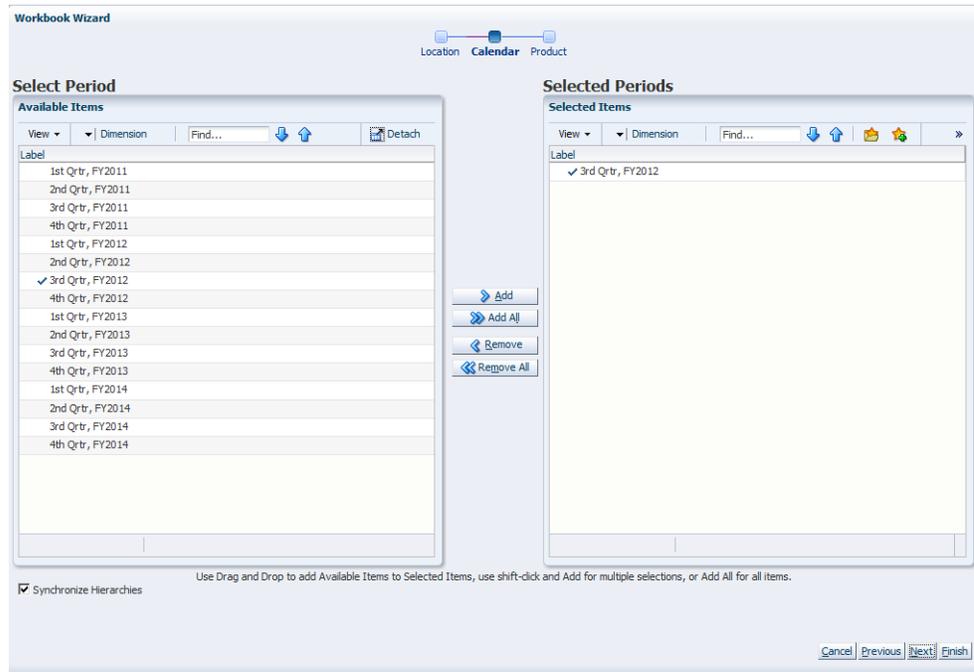
4.   Select the categories and move them to the Selected Categories box. Click **Finish**.

Figure 7–4   Workbook Wizard Select Category Page
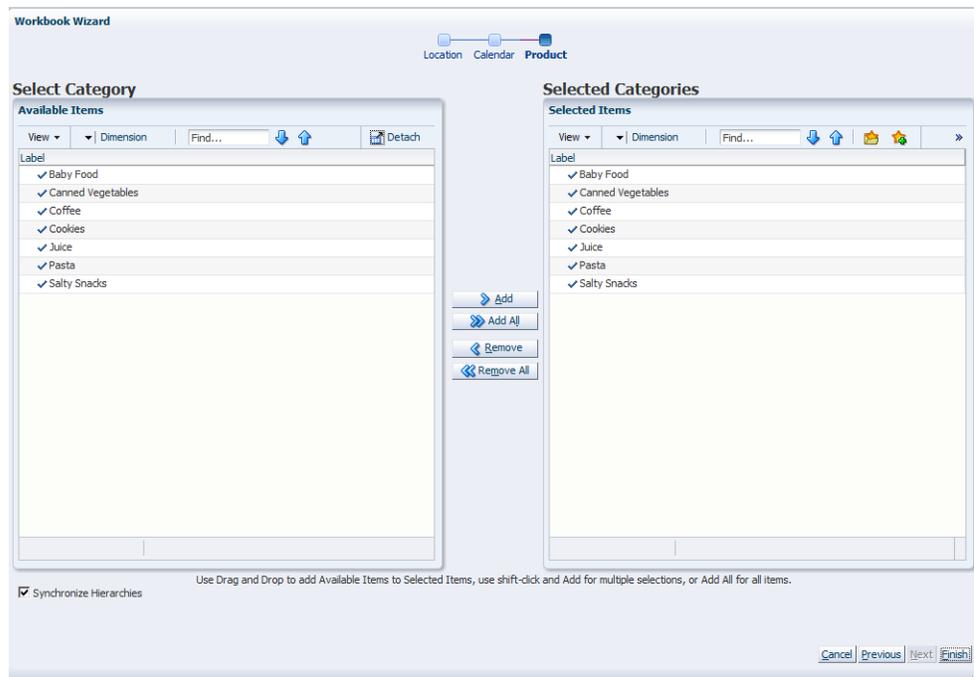
The workbook is created.

Define Retail Strategy Step

Retailers need to view and analyze information from diverse sources and use the information to analyze target shoppers, trading area opportunities, and the competition. Category planning is used to define the retailer's strategy and determine how to allocate category roles while aligning resources to opportunities. The retail strategy should answer the following questions:

- Who are the retailer's target shoppers and is the retailer reaching them?

- Why are the target shoppers a total store opportunity for the retailer?

- Who are the retailer's competitors for the target shopper?

- What opportunities exist to improve the retailer's competitive position?

- Which categories are most strategic in the market and for the retailer?

- How should the retailer allocate category roles and resources while aligning resources to opportunities?

The following data is required for this task:

- Store clusters.

- Predefined consumer segments.

- Predefine trading areas.

- Imported consumer decision trees in XML format.

- Imported forecast from Oracle Retail Demand Forecasting (RDF).

- Imported POS data from the retailer.

- Analysis based on Household Panel data received from external sources, such as Nielsen or Symphony IRI.

- All external data precomputed or aggregated and not required to be recomputed within Category Planning.

Figure 7–5   Define Retail Strategy Initial Views
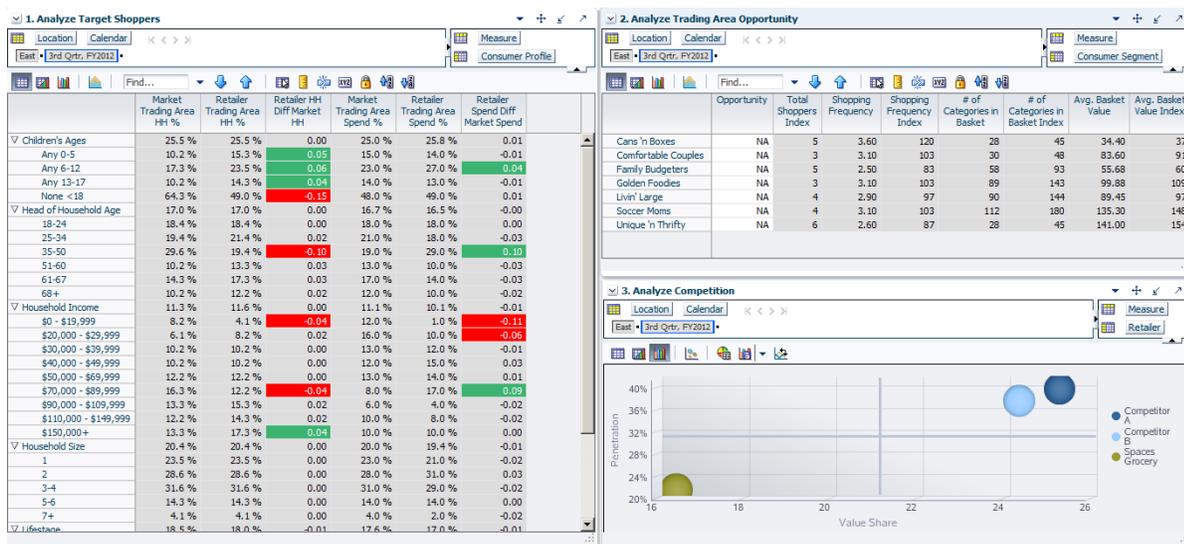
This step has the following views:

- Analyze Target Shoppers View

- Analyze Trading Area Opportunity View

- Analyze Competition View

- Define Retail Strategy - Key Take Aways View

Analyze Target Shoppers View

Use this view to analyze target shoppers. This analytic provides insight into whether the retailer is stronger compared to the total market with respect to a particular consumer demographic group:

- Composition of the consumers shopping at the retailer as compared to the overall market.

- What percentage of the total spend in that market is from each of the demographic groups.

For an example of this view, see Figure 7–5.

The view exists at the following levels:

- Consumer Profile (the base level in the Consumer Profile dimension) such as household income or number of children

- Trading Area (a level in the Location dimension) such as Chicago or Atlanta

- Category (a level in the Product dimension) such as cereal or coffee

Table 7–1 lists the measures available in this view. The data is loaded from Household Panel data.

Table 7–1   Analyze Target Shoppers Measures

Label
Market Trading Area HH %
Retailer Trading Area HH %
Retailer HH Diff Market HH
Market Trading Area Spend %
Retailer Trading Area Spend %
Retailer Spend Diff Market Spend

Analyze Trading Area Opportunity View

Use this view to see the analytics that identify if target shoppers offer a total store opportunity by comparing selected metrics against national (or total market). For an example of this view, see Figure 7–5.

This view exists at the following levels:

- Consumer Segment (a level in the Location dimension), such as Soccer Mom or Empty Nester

- Trading Area (a level in the Location dimension)

- Category (a level in the Product dimension)

Table 7–2 lists the measures available in this view. The measures are loaded from Household Panel data.

Table 7–2   Analyze Trading Area Opportunity Measures

Label
Opportunity
Total Shoppers Index
Shopping Frequency
Shopping Frequency Index
# of Categories in Basket
# of Categories in Basket Index
Avg. Basket Value
Avg. Basket Value Index

Analyze Competition View

Use this view to determine who are the retailer's strongest competitors and if opportunities exist to improve the retailer's position.

This view exists at the following levels:

- Company (a level in the Company dimension)

- Trading Area (a level in the Location dimension)

- Category (a level the Product dimension)

Table 7–3 lists the measures available in this view. The measures are loaded from Household Panel data.

Table 7–3   Analyze Competition Measures

Label
Value Share
Penetration (% Buying at Retailer)
Loyalty (% of Buyer Spend at Retailer)
Spend Index (Buyer Spend Compared to Average Spend)

Define Retail Strategy - Key Take Aways View

Use this view to enter any pertinent notes for the Define Retail Strategy task.

Figure 7–6   Define Retail Strategy - Key Take Aways View
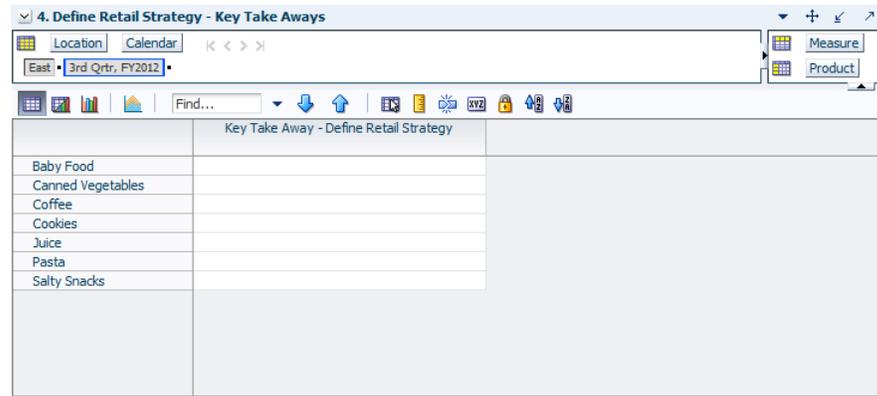
Table 7–4 lists the measure available in this view.

Table 7–4   Define Retail Strategy - Key Take Aways Measure

Label
Key Take Away - Define Retail Strategy

Analyze Category Role Step

The retailer needs to view and analyze information from diverse sources and use the information to determine what role each category plays for the retailer. Category planning provides the ability to analyze category roles by providing insights into which categories are most strategic in the market as well as for the retailers target shoppers. This analysis sets the foundation for understanding which categories should be assigned which roles within the retailer's portfolio.

The following data is required for this step:

■   Retailer's loyalty data

■   Market scan data

■   Household Panel data

This step has the following tabs and views:

■   Analyze Market Share and Growth Tab:

   –   Analyze Market Share and Growth View

   –   Analyze Sales Trends View

   –   Analyze Profit Contribution View

   –   Analyze Value Share View

■   Analyze Consumer Spend Tab:

   –   Analyze Cross Category Spending View

   –   Analyze Spend Versus Frequency View

   –   Analyze Consumer Purchase Behavior View

   –   Analyze Category Buyer Conversion View

   –   Analyze Consumer Segment Cross-Category Spending View

- Quadrant Analysis Tab:

  – Mkt Share / Growth / Market Sales View

  – Mkt Share / Growth / Plan Sales View

  – Retailer Share / Growth / Market Sales View

  – Retailer Share / Growth / Plan Sales View

- Key Take Aways Tab:

  – Analyze Category Role - Key Take Aways View

Analyze Market Share and Growth Tab

Figure 7–7 shows the first three views for this tab.

Figure 7–7   Analyze Market Share and Growth Tab Views
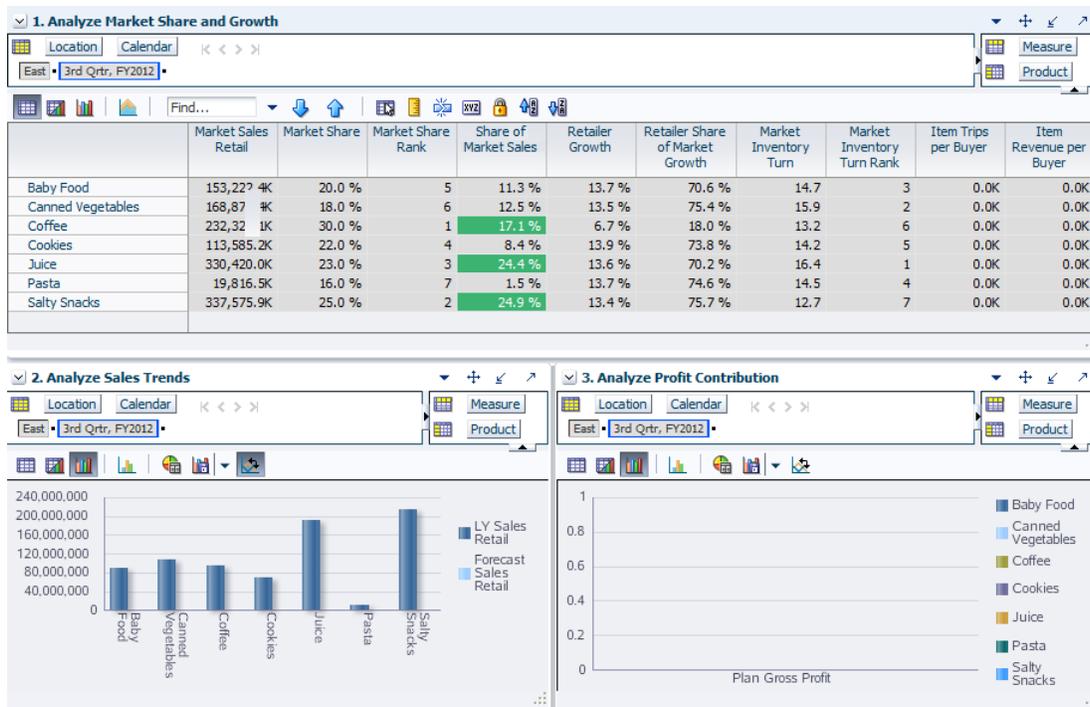
Analyze Market Share and Growth View

Use this view to analyze which categories are growing fastest in the market and which of the categories are the strongest for the retailer as compared to all competitors across all consumer segments. For an example of this view, see Figure 7–7.

This view exists at the following levels:

- Category (a level in the Product dimension)

- Market (a level in the Location dimension)

Table 7–5 lists the measures available in this view. The measures are loaded from market scan competitive data.

Table 7–5   Analyze Market Share and Growth Measures

Label
Market Sales Retail
Market Share
Market Share Rank
Share of Market Sales
Retailer Growth
Retailer Share of Market Growth
Market Inventory Turn
Market Inventory Turn Rank
Item Trips per Buyer
Item Revenue per Buyer

Analyze Sales Trends View

Use this view to determine the category role between seasonal and convenience. Using the chart, you can infer which of the categories exhibit seasonal behavior. This information is best viewed as a column chart. For an example of this view, see Figure 7–7.

This view exists at the following levels:

- Month (a level in the Calendar dimension)
- Category (a level in the Product dimension)

Table 7–6 lists the measures available in this view.

Table 7–6   Analyze Sales Trends Measures

Label
LY Sales Revenue
Forecast Sales Retail
Plan Sales Retail
Plan Gross Profit

Analyze Profit Contribution View

Use this view to determine how each category contributes to margin and profit across all consumer segments. This information is best viewed as a scatter chart. For an example of this view, see Figure 7–7.

This view exists at the following levels:

- Market (a level in the Location dimension)
- Category (a level in the Product dimension)

Table 7–7 lists the measure available in this view.

Table 7–7   Analyze Profit Contribution Measure

Label
Plan Gross Profit

Analyze Value Share View

Use this view to analyze the value share. This information is best viewed as a bubble chart.

Figure 7–8   Analyze Value Share View
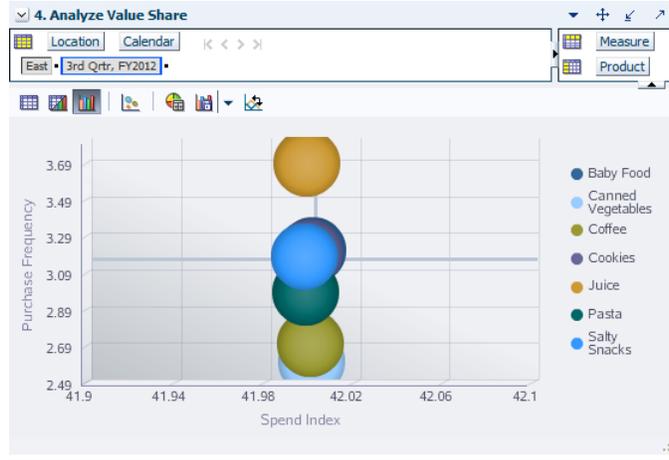
Table 7–8 lists the measures available in this view.

Table 7–8   Analyze Value Share Measures

Label
Spend Index (All Retailers)
Retailer Purchase Frequency
Value Share (All Retailers)

Analyze Consumer Spend Tab

Figure 7–9 shows the initial views displayed for this tab.

Figure 7–9   Analyze Consumer Spend Tab Views
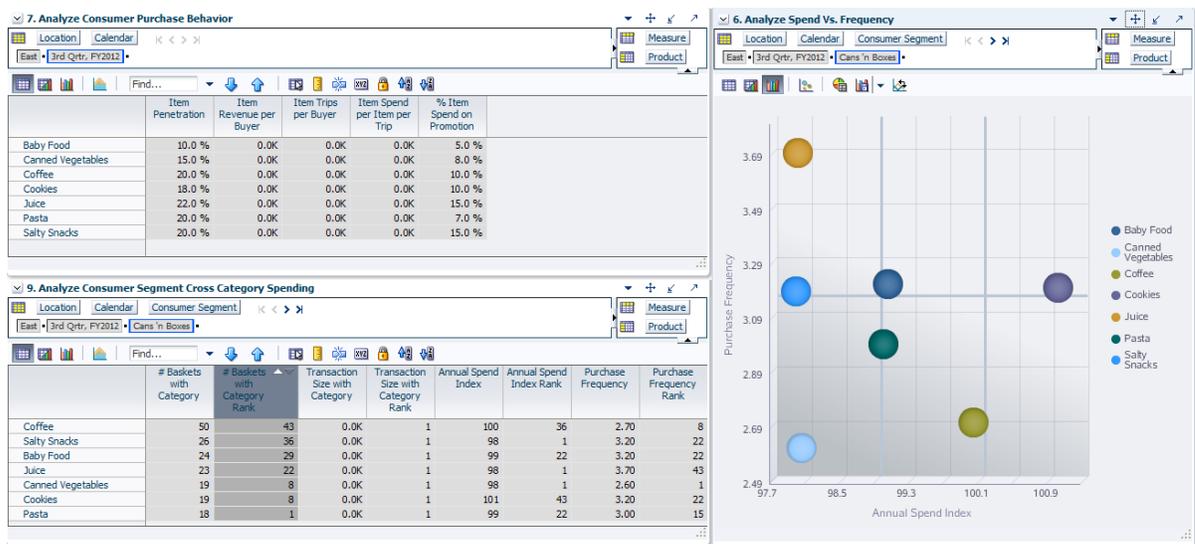
Analyze Cross Category Spending View

Use this view to analyze which of the categories are shopped more frequently, have a higher market share, or represent higher market growth compared to other categories for the retailer. This information is best viewed as a bubble chart.

Figure 7–10   Analyze Cross Category Spending View
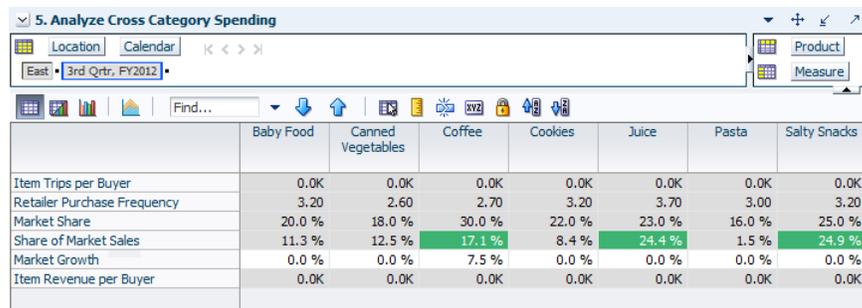
The view exists at the following levels:

■   Trading Area (a level in the Location dimension)

■   Category (a level in the Product dimension)

Table 7–9 lists the measures available in this view. The measures are loaded from Household Panel data.

Table 7–9   Analyze Cross Category Spending Measures

Label
Item Trips per Buyer
Retailer Purchase Frequency
Market Share
Share of Market Sales

Table 7–9 (Cont.) Analyze Cross Category Spending Measures

Label
Market Growth
Item Revenue per Buyer

Analyze Spend Versus Frequency View

Use this view to identify which categories are important for those customers who shop at the retailer. This information is best viewed as a scatter chart. For an example of this view, see Figure 7–9.

This view exists at the following levels:

- Consumer Segment (a level in the Location dimension)
- Market (a level in the Location dimension)
- Category (a level in the Product dimension)

Table 7–10 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–10   Analyze Spend Vs. Frequency Measures

Label
Annual Spend Index
Purchase Frequency

Analyze Consumer Purchase Behavior View

Use this view to analyze consumer purchase behavior across categories. For an example of this view, see Figure 7–9.

This view exists at the following levels:

- Category (a level in the Product dimension)
- Consumer Segment (a level in the Location dimension)

Table 7–11 lists the measures available in this view.

Table 7–11   Analyze Consumer Purchase Behavior Measures

Label
Item Penetration
Item Revenue per Buyer
Item Trips per Buyer
Item Spend per Item per Trip
% of Item Spend on Promotion

Analyze Category Buyer Conversion View

Use this view to compare the percentage of buyer conversion of the retailer with that of named competitors.

Figure 7–11   Analyze Category Buyer Conversion View

This view exists at the following levels:

■   Category (a level in the Product dimension)

■   Retailer (a level in the Retailer dimension)

■   Consumer Segment (a level in the Location dimension)

Table 7–12 lists the measure available in this view.

Table 7–12   Analyze Category Buyer Conversion Measure

Label
Buyer Conversion Rate

Analyze Consumer Segment Cross-Category Spending View

Use this view to determine what is more important for spending to each of the consumer segments. This can be based on market data and retailer data. For an example of this view, see Figure 7–9.

The view exists at the following levels:

■   Category (a level in the Product dimension)

■   Market (a level in the Location dimension)

Table 7–13 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–13   Analyze Consumer Segment Cross-Category Spending Measures

Label
Baskets with Category
Baskets with Category Rank
Transaction Size with Category
Transaction Size with Category Rank
Annual Spend Index
Annual Spend Index Rank
Purchase Frequency
Purchase Frequency Rank

Quadrant Analysis Tab

This tab has four views. Figure 7–12 shows two of those views and Figure 7–13 shows the other two views.

Figure 7–12   Quadrant Analysis Views
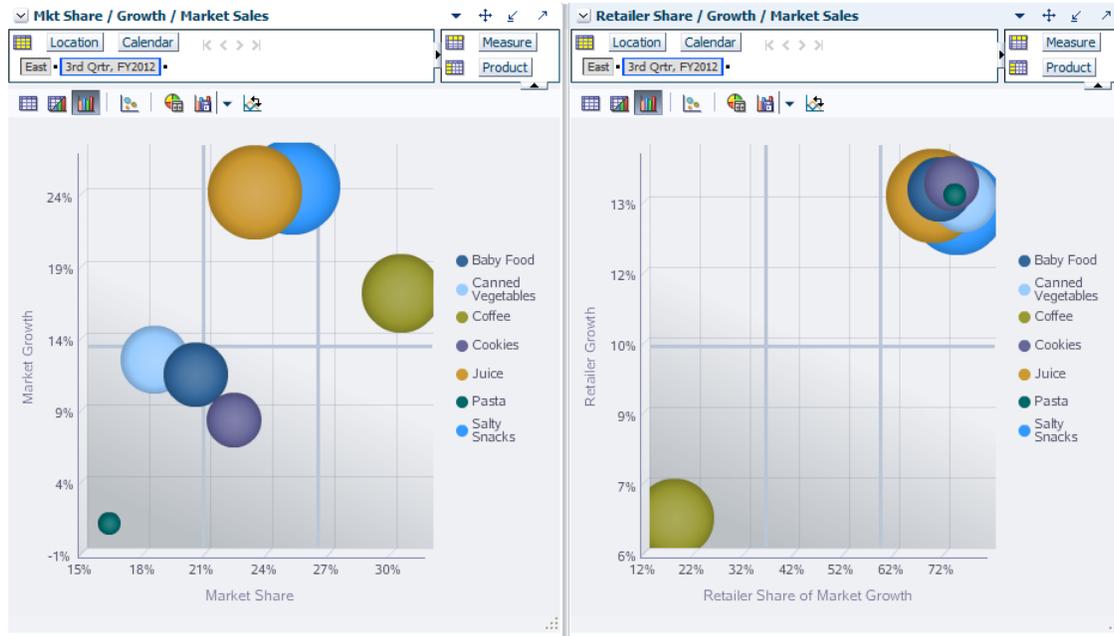
Mkt Share / Growth / Market Sales View

Use this view to analyze market share, growth, and category size. This information is best viewed as a bubble chart. For an example of this view, see Figure 7–12.

Table 7–14 lists the measure available in this view. The measure is loaded from market scan and retailer data.

Table 7–14   Mkt Share / Growth / Market Sales Measure

Label
Share of Market Sales
Market Growth
Market Sales Retail

Mkt Share / Growth / Plan Sales View

Use this view to analyze market share, growth, and sales. This information is best viewed as a bubble chart.

Figure 7–13   Quadrant Analysis Views

Table 7–15 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–15   Mkt Share / Growth / Plan Sales Measures

Label
Share of Market Sales
Market Growth
Plan Sales Retail

Retailer Share / Growth / Market Sales View

Use this view to analyze retailer share, growth, and category size. This information is best viewed as a bubble chart. For an example of this view, see Figure 7–13.

Table 7–16 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–16   Retailer Share / Growth / Market Sales Measures

Label
Retailer Share of Market Growth
Retailer Growth
Market Sales Retail

Retailer Share / Growth / Plan Sales View

Use this view to analyze retailer share, growth, and sales. This information is best viewed as a bubble chart.

Table 7–17 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–17   Retailer Share / Growth / Plan Sales Measures

Label
Retailer Share of Market Growth
Retailer Growth
Plan Sales Retail

Key Take Aways Tab

This tab has one view.

Analyze Category Role - Key Take Aways View

Use this view to enter any pertinent notes for the Analyze Category Role step.

Figure 7–14   Analyze Category Role - Key Take Aways View

Table 7–18 lists the measure available in this view.

Table 7–18   Analyze Category Role - Key Take Away Measure

Label
Key Take Away - Analyze Category Role

Assign Category Role Step

Use this step to analyze and assign the role of each category based on different Category Management frameworks and capability. There are two frameworks available as part of the base GA solution. These frameworks draw from industry standard best practices. However, it is possible to configure or customize the framework to meet your individual currently used best practice if there is one, leveraging the configuration framework in RPAS. It is important to understand that the role assignment is based on market and consumer focused analysis combined with industry standard frameworks for automated role assignment. The expectation is that the user leverages insights from upstream analysis, retailer strategies, as well as recommendations from industry standard frameworks to override and approve category roles.

The data required for this analysis comes from the retailer's POS data and does not have details broken down by consumer segment. However, this data can be aggregated on the product hierarchy. The following data is required:

- Retailer's POS data

- Retailer's forecast data

- Household Panel data

- Category roles pre-defined:
  - Industry Model A:
    * Flagship
    * Cash Machine
    * Maintain
    * Core Traffic
    * Under Fire
    * Rehab
  - Industry Model B:
    * Destination
    * Routine
    * Seasonal
    * Convenience

This step has the following tabs and views. You see either one or two tabs:

- Analyze and Assign Category Role - Industry Model A Tab:
  - Analyze Historic Performance - Industry Model A View
  - Analyze Forecasted Performance - Industry Model A View
  - Assign Category Roles - Industry Model A View
  - Assign Category Role - Key Take Aways View
- Analyze and Assign Category Role - Industry Model B Tab:
  - Analyze Forecasted Performance - Industry Model B View
  - Analyze Historic Performance - Industry Model B View
  - Assign Category Roles - Industry Model B View
  - Assign Category Role - Key Take Aways View

Analyze and Assign Category Role - Industry Model A Tab

Figure 7–15 shows the views for this tab.

Figure 7–15 Analyze and Assign Category Role - Industry Model A Tab Views
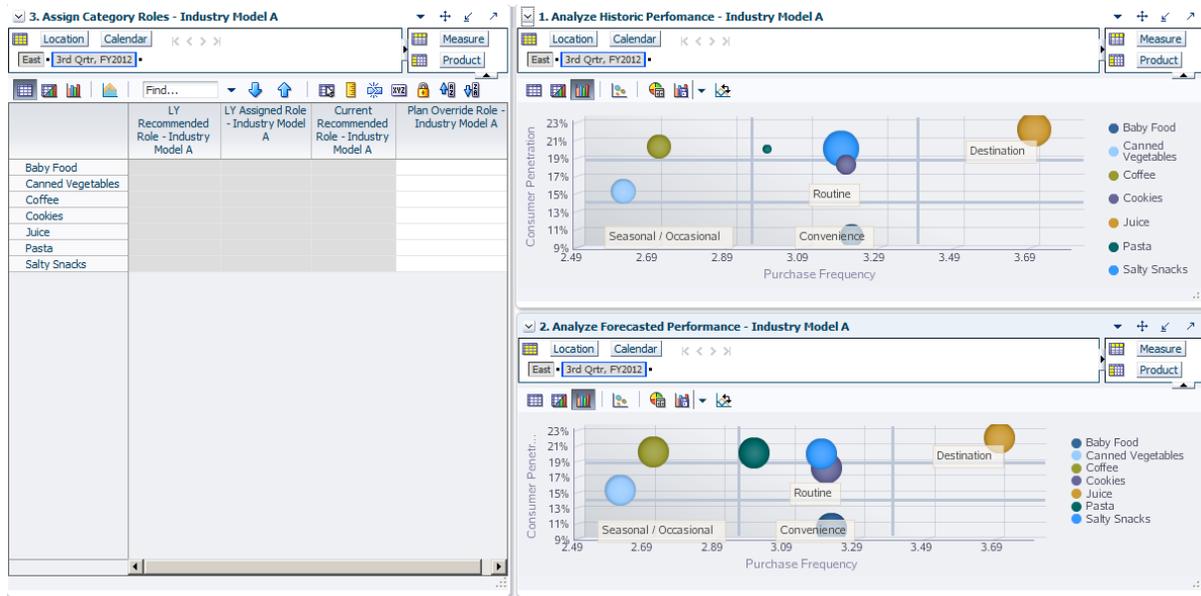
Analyze Historic Performance - Industry Model A View

Use this view to analyze historic performance for determining category roles, such as the following:

- Flagship
- Cash Machine
- Maintain
- Core Traffic
- Under Fire
- Rehab

This information is best viewed as a bubble chart. For an example of this view, see Figure 7–15.

Table 7–19 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–19 Analyze Historic Performance - Industry Model A Measures

Label
LY Purchase Frequency
LY Consumer Penetration
LY Sales Revenue

Analyze Forecasted Performance - Industry Model A View

Use this view to analyze forecasted performance for determining category roles. For an example of this view, see Figure 7–15.

This view exists at the following levels:

- Market (a level in the Location dimension)

- Consumer Segment (a level in the Location dimension)

- Category (a level in the Product dimension)

Table 7–20 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–20   Analyze Forecasted Performance - Industry Model A Measures

Label
Retailer Purchase Frequency
Item Penetration
Forecast Sales Retail

Assign Category Roles - Industry Model A View

Use this view to assign category roles based on historic and forecasted performance. You are able to override the role recommended by the system. For an example of this view, see Figure 7–15.

This view exists at the following level:

- Category (a level in the Product dimension)

Table 7–21 lists the measures available in this view.

Table 7–21   Assign Category Roles - Industry Model A Measures

Label
LY Recommended Role - Industry Model A
LY Assigned Role - Industry Model A
Current Recommendation Role - Industry Model A
Plan Override Role - Industry Model A

Assign Category Role - Key Take Aways View

Use this view to enter any pertinent notes for the Assign Category Role step.

Figure 7–16   Assign Category Role - Key Take Aways View
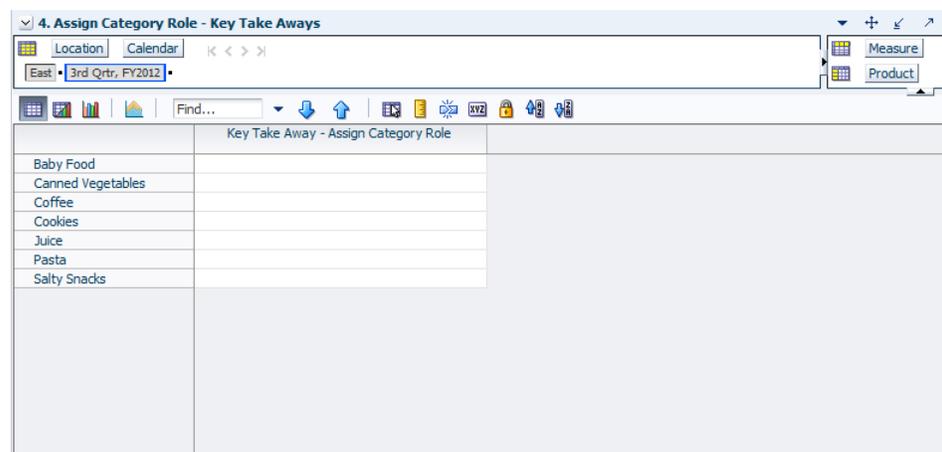
Table 7–22 lists the measure available in this view.

Table 7–22   Assign Category Role - Key Take Away Measure

Label
Key Take Away - Assign Category Role

Analyze and Assign Category Role - Industry Model B Tab

Figure 7–17 shows the views for this tab.

Figure 7–17   Analyze and Assign Category Role - Industry Model B Tab Views
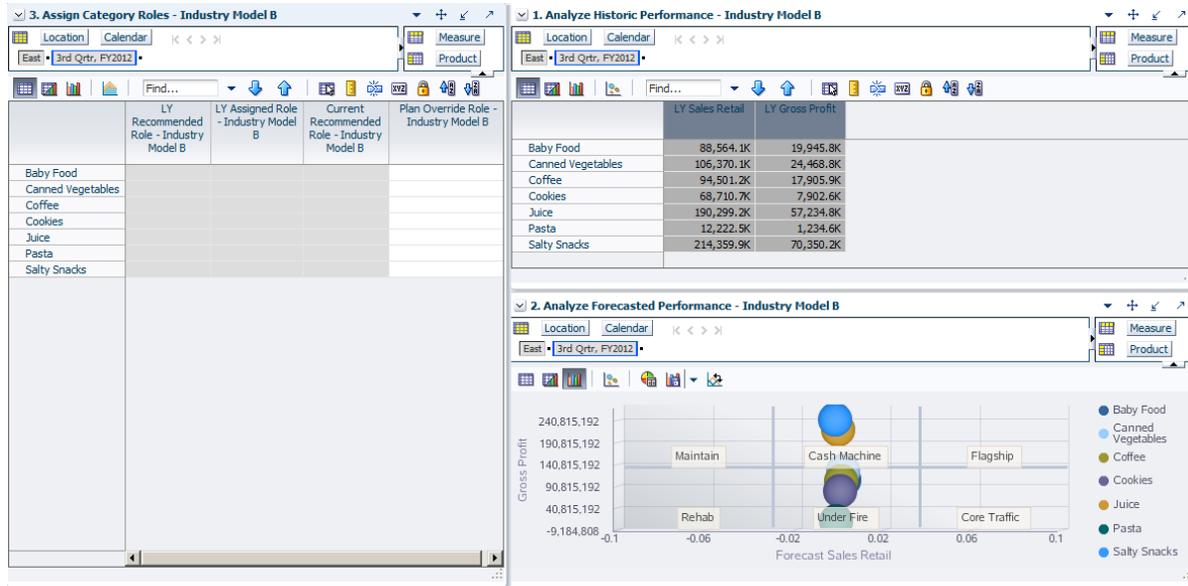
Analyze Historic Performance - Industry Model B View

Industry Model B is used to determine such roles as the following:

- Destination
- Routine
- Seasonal
- Convenience

Use this view to analyze historic performance for determining category roles. This information is best viewed as a bubble chart. For an example of this view, see Figure 7–17.

Table 7–23 lists the measures available in this view. The measures are loaded from market scan and retailer data.

*Table 7–23   Analyze Historic Performance - Industry Model B Measures*

Label
LY Sales Retail
LY Gross Profit

Analyze Forecasted Performance - Industry Model B View

Use this view to analyze forecasted performance for determining category roles. For an example of this view, see Figure 7–17.

This view exists at the following levels:

- Market (a level in the Location dimension)
- Consumer Segment (a level in the Location dimension)
- Category (a level in the Product dimension)

Table 7–24 lists the measures available in this view. The measures are loaded from market scan and retailer data.

Table 7–24   Analyze Forecasted Performance Using Industry Model B Measures

Label
Forecast Sales Retail
TY Sales Retail
Forecast Gross Profit %

Assign Category Roles - Industry Model B View

Use this view to assign category roles based on historic and forecasted performance. You are able to override the role recommended by the system. For an example of this view, see Figure 7–17.

This view is a standard table at the following levels:

- Category (a level in the Product dimension)
- Market (a level in the Location dimension)

Table 7–25 lists the measures available in this view.

Table 7–25   Assign Roles as per Industry Model B Measures

Label
LY Recommended Role - Industry Model B
LY Assigned Role - Industry Model B
Current Recommendation Role - Industry Model B
Plan Override Role - Industry Model B

Assign Category Role - Key Take Aways View

Use this view to enter any pertinent notes for the Assign Category Role step.
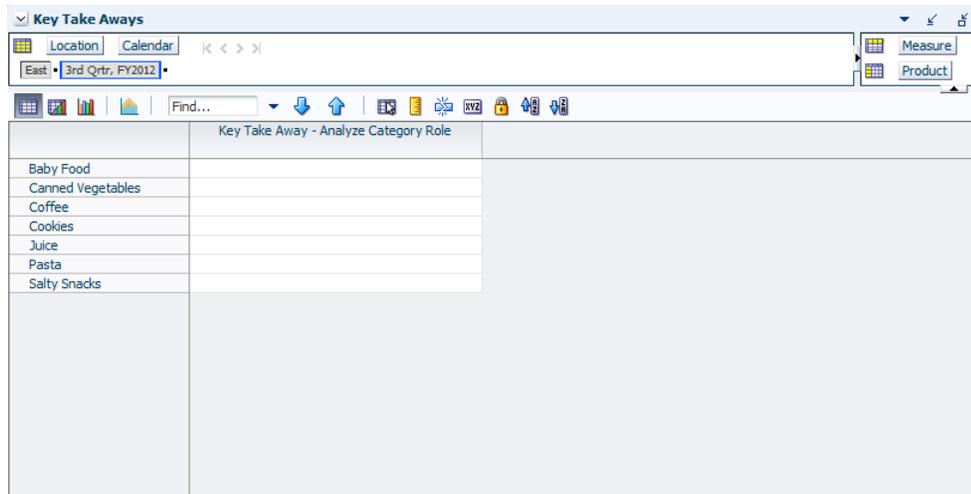
Figure 7–18   Assign Category Role - Key Take Aways View
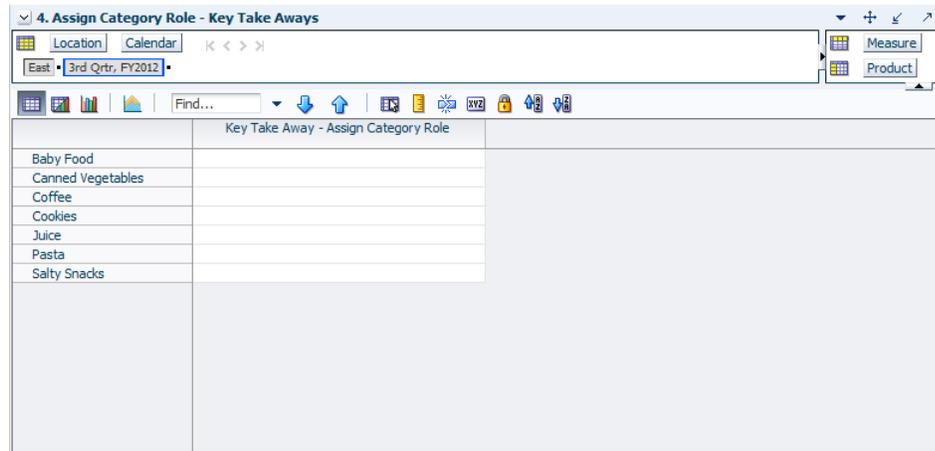
Table 7–26 lists the measure available in this view.

Table 7–26   Assign Category Role - Key Take Away Measure

Label
Key Take Away - Assign Category Role

Assess Category Performance to Role Step

Use this step to perform deeper assessments within the category for assortment, space, price, promotion, and supply chain. The analytics within this step enable retailers to identify and prioritize opportunities.

This step contains the majority of the analytics and answers key questions such as the following:

- Consumer:
  - Who buys the category?
  - What percentage buys the category?
  - How frequently do they purchase?
  - How much do they spend?
  - When do they buy the category?
  - What drives their purchases?
  - What else is in their basket?
  - How loyal are they to the category?
- Retailer:
  - How productive are overall sales and profit trends?
  - How productive is the current assortment?
  - How productive is the current pricing?
  - How effective are current promotions?
  - What are the inventory turns and days of supply?

- What are the profit margins, velocity, and inventory levels?

■ Market/Competitor:

- What are the sales trends of the category in the market?

- What is the retailer's share?

- What are the opportunities?

- How does pricing compare to the competition?

- How does the assortment compare?

- How does promotional activity compare?

■ Supplier/Brand:

- What are the sales trends for specific brands?

- How efficient are profitable are each supplier's brand?

- How does the retailer's private label contribute to the category and add to their image?

- How does the retailer's private label compare to national brands?

- How powerful is the supplier's brand development?

The following data is required for this task:

■ Market scan data

■ Micro and macro space data

■ Pricing data

This step has the following views:

■ Review Category / Sub-Category Performance View

■ Review Price and Promo Effectiveness View

■ Review Promotional Effectiveness View

■ Review Average Movement View

■ Review Space Effectiveness View

■ Assess Category Performance - Key Take Aways View

Review Category / Sub-Category Performance View

Use this view to review the performance of the assortment.

Figure 7–19   Review Category / Sub-Category Performance View
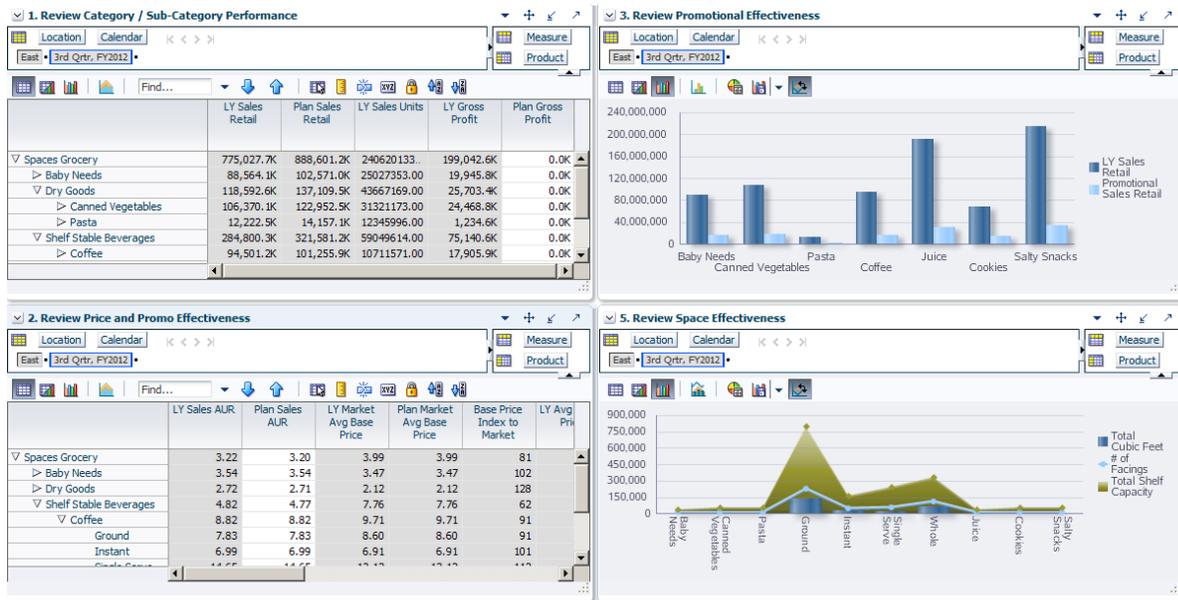
Table 7–27 lists the measures available in this view.

Table 7–27   Review Category / Sub-Category Performance Measures

Label
LY Sales Retail
Plan Sales Retail
LY Sales Units
LY Gross Profit
Plan Gross Profit

Review Price and Promo Effectiveness View

Use this view to determine how base pricing compares to promotional pricing for the retailer and market. This helps identify if the retailer spread is comparable to or different from the market. For an example of this view, see Figure 7–19.

The view exists at the following levels:

- Category/Sub-category (a level in the Product dimension)
- Market (a level in the Location dimension)

Table 7–28 lists the measures available in this view.

Table 7–28   Review Price and Promo Effectiveness Measures

Label
LY Sales AUR
Plan Sales AUR
LY Market Avg Base Price
Plan Market Avg Base Price

Table 7–28   (Cont.) Review Price and Promo Effectiveness Measures

Label
Base Price Index to Market
LY Avg Promo Price
Plan Avg Promo Price
LY Market Avg Promo Price
Plan Market Avg Promo Price
Promotion Price Index to Market
LY Sales Retail
TY Sales Retail
Promotional Sales
LY Market Sales Retail
Market Sales Retail
LY Gross Profit
Plan Gross Profit

Review Promotional Effectiveness View

Use this view to understand if the category is general real revenue or whether it relies on promotional volume to maintain share. This information is best viewed as a stacked area chart. For an example of this view, see Figure 7–19.

The view exists at the following levels:

■   Variable - quarter/month/year/etc (a level in the Calendar dimension)

■   Sales Units (from the retailer's POS data)

Table 7–29 lists the measures available in this view.

Table 7–29   Review Promotional Effectiveness Measures

Label
LY Sales Retail
Plan Sales Retail
LY Avg Promo Price
Promotional Sales Retail

Review Average Movement View

This view is related to promotional effectiveness and shows the sales units for a category over time. It can be used to identify and review seasonality. This information is best displayed as a line chart.

Figure 7–20   Review Average Movement View
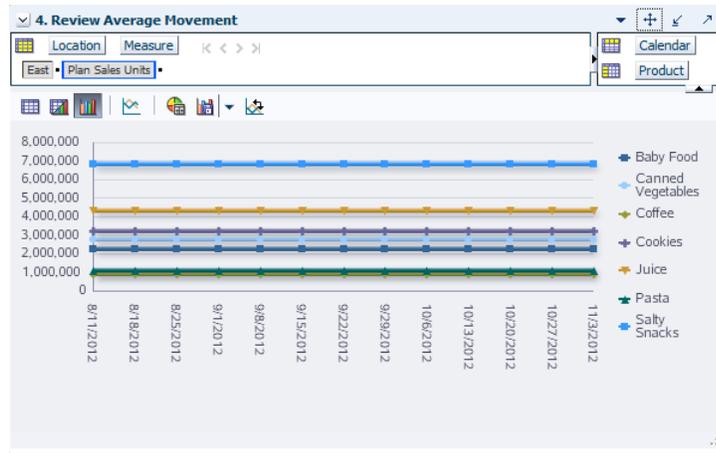
Table 7–30 lists the measure available in this view.

Table 7–30   Review Average Movement Measure

Label
Plan Sales Units

Review Space Effectiveness View

Use this view to review the effectiveness of the planned space. All measures are optional and based on whether the retailer has the space planning data available. For an example of this view, see Figure 7–19.

Table 7–31 lists the measures available in this view.

Table 7–31   Review Space Effectiveness Measures

Label
Total Cubic Feet
#of Facings
Total Shelf Capacity
Sales Retail per Cubic Foot
Sales Units per Cubic Foot
Gross Profit per Cubic Foot
Sales Retail Contribution to Total
Gross Profit Contribution to Total

Assess Category Performance - Key Take Aways View

Use this view to enter any pertinent notes for the Assess Category Performance step.

Figure 7–21   Assess Category Performance - Key Take Aways View

Table 7–32 lists the measure available in this view.

Table 7–32   Assess Categories - Key Take Aways Measure

Label
Key Take Away - Access Categories

Assign Category Strategies Step

Use this step to evaluate category purchase dynamics and assign appropriate strategies to sub-category/brand. Based on different metrics, you define the role and strategies for each sub-category for each consumer segment.

The following data is required for defining the Assign Category Strategies task:

- Retailer's POS data
- Pre-defined category strategies

This step has the following views:

- Identify Cash Building Sub-Categories View
- Identify Excitement Generating Sub-Categories View
- Identify Image Enhancing Sub-Categories View
- Identify Profit Generating Sub-Categories View
- Identify Traffic Building Sub-Categories View
- Identify Transaction Building Categories View
- Identify Turf-Defending Sub-Categories View
- Assign Strategies View

Identify Cash Building Sub-Categories View

Use this view to plot shopping frequency versus market turns (sales units). Sub-categories, with a large bubble in the top right corner on the bubble chart, qualify for this strategy. This information is best viewed as a bubble chart.

This view exists at the following level:

■ Any static or dynamic level in the Product dimension

Figure 7–22   Identify Cash Building Sub-Categories View

Table 7–33 lists the measures available in this view.

Table 7–33   Identify Cash Building Sub-Categories Measures

Label
Purchase Frequency
Plan Sales Units
Forecast Sales Units

Identify Excitement Generating Sub-Categories View

Use this view to plot sales dollars as a trend:

■ Any sub-category that demonstrates seasonal purchases and is high-impulse and lifestyle-oriented, is flagged as excitement-generating on a scale of excellent versus possible versus poor.

■ These attributes are not determined systematically. They are left to the interpretation of the business users.

This information is best viewed as a line chart.

This view exists at the following levels:

■ Any static or dynamic level in the Product dimension

■ Any level in the Calendar dimension

Figure 7–23   Identify Excitement Generating Sub-Categories View
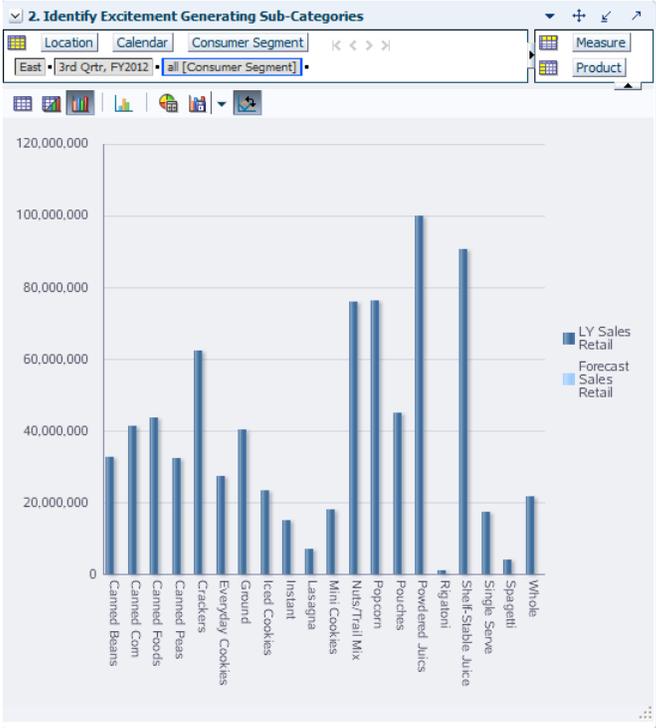
Table 7–34 lists the measures available in this view.

Table 7–34   Identify Excitement Generating Stub-Categories Measures

Label
LY Sales Retail
Forecast Sales Retail
Plan Sales Retail

Identify Image Enhancing Sub-Categories View

Use this view to use quadrant analysis to plot purchase-frequency against Promo % (percentage bought on promotion). Sub-categories, in the top right corner, are flagged as an *excellent* fit and so on. This information is best viewed as a bubble chart.

This view exists at the following level:

■   Any static or dynamic level in the Product dimension

Figure 7–24   Identify Image Enhancing Sub-Categories View
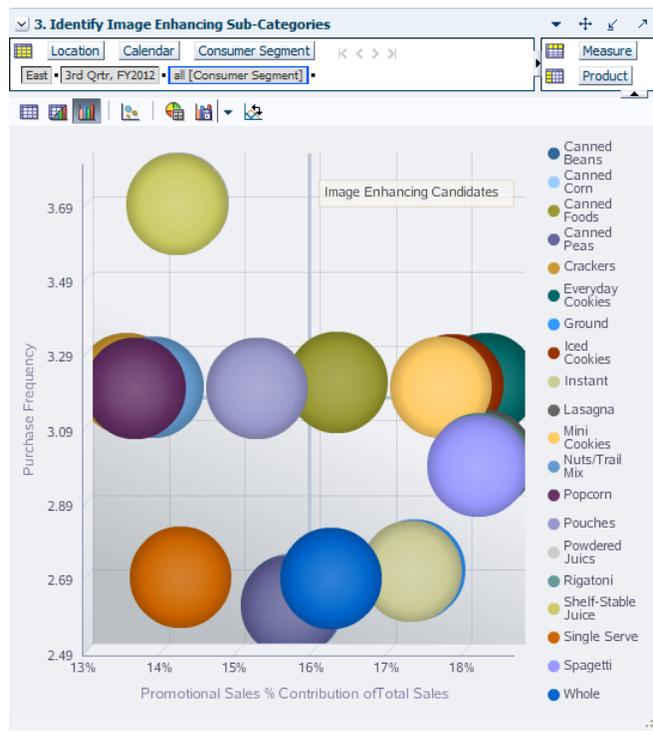
Table 7–35 lists the measures available in this view.

Table 7–35   Identify Image Generating Sub-Categories Measures

Label
Promotional Sales Contribution to Sales Retail
Purchase Frequency
Plan Sales Retail
Forecast Sales Retail

Identify Profit Generating Sub-Categories View

Use this view to plot histograms for the profit (or GM) percentage of each sub-category. Excellent versus possible versus poor are based on predefined thresholds. This information is best viewed as a column chart.

This view exists at the following level:

■   Any static or dynamic level in the Product dimension

Figure 7–25   Identify Profit Generating Sub-Categories View
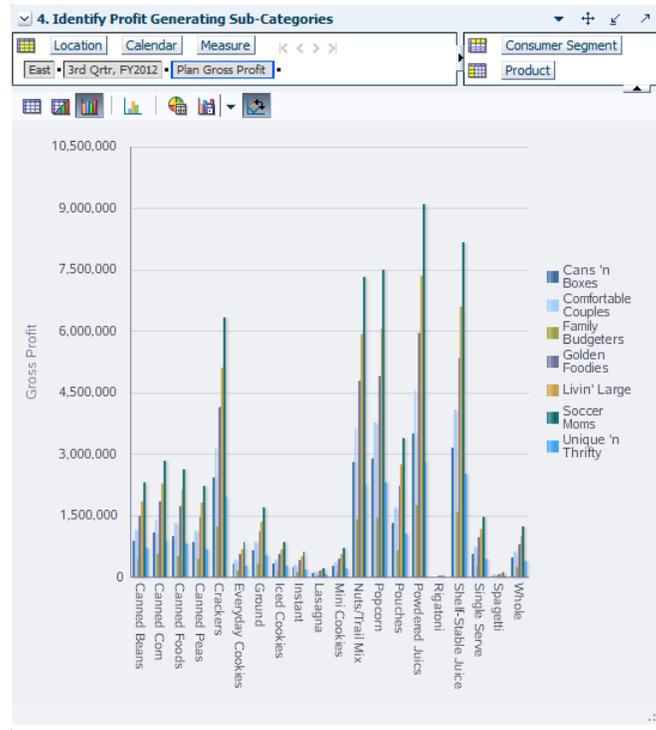
Table 7–36 lists the measures available in this view.

Table 7–36   Identify Profit Generating Sub-Categories Measures

Label
Plan Gross Profit

Identify Traffic Building Sub-Categories View

Use this view to create a bubble chart to plot market share versus frequency:

- Sub-categories in the top-right segment and large bubble are considered ideally suited.
- Based on fit, categories are classified as excellent, possible, or poor.

This information is best viewed as a bubble chart.

This view exists at the following level:

- Any static or dynamic level in the Product dimension

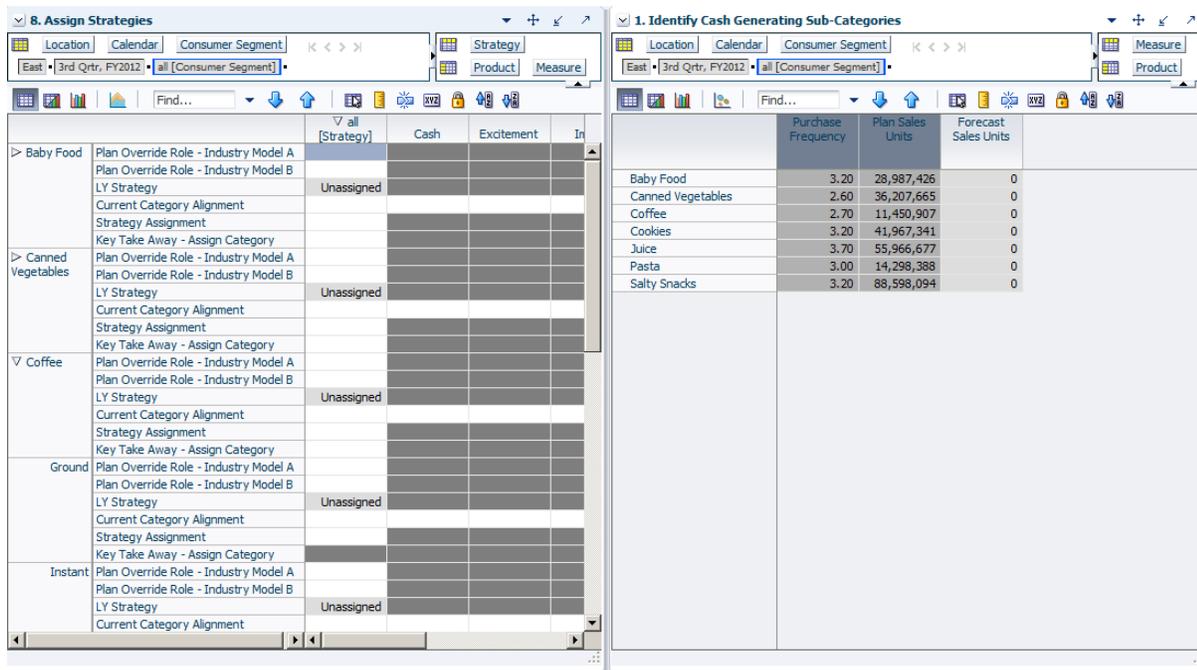**Figure 7–26 Identify Traffic Building Sub-Categories View**
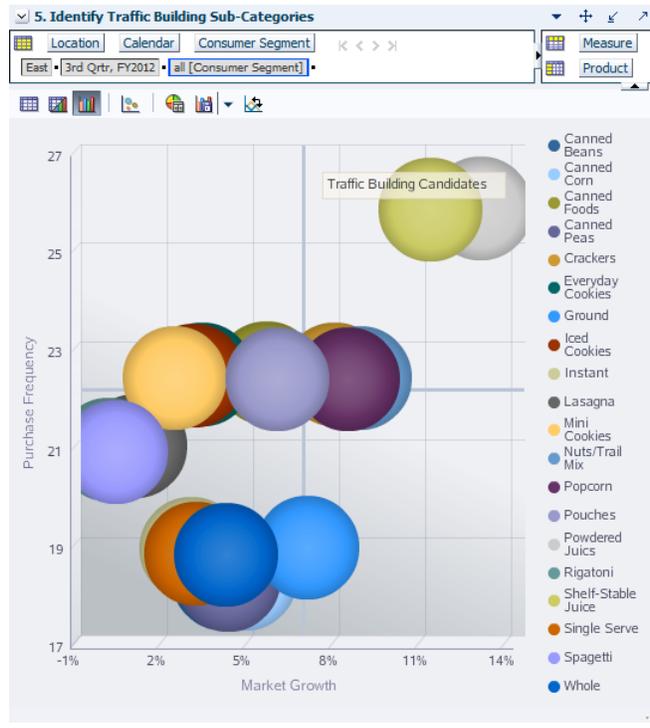
Table 7–37 lists the measures available in this view.

Table 7–37 Identify Traffic Building Sub-Categories Measures

Label
Share of Market Sales
Consumer Purchase Frequency for Sub-Category Percentage
Plan Sales Retail
Forecast Sales Retail

Identify Transaction Building Categories View

Use this view to create a bubble chart to plot shopping frequency versus basket value. Sub-categories, with a large bubble in the top right corner, qualify for this strategy. This information is best viewed as a scatter chart.

This view exists at the following level:

■   Any static or dynamic level in the Product dimension

*Figure 7–27   Identify Transaction Building Categories View*
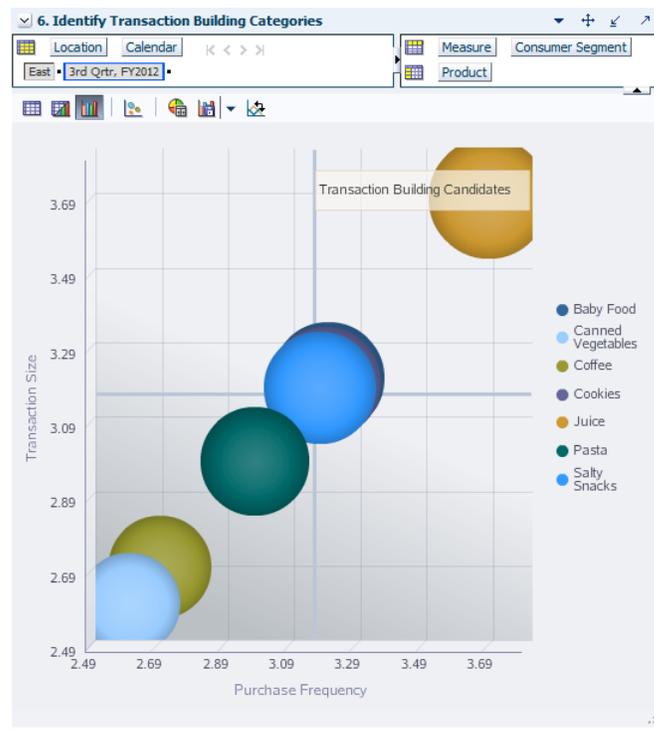
Table 7–38 lists the measures available in this view.

Table 7–38   Identify Transaction Building Categories Measures

Label
Purchase Frequency
Transaction Size with Category

Identify Turf-Defending Sub-Categories View

Use this view to plot the retailer's buyer conversion rates against that of the competition. Any sub-categories where the retailer is lagging may be flagged as potentially turf-defending. This information is best viewed as a column chart.

This view exists at the following level:

- Any static or dynamic level in the Product dimension

- Retailer (a level in the Retailer dimension)

- Consumer Segment (a level in the Location dimension)

Figure 7–28   Identify Turf-Defending Sub-Categories View
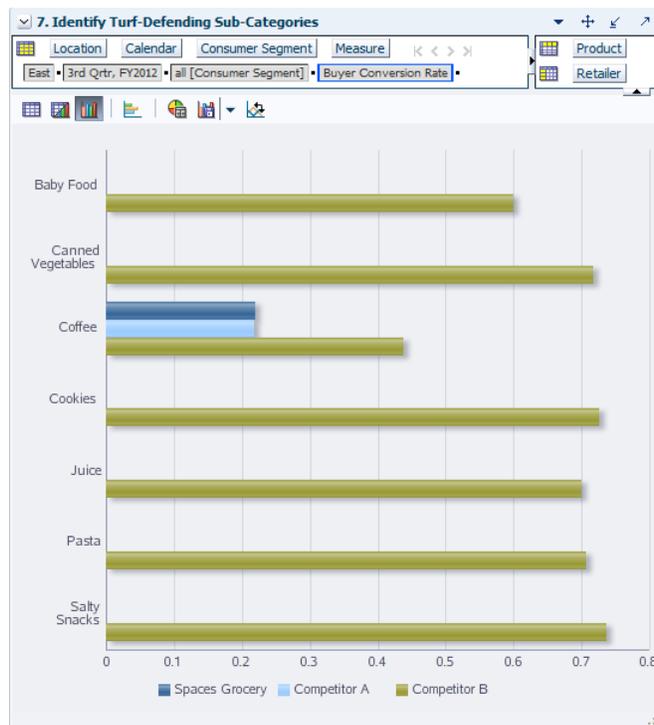
Table 7–39 lists the measure available in this view.

Table 7–39   Identify Turf-Defending Sub-Categories Measure

Label
Buyer Conversion Rate

Assign Strategies View

Use this view to assign strategies based on the relevant performance behavior. Assigning Strategies is a key component of calculating and working with IPIs in Assortment Rationalization. For an example of this view, see Figure 7–22.

Table 7–40 lists the measures available in this view.

Table 7–40   Assign Strategies Measures

Label
Plan Override Role - Industry Model A
Plan Override Role - Industry Model B
LY Strategy
Current Category Alignment
Strategy Assignment
Key Take Away - Assign Category Strategies

Assign Category Tactics Step

Use this step to assign tactics, view historical tactics, and seed tactics from historical views. Tactics are assigned for each of the tactical areas per sub-category, trading area, and consumer segment. There are five tactical areas:

- Assortment

- Inventory

- Pricing

- Promotion

- Space

This step has the following views:

- Assign Category Tactics View

- Assign Category Tactics - Key Take Aways View

Figure 7–29 shows both views for this step.

Figure 7–29 Assign Category Tactics Step Views
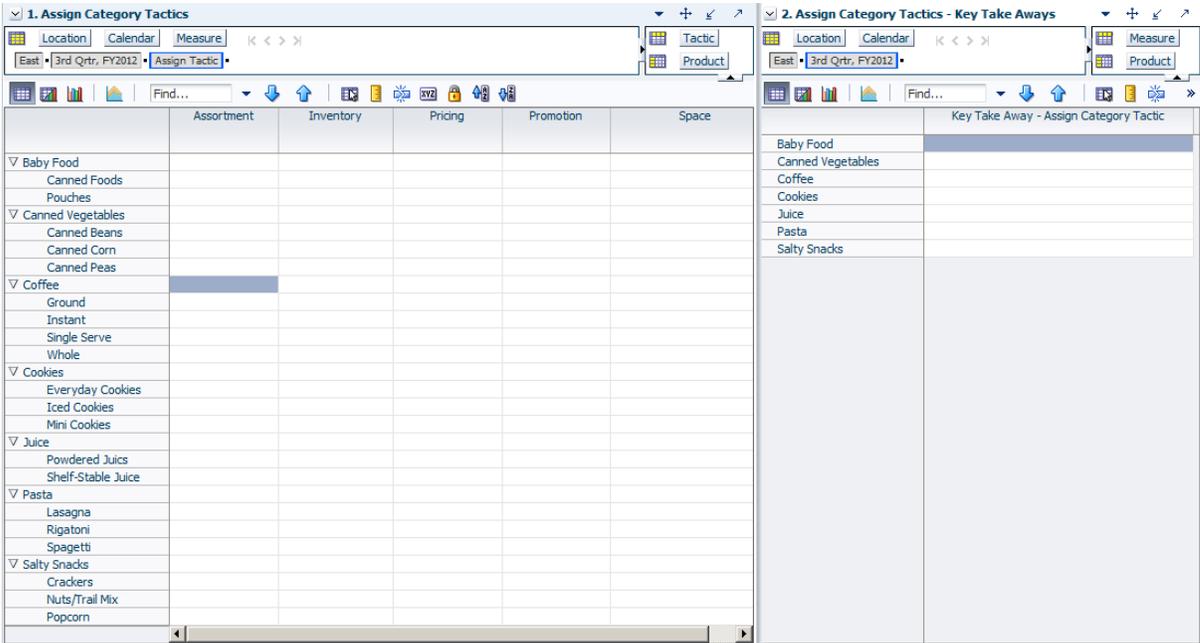
Assign Category Tactics View

Use this view to assign tactics for each of the tactical areas per category, market, and consumer segment. For an example of this view, see Figure 7–29.

Table 7–41 lists the measure available in this view.

Table 7–41 Assign Category Tactic Measure

Label
Assign Tactic

Assign Category Tactics - Key Take Aways View

Use this view to enter any pertinent notes for the Assign Category Tactics step. For an example of this view, see Figure 7–29.

Table 7–42 lists the measure available in this view.

Table 7–42   Assign Category Tactics - Key Take Aways Measure

Label
Key Take Away - Assign Category Tactic

Analyze Category Scorecard Step

Use this view to establish robust, aggressive, and realistic performance targets for a single category across store clusters within a trading area. The scorecard has a number of performance metrics that can be assigned as targets for each of the categories being planned:

- Milestones can be set by a user-defined time period. Quarterly milestones are the default.

- Different metrics can be determined or selected for each category.

Forecast values are populated by running the forecast batch operation. See the *Oracle Retail Category Management Implementation Guide* for more information on this operation.

The scorecard consists of the following components:

- Metric

- Prior year total

- Target (to be determined by user)

- Percent increase or decrease from the prior year

- Variance to target (to be populated during in-season)

The following data is required for analyzing the category scorecard:

- Retailer loyalty data

This step has the following tabs and views:

- Scorecard Summary Tab

  - Scorecard Summary View

- Set Sales and Profit Targets Tab

  - Set Private Label Targets View

  - Set Sales and Profit Targets View

- Set Inventory Targets Tab

  - Set Inventory Targets View

- Set Customer Targets Tab

  - Set Consumer Targets View

Scorecard Summary Tab

This tab has one view.

Scorecard Summary View

Use this view to see the summary of the scorecard.

Figure 7–30   Scorecard Summary View

Table 7–43 lists the measures available in this view.

Table 7–43   Set Inventory Targets Measures

Label
LY Sales Retail
Plan Sales Retail
Target Sales Retail
LY Gross Profit
Plan Gross Profit
Target Gross Profit
Target Gross Profit %
LY GPROI
Plan GPROI
Target GPROI
LY Inventory Weeks of Supply
Plan Inventory Weeks of Supply
Target Inventory Weeks of Supply

Set Sales and Profit Targets Tab

This tab has two views.

Set Sales and Profit Targets View

Use this view to set the sales and profit targets at the total category level.

Figure 7–31   Set Sales and Profit Targets View

Table 7–44 lists the measures available in this view.

Table 7–44   Set Sales Targets Measures

Label
Forecast Sales Retail
Plan Sales Retail
LY Sales Retail
LY Sales Retail
Plan Sales Retail
LY Sales Retail
Plan Sales Retail
LY Sales AUR
Forecast Sales Units
Plan Sales Units
LY Sales Units
Forecast Sales AUR
Plan Sales Units
Plan Sales AUR
LY Gross Profit
Plan Gross Profit
LY Sales Retail per Sqr. Foot
Plan Sales Retail per Sqr. Foot
LY Gross Profit per Sqr. Foot

Table 7–44   (Cont.) Set Sales Targets Measures

Label
Plan Gross Profit per Sqr. Foot

Set Private Label Targets View

Use this view to set the category-specific sales and profit targets for the private label.

Figure 7–32   Set Private Label Targets View

Table 7–45 lists the measures available in this view.

Table 7–45   Set Private Label Targets Measures

Label
LY Sales Retail
LY Private Label Sales Retail
LY Private Label Sales Retail contrib to Total LY Sales Retail
Forecast Sales Retail
Plan Sales Retail
Plan Private Label Sales Retail
Plan Private Label Sales Retail contrib to Total Plan Sales Retail
LY Sales Units

Table 7–45   (Cont.) Set Private Label Targets Measures

Label
LY Sales AUR
LY Private Label Sales Units
LY Private Label Sales AUR
Forecast Sales Units
Plan Sales Units
Plan Sales AUR
Plan Private Label Sales Units
Plan Private Label Sales Units AUR
LY Gross Profit
LY Private Label Gross Profit
LY Private Label Gross Profit %
LY Private Label Gross Profit contrib to Total LY Gross Profit
Plan Gross Profit
Plan Private Label Gross Profit
LY Total SKU Count
Target Total SKU Count
LY Private Label SKU Count
Plan Private Label Gross Profit %
LY Private Label SKU Count contrib to Total SKU Count
Plan Private Label Gross Profit contrib to Total Gross Profit
Target Private Label SKU Count
Target Private Label SKU Count contrib to Total SKU Count

Set Inventory Targets Tab

This tab has one view.

Set Inventory Targets View

Use this view to set the scorecard targets for inventory.

Figure 7–33   Set Inventory Targets View

Table 7–46 lists the measures available in this view.

Table 7–46   Set Inventory Targets Measures

Label
LY Inventory Weeks of Supply
Plan Inventory Weeks of Supply
LY Inventory Service Level
Plan Inventory Service Level
LY GPROI
Plan GPROI
LY GPROS
Plan GPROS

Set Customer Targets Tab

This tab has one view.

Set Consumer Targets View

Use this view to set the scorecard targets for customer.

Figure 7–34   Set Consumer Targets View

Table 7–47 lists the measures available in this view.

Table 7–47   Set Consumer Targets Measures

Label
LY Consumer Retention Level
Plan Consumer Retention Level
LY Purchase Frequency
Plan Purchase Frequency
Plan Consumer Loyalty
Plan Consumer Loyalty

Key Take Aways Tab

This tab has one view.

Key Take Aways View

Use this view to enter any pertinent notes for the Analyze Category Scorecard step.

Figure 7–35   Analyze Category Scorecard - Key Take Aways View

Table 7–48 lists the measure available in this view.

Table 7–48   Key Take Aways Measure

Label
Key Take Aways - Analyze Category Scorecard

Finalize Category Plans Step

Use this step to review the financial goals and approve the assortment strategies, tactics, and scorecard.

This step has the following view:

■   Approve Assortment Strategies, Tactics, and Scorecard View

Custom Menu

This step has the Approve custom menu. For more information, see Approve Assortment Strategies, Tactics, and Scorecard View.

Approve Assortment Strategies, Tactics, and Scorecard View

Use this view to approve the assortment. Approval is the trigger that makes category roles, strategies, and tactics available to downstream solutions (for example, Assortment Rationalization). The Working Plan is transferred into the Current Plan, which is transferred to Assortment Rationalization. The plan is time-stamped and includes user information.

To approve the strategies, tactics, and scorecard, check the box next to the desired category. Enter approval comments, if desired. Click the Approve custom menu to approve. Commit the workbook changes.

This view exists at the following level:

■   Sub-Category (a level in the Product dimension)

- Trading Area (a level in the Location dimension)

Figure 7–36   Approve Assortment Strategies, Tactics, and Scorecard View
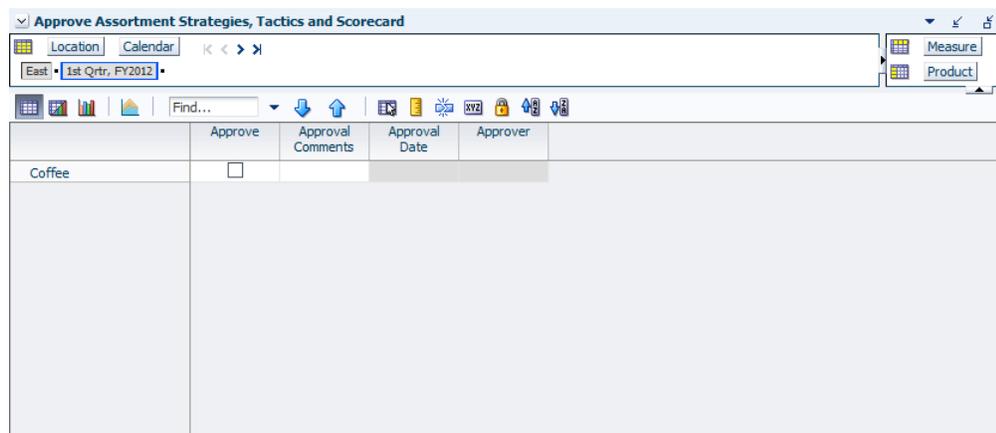
Table 7–49 lists the measures available in this view.

Table 7–49   Approve Assortment Strategies, Tactics, and Scorecard Measures

Label
Approve
Approval Comments
Approval Date
Approver

Next Steps

After completing category planning, continue to the Assortment Rationalization @ Cluster Task.

8

Assortment Rationalization @ Cluster Task

This task enables a retailer to analyze their assortment, assign weights to attributes, and calculate a score (ranking) that is systematically used to suggest additions and deletions to the assortment.

Consumer insights are core to this task utilizing external market and consumer data. This task also includes visibility to the retailer's category versus competitors versus the market place as a whole. (Examples of external market data providers include Nielsen, Symphony IRI, Axciom, and FICO.)

The task assists users in analyzing their current assortments, determining the appropriate market coverage, rationalizing (validation of necessary add, drop, and keep) the assortment, and quantifying the assortment decision.

The task utilizes clustering (completed outside of the Category Management solution) to ensure assortments are tailored to specific markets and primary consumer segments. Stores are pre-clustered based upon similarity in target consumer profiles or any other selected parameters. Clustering needs to be space-aware. Category Management uses the space-aware clusters. Clusters need to have the relatively same size planograms (POGs). Assortments are developed, rationalized, and finalized across each store cluster, based on consumer segment or other attributes that drove the store clustering. The following requirements at the cluster level:

- Assortment Rationalization is performed for a category of merchandise for one or more clusters within one trading area.

- The workbook can be built for one or multiple categories for one trading area.

- All of the store-level key performance indicators (IPIs) are pre-aggregated to cluster for the purpose of rationalization, so that each store within the cluster is considered identical to the others.

Store-level visibility to metrics and store-level overrides of assortment decisions are not allowed within this workbook.

The application takes advantage of a feed of category planning data to make category role, strategies, tactics, and financial objectives visible to ensure the assortment aligns back to the overall category-level objectives.

The application exports assortment data, including an item's final performance index (IPI), that differs by store cluster and can be leveraged in downstream planning and supply chain applications.

This task has the following steps:

- Getting Started Step

- Like Item Mapping Step

- Market Coverage Evaluation Step

- Performance Analysis Step

- Consumer Assessment Step

- Market Assessment Step

- Review Assortment and IPIs Step

- Assortment Quantification and Approval Step

Create the Assortment Rationalization @ Cluster Workbook

To create the workbook:

1. Select the **New Workbook** icon in the Assortment Rationalization @ Cluster activity.

Figure 8–1 Assortment Rationalization @ Cluster Task
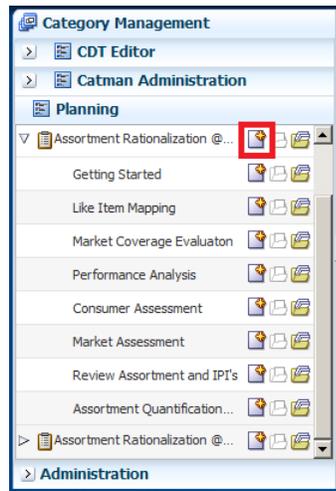
2. Select the calendar periods and move them to the Selected Periods box. Click **Next**.

Figure 8–2   Workbook Wizard Select Periods Page
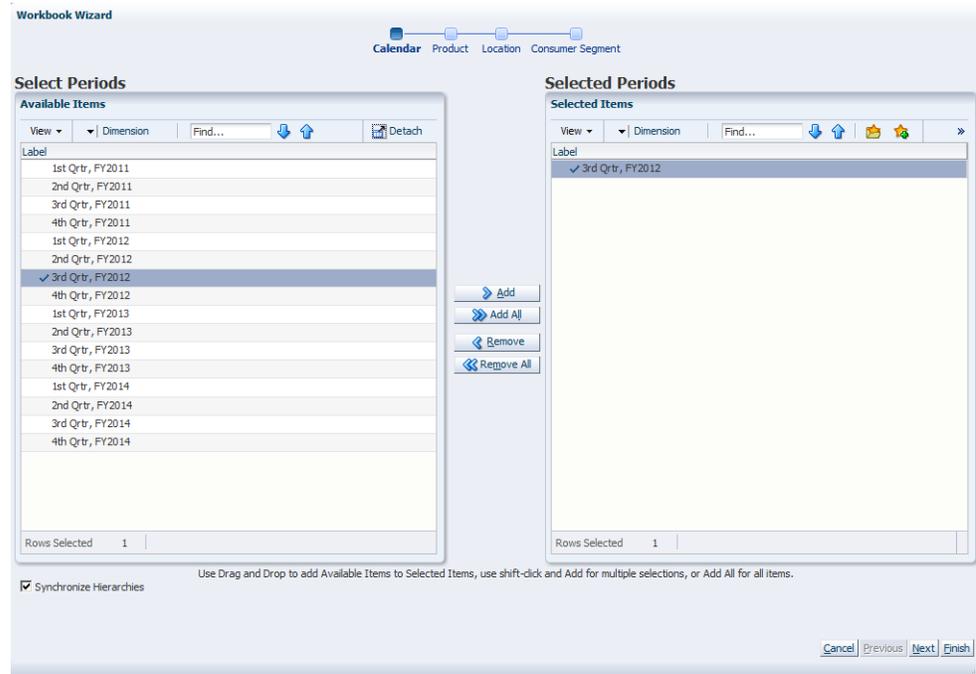
3.   Select the products and move them to the Selected Products box. Click **Next**.

Figure 8–3   Workbook Wizard Select Products Page
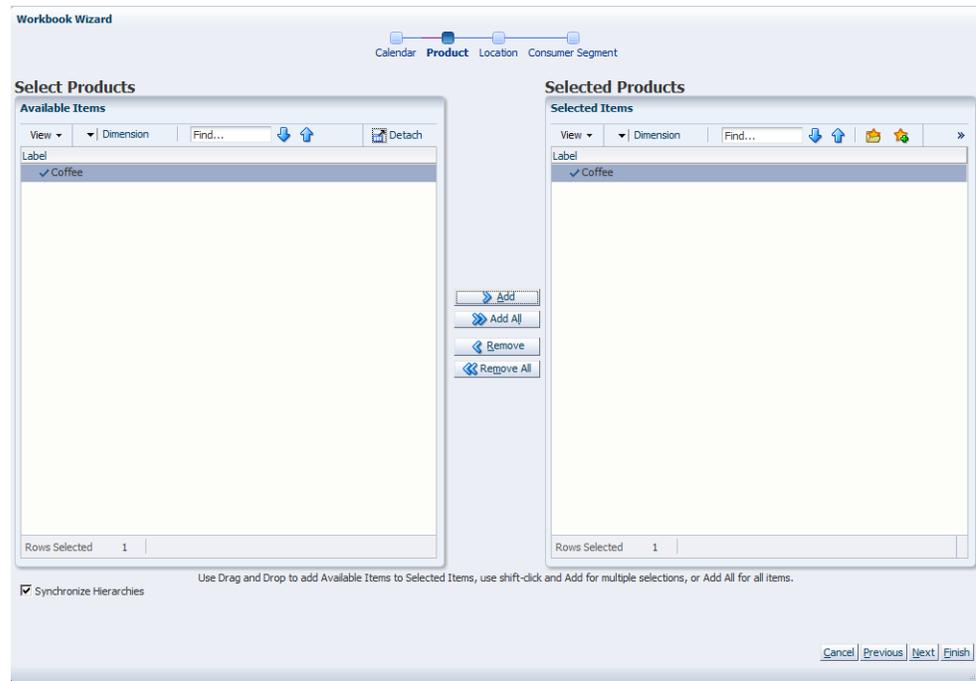
4.   Select the locations and move them to the Selected Locations box. Click **Next**.

Figure 8–4 Workbook Wizard Select Locations Page
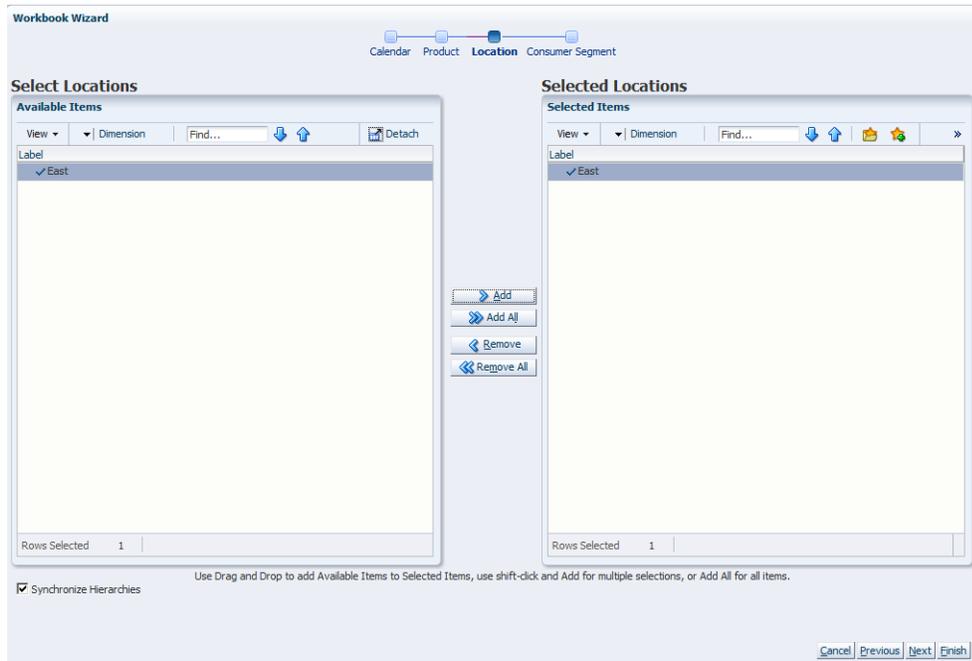
5. Select the versions and move them to the Selected Versions box. Click **Finish**.

Figure 8–5 Workbook Wizard Select Version Page
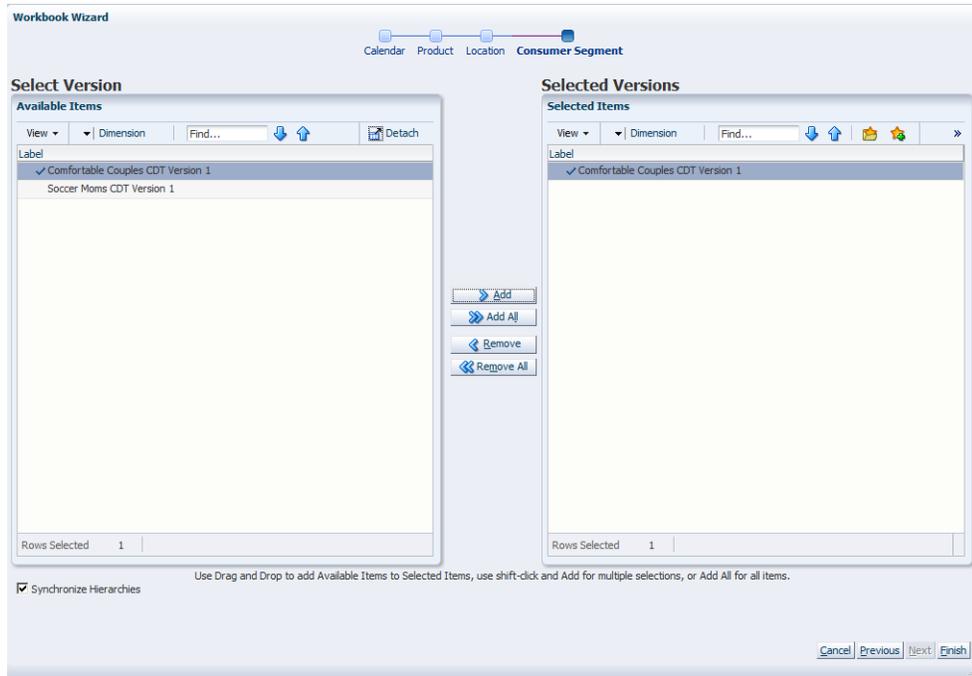
The workbook is created.

Getting Started Step

This step has the following tabs and views:

- Category Roles, Strategies, and Tactics Tab:
  - Review Roles & Strategies View
  - Review Tactics View
- Review Category Scorecard Tab:
  - Scorecard Summary View
  - Review Consumer Targets View
- Review Consumer Segments Tab:
  - Review Consumer Segments View
- Seed and Review Plan Sales Tab:
  - Review and Plan Sales View
- Key Take Aways Tab:
  - Key Take Aways - Getting Started View

Custom Menu

There is a custom menu available called Seed Sales. You select the desired data source in the Seed Source column. The choices are No Action, Forecast, and Last Year. The appropriate values are copied into the Sales and Sales Units columns.

Category Roles, Strategies, and Tactics Tab

This tab has two views.

Review Roles & Strategies View

Use this view to review the approved roles and strategies of a category in a trading area as defined in category planning.

Figure 8–6   Review Roles & Strategies View

Table 8–1 lists the measures available in this view.

Table 8–1   Review Roles & Strategies Measures

Label
Assigned Role - Industry Model A
Assigned Role - Industry Model B
WP Strategy

Review Tactics View

Use this view to review the approved tactics of a category in a trading area as defined in category planning.

Figure 8–7   Review Tactics View
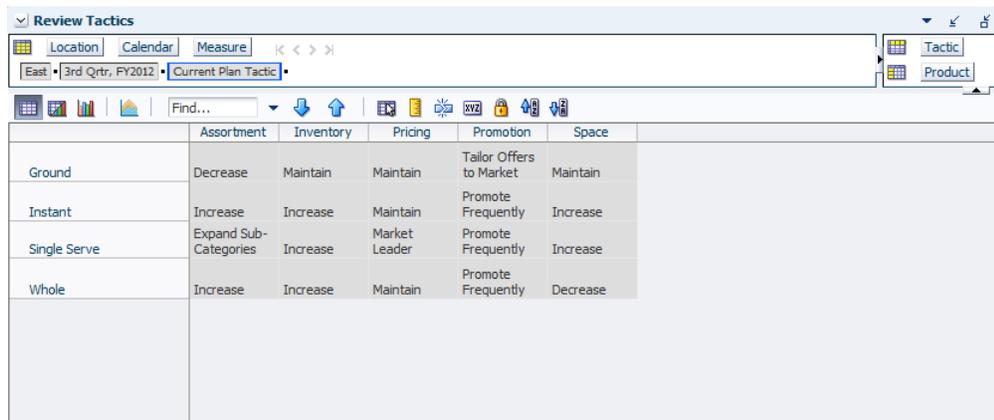
Table 8–2 lists the measure available in this view.

Table 8–2   Review Tactics Measure

Label
Current Plan Tactic

Review Category Scorecard Tab

This tab has two views.

Scorecard Summary View

Use his view to review a summary of the key measures that determine the go-forward category strategy.

Figure 8–8 Scorecard Summary View

Table 8–3 lists the measures available in this view.

Table 8–3   Scorecard Summary Measures

Label
LY Sales Retail
Target Sales Retail
Assort. WP Sales Retail
LY Gross Profit
Target Gross Profit
Target Gross Profit %
Plan Gross Profit
Plan Gross Profit %
LY GPROI
Target GPROI
Plan GPROI
LY Inventory Weeks of Supply
Target Inventory Weeks of Supply
Plan Inventory Weeks of Supply

Review Consumer Targets View

Use his view to review the consumer targets.

Figure 8–9   Review Consumer Targets View

Table 8–4 lists the measures available in this view.

Table 8–4   Review Consumer Targets Measures

Label
LY Consumer Retention Level
Target Consumer Retention Level
Plan Consumer Retention Level
LY Purchase Frequency
Target Purchase Frequency
Plan Purchase Frequency
LY Consumer Loyalty
Target Consumer Loyalty
Plan Consumer Loyalty

Review Consumer Segments Tab

This tab has one view.

Review Consumer Segments View

Use this view to review the customer segments.

Figure 8–10   Review Consumer Segments View

Table 8–5 lists the measures available in this view.

Table 8–5   Consumer Segments Measures

Label
Consumer Segment Distribution
Consumer Segment Status
Store Count
Plan Sales Retail
Consumer Segment / Category Sales Contribution
Consumer Segment / Store Sales Contribution

Seed and Review Plan Sales Tab

This tab has one view.

Review and Plan Sales View

Use this view to review and plan sales.

Populating the Forecast Sales and Forecast Sales Units measures is done by running the embedded forecast. See the *Oracle Retail Category Management Implementation Guide* for more information on this batch operation.

Figure 8–11   Review and Plan Sales View

Table 8–6 lists the measures available in this view.

Table 8–6   Review and Plan Sales Measures

Label
Forecast Sales Retail
LY Sales Retail
LY Sales Units
Forecast Sales Units
LY Gross Profit
LY Gross Profit %
Plan Gross Profit

Key Take Aways Tab

This tab has one view.

Key Take Aways - Getting Started View

Use this view to enter any pertinent notes for the Getting Started task.

Figure 8–12   Key Take Aways - Getting Started View

Table 8–7 lists the measure available in this view.

Table 8–7   Key Take Aways - Getting Started Measure

Label
Key Take Away - Assign Category Role
Key Take Away - Assign Category Strategies
Key Take Away - Assign Category Tactic
Key Take Away - Analyze Category Scorecard
Key Take Away - Getting Started

Like Item Mapping Step

Occasionally, new items may need to be included in the rationalization and optimization routines. These placeholder items may be identified by using this workbook. For a forecast to be generated, the workbook also facilitates the mapping history from one item to another. After identified and mapped to a like item, a new item may be included in the assortment rationalization and optimization routines.

The category manager can define which existing items have the most similar sales characteristics.

This step has the following views:

- Use Retail Like Item View

- Use Market Like Item View

- Use Attribute Like Item View

- Key Take Aways - Like Item Mapping View

Custom Menu

At any point in this step, you can calculate the like item effects. Use the Seed Like Items custom menu. This copies sales, sales units, profit, and attribute information from the item's like items to the item itself. In the case of Market Like Item, the market data is copied to the retailer's sales, scaled by the adjustment ratio.

Figure 8–13 shows the first two views for this step.

Figure 8–13   Like Item Mapping Step Initial Views
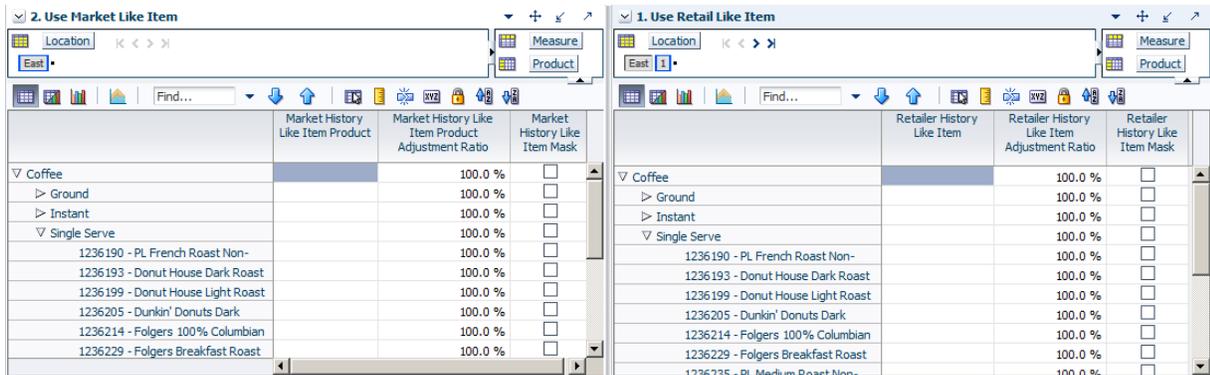
Use Retail Like Item View

Use this view to define like items for the retailer. For an example of this view, see Figure 8–13.

Table 8–8 lists the measures available in this view.

Table 8–8   Use Retail Like Item Measures

Label
Retailer History Like Item
Retailer History Like Item Adjustment Ratio
Retailer History Like Item Mask

Use Market Like Item View

Use this view to define like items for the market. For an example of this view, see Figure 8–13.

Table 8–9 lists the measures available in this view.

Table 8–9   Use Market Like Item Measures

Label
Market History Like Item Product
Market History Like Item Product Adjustment Ratio
Market History Like Item Mask

Use Attribute Like Item View

Use this view to define attributes for like items.

Figure 8–14   Use Attribute Like Item View
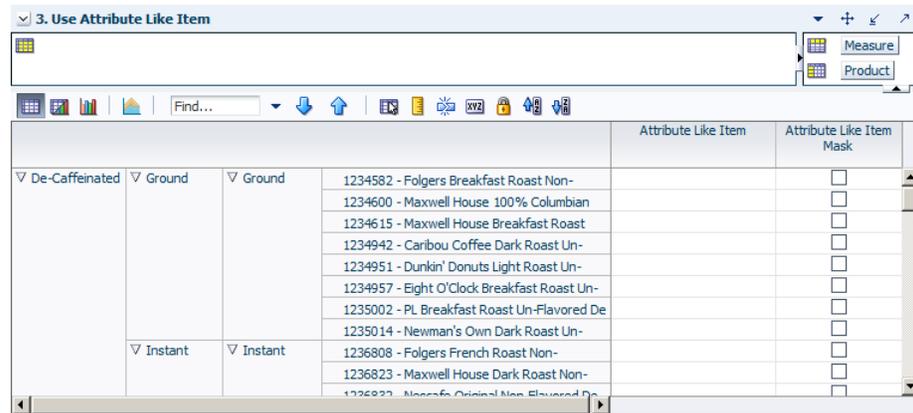
Table 8–10 lists the measures available in this view.

Table 8–10   Use Attribute Like Item Measures

Label
Attribute Like Item
Attribute Like Item Mask

Key Take Aways - Like Item Mapping View

Use this view to enter any pertinent notes for the Like Item step.

Figure 8–15   Key Take Aways - Like Item Mapping View
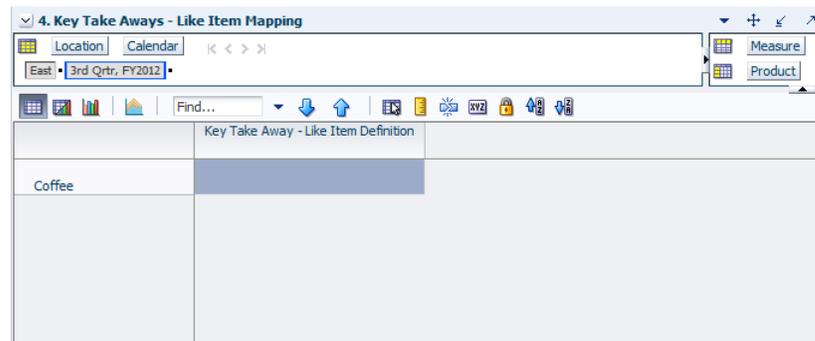
Table 8–11 lists the measure available in this view.

Table 8–11   Key Take Aways - Like Item Mapping Measure

Label
Key Take Away - Like Item Definition

Market Coverage Evaluation Step

Use this step to evaluate market coverage for each category by store cluster based on the standard hierarchy and/or by CDTs.

This step has the following tabs and views:

- Performance Based Fragmentation Analysis Tab:
  - Performance Based Fragmentation Analysis - Retail Data View
  - Performance Based Fragmentation Analysis - Market Data View
- Item Contribution Analysis Tab:
  - Item Contribution Analysis (Retailer) View
  - Item Contribution Analysis (Market) View
- Proliferation Analysis Tab:
  - Proliferation Analysis (Retailer) View
  - Proliferation Analysis (Market) View
- Accumulative Ranking Tab:
  - Accumulation Ranking Report (Retailer) View
  - Accumulation Ranking Report (Market) View
- Set Breakpoint and Performance Drivers Tab:
  - Set Breakpoints View
  - Set Performance Metric Driver View
- Key Take Aways - Market Coverage Tab:
  - Key Take Aways - Market Coverage View

The first two views provide the ability to set parameters used in fragmentation analysis.

Custom Menu

At any point after the information in these first three views are set, you can perform fragmentation analysis. This is done by using the Fragmentation Analysis custom menu.

The results of the fragmentation analysis populate the measures available in the following tabs:

- Performance Based Fragmentation Analysis Tab
- Item Contribution Analysis Tab
- Proliferation Analysis Tab
- Accumulative Ranking Tab

Performance Based Fragmentation Analysis Tab

Figure 8–16 shows the views for this tab.

Figure 8–16   Performance Based Fragmentation Analysis Tab
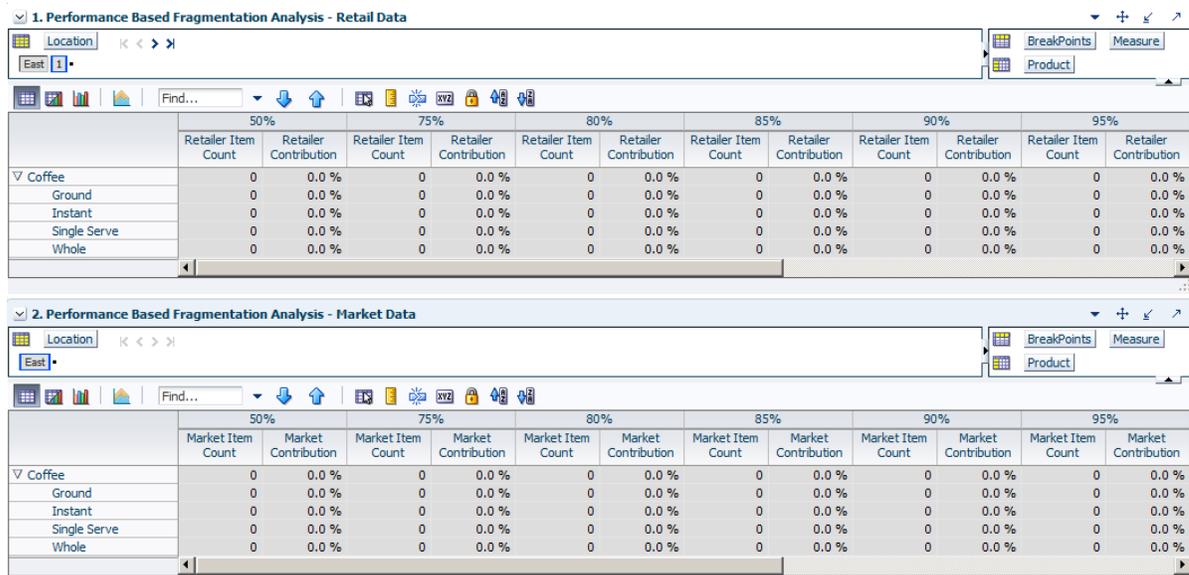
Performance Based Fragmentation Analysis - Retail Data View

Use this view to analyze the percentage of the SKUs that represent certain pre-defined breakpoints of sales dollars of the retailer's sales data. For an example of this view, see Figure 8–16.

Table 8–12 lists the measures available in this view.

Table 8–12   Performance Based Fragmentation Analysis - Retail Data Measures

Label
Retailer Contribution
Retailer Item Count

Performance Based Fragmentation Analysis - Market Data View

Use this view to analyze the percentage of the SKUs that represent certain pre-defined breakpoints of sales dollars of the market sales data. For an example of this view, see Figure 8–16.

Table 8–13 lists the measures available in this view.

Table 8–13   Performance Based Fragmentation Analysis - Market Data Measures

Label
Market Contribution
Market Item Count

Item Contribution Analysis Tab

Figure 8–17 shows the views for this tab.

Figure 8–17   Item Contribution Analysis Tab Views
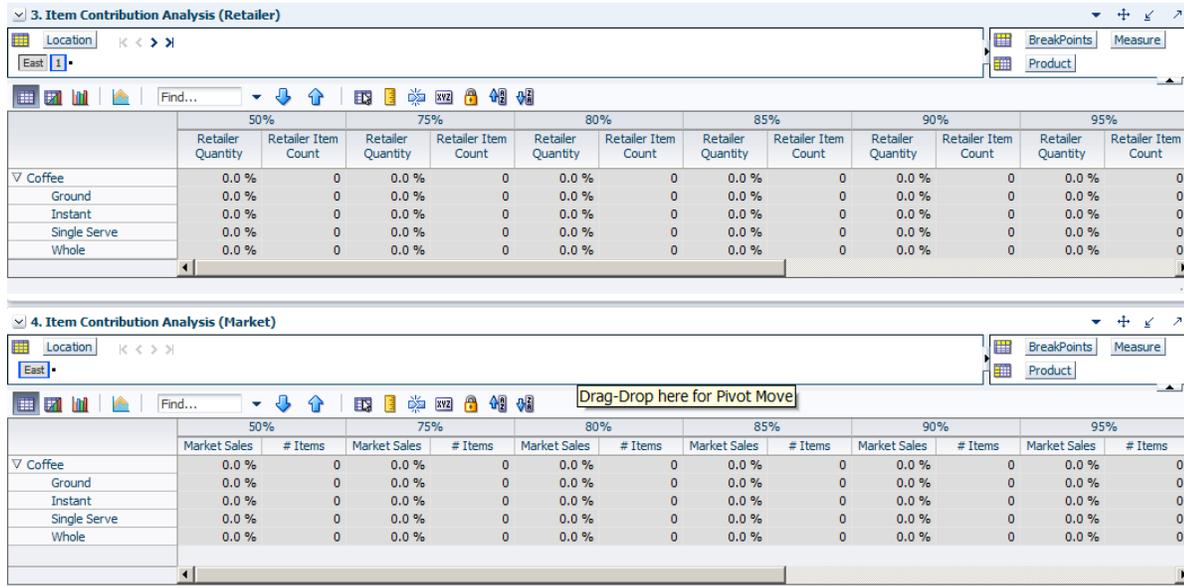
Item Contribution Analysis (Retailer) View

Use this view to analyze the ranked list of SKUs within each level of aggregation that represent breakpoints based on SKU-count instead of sales dollars. For an example of this view, see Figure 8–17.

Table 8–14 lists the measures available in this view.

Table 8–14   Item Contribution Analysis (Retailer) Measures

Label
Retailer Quantity
Retailer Item Count

Item Contribution Analysis (Market) View

Use this view to analyze the ranked list of SKUs within each level of aggregation that represent breakpoints based on SKU-count instead of sales dollars, but using market data. For an example of this view, see Figure 8–17.

Table 8–15 lists the measures available in this view.

Table 8–15   Item Contribution Analysis (Market) Measures

Label
Market Sales
Items

Proliferation Analysis Tab

Figure 8–18 shows the views for this tab.

Figure 8–18   Proliferation Analysis Tab Views
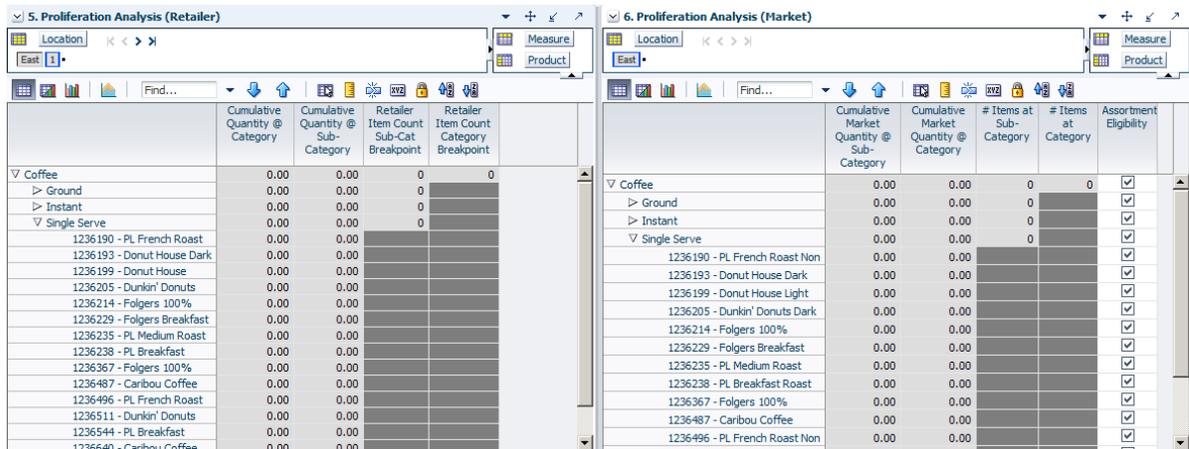
Proliferation Analysis (Retailer) View

Use this view to analyze the cumulative contribution for the retailer. This information is best displayed as a pareto chart. For an example of this view, see Figure 8–18.

Table 8–16 lists the measures available in this view.

Table 8–16   Proliferation Analysis (Retailer) Measures

Label
Cumulative Quantity @ Category
Cumulative Quantity @ Sub-Category
Retailer Item Count Sub-Cat Breakpoint
Retailer Item Count Category Breakpoint

Proliferation Analysis (Market) View

Use this view to analyze the cumulative contribution for the retailer. A forecast is not available. This information is best displayed as a pareto chart. For an example of this view, see Figure 8–18.

Table 8–17 lists the measures available in this view.

Table 8–17   Proliferation Analysis (Market) Measures

Label
Cumulative Market Quantity @ Sub-Category
Cumulative Market Quantity @ Category
Items at Sub-Category
Items at Category
Assortment Eligibility

Accumulative Ranking Tab

Figure 8–19 shows the views for this tab.

Figure 8–19   Accumulation Ranking Tab Views
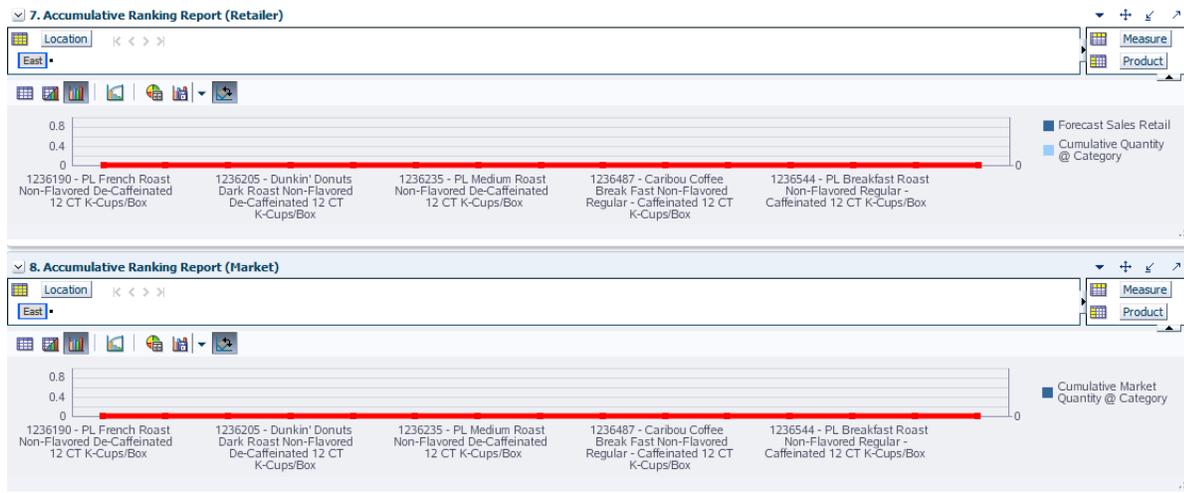
Accumulation Ranking Report (Retailer) View

Use this view to create an accumulation ranking report for the retailer. For an example of this view, see Figure 8–19.

Table 8–18 lists the measures available in this view.

Table 8–18   Accumulation Ranking Report (Retailer) Measures

Label
Forecast Sales Retail
Category Plan Sales
Cumulative Quantity @ Category
Rank @ Category
Cumulative Quantity @ Sub-Category
Rank @ Sub-Category

Accumulation Ranking Report (Market) View

Use this view to create an accumulation ranking report for the market. For an example of this view, see Figure 8–19.

Table 8–19 lists the measures available in this view.

Table 8–19   Accumulation Ranking Report (Market) Measures

Label
Cumulative Market Quantity @ Category
Rank (Market) @ Category
Cumulative Market Quantity @ Sub-Category
Rank (Market) @ Sub-Category

Set Breakpoint and Performance Drivers Tab

This tab has two views.

Set Breakpoints View

Use this view to set the category breakpoints.

Figure 8–20   Set Breakpoints View

Table 8–20 lists the measures available in this view.

Table 8–20   Set Breakpoints Measures

Label
Fragmentation Analysis Breakpoints
Contribution Analysis Breakpoints
Fragmentation Analysis Breakpoints @ Sub-Cat
Contribution Analysis Breakpoints @ Sub-Cat

Set Performance Metric Driver View

Use this view to set the key metrics for retailer and market data analysis. Selections made here are used in fragmentation analysis as the basis of its calculation. For an example of this view, see Figure 8–20.

Table 8–21 lists the measures available in this view.

Table 8–21   Select Performance Metric Driver Measures

Label
Key Metric (Retailer Data Analysis)
Key Metric (Market Data Analysis)

Key Take Aways - Market Coverage Tab

This tab has one view.

Key Take Aways - Market Coverage View

Use this view to enter any pertinent notes for the Market Coverage Evaluation step.

Figure 8–21   Key Take Aways - Market Coverage View
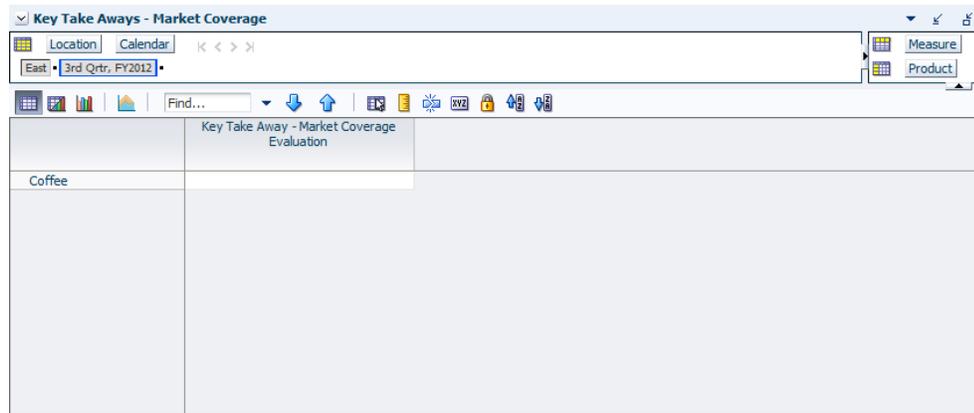
Table 8–22 lists the measure available in this view.

Table 8–22   Key Take Aways - Market Coverage Measure

Label
Key Take Away - Market Coverage Evaluation

Performance Analysis Step

Use this step to analyze the performance of the category based on historical sales and forecast, if available.

This step has the following tabs and views:

- Performance Analysis Tab:
  - Sales & Gross Profit Analysis View
  - Net Margin Analysis View
- Performance Quadrant Analysis Tab:
  - Gross Profit & Inventory Turns View
  - Sales and Profit per Square Foot View
  - Sales Revenue & Gross Profit View
  - Sales Revenue and Sales Units View
- Key Take Aways - Performance Analysis Tab:
  - Key Take Aways - Performance Analysis View

Performance Analysis Tab

This tab has two views.

Sales & Gross Profit Analysis View

Use this view to analyze the contribution of sales and profits from each sub-category to the category total.

Figure 8–22   Sales & Gross Profit Analysis View

Table 8–23 lists the measures available in this view.

Table 8–23   Sales & Gross Profit Analysis Measures

Label
% Contribution of Category Sales Revenue
% Contribution of Category Items
Avg. Sales Revenue per Item
Sales Productivity Index
Avg. Profit per Item
Profit Productivity Index
Segment % Share of Category Profit

Net Margin Analysis View

Use this view to analyze the performance of the net margin based on historical sales and forecast.

Figure 8–23   Net Margin Analysis View

Table 8–24 lists the measures available in this view.

Table 8–24   Net Margin Analysis Measures

Label
LY Sales Retail
LY Promotional Sales Retail
LY Gross Profit
LY Gross Profit %
LY Markdowns Retail
LY Markdowns Allowance
LY Freight Cost
LY Net Margin
LY Net Margin %
LY Net Margin Notes

Performance Quadrant Analysis Tab

This tab has four views.

Gross Profit & Inventory Turns View

Use this view to analyze gross profit and inventory turns. This information is best displayed as a bubble chart.

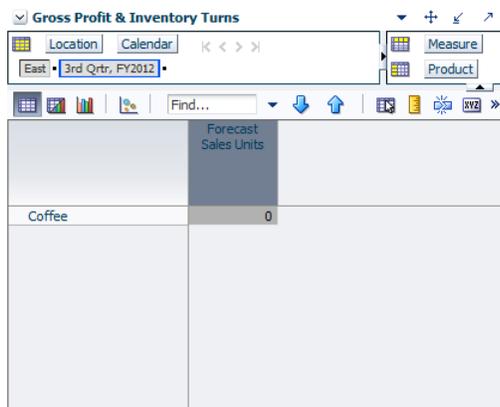*Figure 8–24   Gross Profit & Inventory Turns View*

Table 8–25 lists the measure available in this view.

Table 8–25   Gross Profit & Inventory Turns Measure

Label
Target Inventory Retail Turns
Plan Gross Profit %
Forecast Sales Units

Sales and Profit per Square Foot View

Use this view to analyze profit and sales per square foot. This information is best displayed as a bubble chart.

Figure 8–25   Sales and Profit per Square Foot View

Table 8–26 lists the measures available in this view.

Table 8–26   Sales and Profit per Square Foot Measures

Label
Plan Sales Retail per Sqr. Foot
Gross Profit per Sqr. Foot
Forecast Sales Retail

Sales Revenue & Gross Profit View

Use this view to analyze gross profit and sales. This information is best displayed as a bubble chart.

Figure 8–26   Sales Revenue & Gross Profit View

Table 8–27 lists the measures available in this view.

Table 8–27   Sales Revenue & Gross Profit Measures

Label
Plan Gross Profit %
Forecast Sales Units
Forecast Sales Retail

Sales Revenue and Sales Units View

Use this view to analyze sales dollars and units. This information is best displayed as a bubble chart.
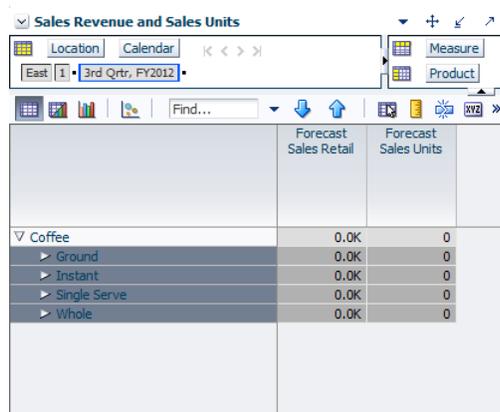
Figure 8–27   Sales Revenue and Sales Units View

Table 8–28 lists the measures available in this view.

Table 8–28   Sales Revenue and Sales Units Measures

Label
Forecast Sales Retail
Forecast Sales Units

Key Take Aways - Performance Analysis Tab

This tab has one view.

Key Take Aways - Performance Analysis View

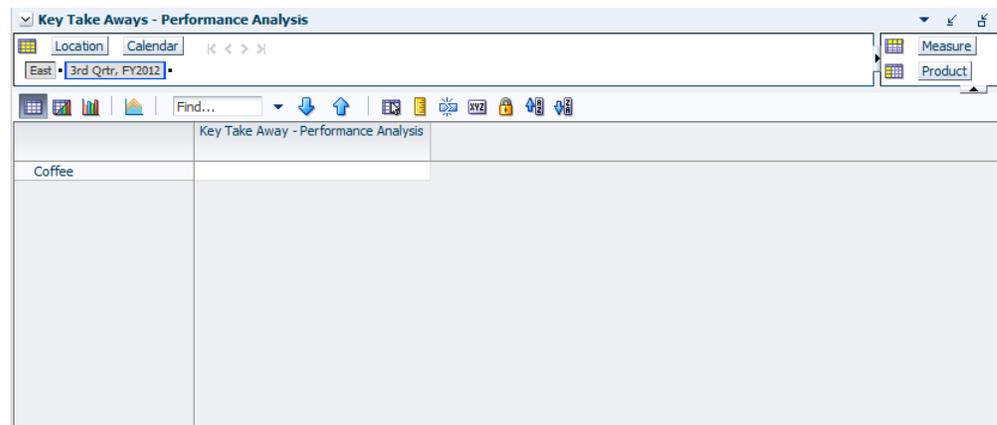Use this view to enter any pertinent notes for the Performance Analysis step.

Figure 8–28   Key Take Aways - Performance Analysis View

Table 8–29 lists the measure available in this view.

Table 8–29   Key Take Aways - Performance Analysis Measure

Label
Key Take Away - Performance Analysis

Consumer Assessment Step

Use this step to analyze the category with respect to consumer behavior. The data source for this analysis is Household Panel data.

This step has the following tabs and views:

- Who is the Consumer Tab:
  - Consumer Segment Analysis View
- What is the Consumer Purchasing and How Loyal are They Tab:
  - Purchase Behavior Analysis View
  - Consumer Loyalty Analytics View
  - Top Shopper Analysis View
- Where is the Consumer Purchasing Tab:
  - Retail Channel Share Analysis View
  - Buyer Conversion Analysis V9iew
- Key Take Aways - Consumer Assessment Tab:
  - Key Take Aways - Consumer Assessment View

Who is the Consumer Tab

This tab has one view.

Consumer Segment Analysis View

Use this view to choose the highest market coverage for those categories and segments within the category that are most closely aligned with the retailer's target consumer.

Figure 8–29   Consumer Segment Analysis View

Table 8–30 lists the measures available in this view.

Table 8–30   Consumer Segment Analysis Measures

Label
Retailer Trading Area HH %
Market Trading Area HH %
Retailer Trading Area Spend %
Market Trading Area Spend %

What is the Consumer Purchasing and How Loyal are They Tab

Figure 8–30 shows the first two views for this tab.

Figure 8–30   What is the Consumer Purchasing and How Loyal are They Tab Views

Purchase Behavior Analysis View

Use this view to analyze the contribution of sales and profits from each sub-category to the category total. For an example of this view, see Figure 8–30.

Table 8–31 lists the measures available in this view.

Table 8–31   Purchase Behavior Analysis Measures

Label
Item Penetration
Purchase Frequency
Item Revenue per Buyer
Item Spend per Item per Trip
% Item Spend on Promotion

Consumer Loyalty Analytics View

Use this view to identify the level of loyalty the consumers within the trading area have to product segments, brands, and individual SKUs. For an example of this view, see Figure 8–30.

Table 8–32 lists the measures available in this view.

Table 8–32   Consumer Loyalty Analytics Measures

Label
Loyalty Index
Consumer Worth Index
Exclusivity Index
Switching Index

Top Shopper Analysis View

Use this view to compare the top shopper index of the retailer at each of the clusters.

Figure 8–31   Top Shopper Analysis View

Table 8–33 lists the measure available in this view.

Table 8–33   Top Shopper Analysis Measure

Label
Top Shopper Index

Where is the Consumer Purchasing Tab

This tab has two views.

Retail Channel Share Analysis View

Use this view to analyze what percentage of sales occurred through the various channels available in the market.

Figure 8–32   Retail Channel Share Analysis View

Table 8–34 lists the measures available in this view.

Table 8–34   Retail Channel Share Analysis Measures

Label
% Buyers
% Dollars

Buyer Conversion Analysis V9iew

Use this view to compare the buyer conversion rates of the retailer with selected competitors.

Figure 8–33   Buyer Conversion Analysis View

Table 8–35 lists the measure available in this view.

Table 8–35   Buyer Conversion Analysis Measure

Label
Buyer Conversion Rate

Key Take Aways - Consumer Assessment Tab

This tab has one view.

Key Take Aways - Consumer Assessment View

Use this view to enter any pertinent notes for the Consumer Assessment step.

Figure 8–34   Key Take Aways - Consumer Assessment View
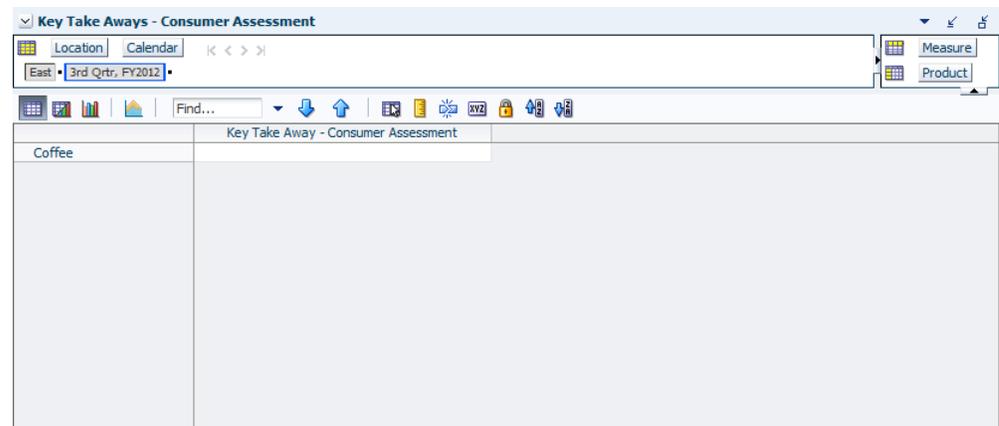
Table 8–36 lists the measure available in this view.

Table 8–36   Key Take Aways - Consumer Assessment Measure

Label
Key Take Away - Consumer Assessment

Market Assessment Step

Use this step to compare the market coverage of the retailer with that of key competitors (if available individually) and the market as a whole.

This step has the following tabs and views:

- Market Assessment Tab:
  - Market Share Assessment View
  - Market Sales Trend Analysis View
  - Market Sales and Profit Trends View
- Market Quadrant Analysis Tab:
  - Sls $ / Sls Units / Mkt Share View
  - Mkt Share / Mkt Growth / Sls Units View

- Market Analysis / Assortment Coverage Tab:
    - Market Analysis View
    - Set Assortment Constraints View
- Key Take Aways - Market Assessment Tab:
    - Key Take Aways - Market Assessment View

Custom Menu

Two custom menus are available:

- Seed Assortment copies last year's assortment items forward to this year.

- Create Assortment creates an assortment matching as many constraints as possible. For more information on Create Assortment, see Set Assortment Constraints View.

Market Assessment Tab

This tab has three views.

Market Share Assessment View

Use this view to compare the market coverage of the retailer to key competitors and the market.

Figure 8–35   Market Share Assessment View

Table 8–37 lists the measures available in this view.

Table 8–37   Market Share Assessment Measures

Label
LY Market Sales Retail
Market Sales Retail
Market Sales Retail var LY
LY Market SKU Count
Market SKU Count
LY Market Share
Market Share

Table 8–37   (Cont.) Market Share Assessment Measures

Label
LY Market Share Index
Market Share Index

Market Sales Trend Analysis View

Use this view to compare last year's retail performance numbers to the prior year and trend multiple time periods. This information is best displayed as a column chart.

Figure 8–36   Market Sales Trend Analysis View

Table 8–38 lists the measures available in this view.

Table 8–38   Market Sales Trend Analysis Measures

Label
LY Market Sales Retail
Market Sales Retail
Market Sales Retail var LY
LY Sales Retail
Target Sales Retail
LY Market Sales Units
Market Sales Units
LY Sales Units
Category Plan Sales Units
LY Market Share
Market Share

Market Sales and Profit Trends View

Use this view to compare last year's market performance numbers to the prior year. This information is best displayed as a column chart.

Figure 8–37   Market Sales and Profit Trends View
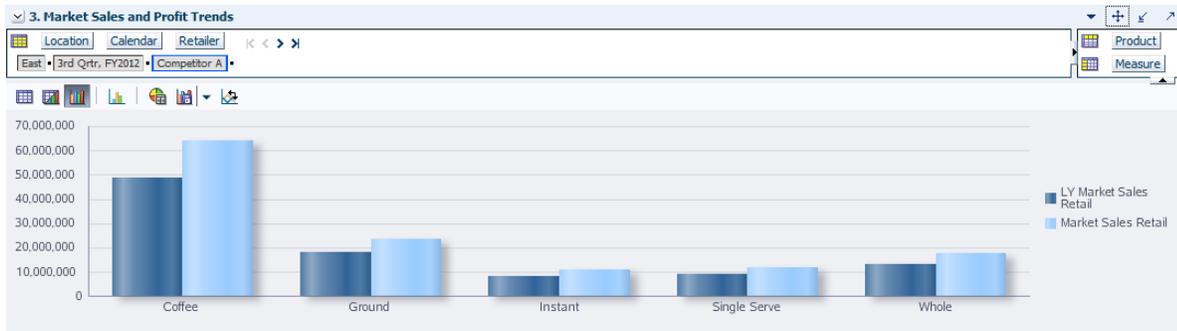
Table 8–39 lists the measure available in this view.

Table 8–39   Market Sales and Profit Trends Measure

Label
LY Market Sales Retail
Market Sales Retail
LY Sales Retail
Category Plan Sales

Market Quadrant Analysis Tab

Figure 8–38 shows the views for this tab.

Figure 8–38   Market Quadrant Analysis Tab Views
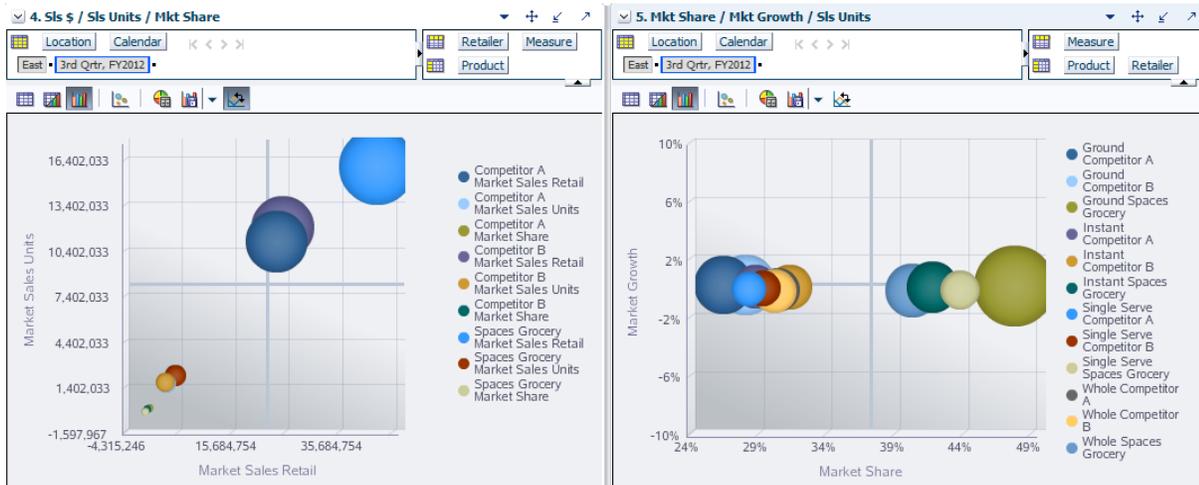
Sls $ / Sls Units / Mkt Share View

Use this view to analyze sales dollars, sales units, and market share for retailers. This information is best displayed as a bubble chart. For an example of this view, see Figure 8–38.

Table 8–40 lists the measures available in this view.

Table 8–40   Sls $ / Sls Units / Mkt Share Measures

Label
Market Sales Retail
Market Sales Units
Market Share

Mkt Share / Mkt Growth / Sls Units View

Use this view to analyze market share, market growth, and sales units for retailers. This information is best displayed as a bubble chart. For an example of this view, see Figure 8–38.

Table 8–41 lists the measures available in this view.

Table 8–41   Mkt Share / Mkt Growth / Sls Units Measures

Label
Market Share
Market Growth
Market Sales Units

Market Analysis / Assortment Coverage Tab

This tab has two views.

Market Analysis View

Use this view to create a time-series graph of the following metrics:

■   Market growth

■   Retailer's market share

Figure 8–39   Market Analysis View

Table 8–42 lists the measure available in this view.

Table 8–42   Market Analysis Measure
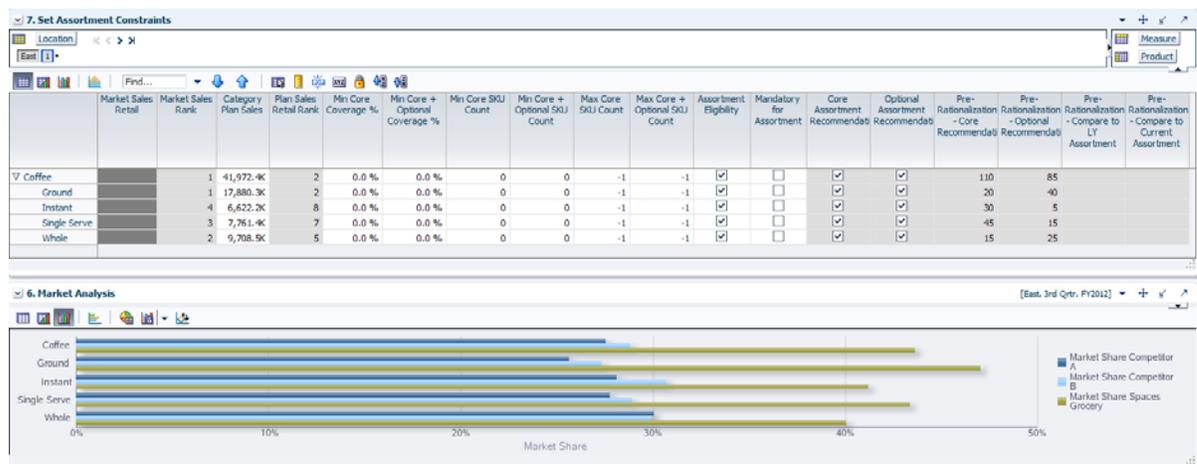
Label
Market Share

Set Assortment Constraints View

Use this view to see the assortment tactogram. It can be viewed by category, sub-category, and segment for the purpose of setting the market coverage target. See Figure 8–39.

Custom Menus

This view supports two custom menus. The first, Seed Assortment, copies last year's assortment items forward to this year.

The second, Create Assortment, creates an assortment matching as many constraints as possible. Constraints are entered on this screen in the Min Core Coverage %, Min Core + Optional Coverage %, Min Core Unit Sku Count, Min Core + Optional Sku Count, Max Core Sku Count, and Max Core + Optional Sku Count. In addition, a user can specify whether an item should be excluded from a potential assortment with the Assortment Eligibility checkbox, or if an item is required in the assortment, with the Mandatory for Assortment checkbox.

Once constraints are set, use the Create Assortment custom menu to attempt to satisfy as many criteria as possible while constructing an assortment. Criteria are evaluated from bottom up, meaning that the custom menu attempts to satisfy a sub-category level constraint before a category level one.

Once the algorithm has run, items selected for core and optional inclusion in the assortment are shown in the Core and Optional checkbox columns. The Success Indicator Value column contains information about whether or not the custom menu was able to satisfy a particular constraint.

Table 8–43 lists the measures available in this view.

Table 8–43   Set Assortment Constraints Measures

Label
Market Sales Retail
Market Sales Rank
Assort. WP Sales Retail
Plan Sales Retail Rank
Min Core Coverage %
Min Core + Optional Coverage %
Min Core SKU Count
Min Core + Optional SKU Count
Max Core SKU Count
Max Core + Optional SKU Count
Assessment Eligibility
Mandatory for Assessment
Core Assortment Recommendation
Optional Assortment Recommendation

Table 8–43 (Cont.) Set Assortment Constraints Measures

Label
Pre-Rationalization - Core Recommendation
Pre-Rationalization - Optional Recommendation
Pre-Rationalization - Compare to LY Assortment
Pre-Rationalization - Compare to Current Assortment

Key Take Aways - Market Assessment Tab

This tab has one view.

Key Take Aways - Market Assessment View

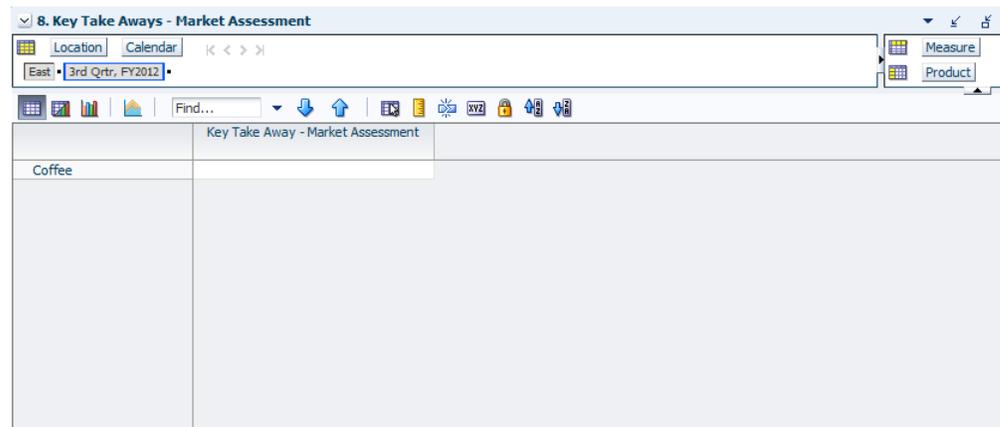Use this view to enter any pertinent notes for the Market Assessment step.

Figure 8–40 Key Take Aways - Market Assessment View

Table 8–44 lists the measure available in this view.

Table 8–44 Key Take Aways - Market Assessment Measure

Label
Key Take Away - Market Assessment

Review Assortment and IPIs Step

Use this step to compute the IPI of each SKU for each of the clusters.

This step has the following tabs and views:

- Review IPI Criteria Tab:
  - Review Focus Area Weights View
  - Review Metric Weights View
  - Set IPI Thresholds View
- Review IPI Scores Tab:
  - Review IPI Scores View

- – Review Focus Area Scores View

- – Review Consumer Segment Scores View

- ■ Attribute-Level IPI Scores Tab:

- – Review Final Attribute IPI Score View

- – Review IPI by Attribute View

- ■ Review IPI Assortment Recommendations Tab:

- – Review Final Attribute IPI Score View

- – Keep Validation View

- – Add Validation View

- – Delete Validation View

- – Final Assortment Recommendation Summary View

- ■ Key Take Aways Tab:

- – Key Take Aways - Assortment Finalization View

Custom Menu

The following custom menus are available:

- ■ Seed IPI Weights from Strategy—used to seed the values.

- ■ Calculate IPIs—used to populate values for the views in the Review IPI Scores tab.

- ■ Perform IPI based Rationalization.

- ■ Seed Validation—used to populate the Assortment Recommendation Final measure on the Final Assortment Recommendation and Final Assortment Recommendation Summary views.

Review IPI Criteria Tab

Figure 8–41 shows the views for this tab.

Figure 8–41   Review IPI Criteria Tab Views

Review Focus Area Weights View

Use this view to review each strategy/focus area. A weight is assigned to each metric. In addition to these values being editable here, they can also be seeded with values set in IPI Setup (see Chapter 5) and assignments made in Category Planning (see "Assign Strategies View" in Chapter 7). For an example of this view, see Figure 8–41.

Table 8–45 lists the measure available in this view.

Table 8–45   Review Focus Area Weights Measure

Label
Focus Area Weights

Review Metric Weights View

Use this view to review the metric weights and groupings. For an example of this view, see Figure 8–41.

Table 8–46 lists the measures available in this view.

Table 8–46   Review Metric Weights Measures

Label
Sales Weightage
Gross Margin Weightage
Sales Unit Weight

Set IPI Thresholds View

Use this view to define thresholds for each sub-category and cluster. This screen is similar in function to the Set Assortment Constraints view in the Market Assessment step. Here, the thresholds are set for IPIs. These thresholds determine which items are

included or excluded from the assortment calculated based on IPI scores. For an example of this view, see Figure 8–41.

Table 8–47 lists the measures available in this view.

Table 8–47   Set IPI Thresholds Measures

Label
IPI Optional Cutoff Index
IPI Core Cutoff Index
Key Take Away - Develop IPIs

Review Attribute Value Weights View

Use this view to review the attribute value weights. For an example of this view, see Figure 8–41.

Table 8–48 lists the measure available in this view.

Table 8–48   Review Attribute Value Weights Measure

Label
IPI Attribute Value Weight

Review Attribute Weights View

Use this view to review the attribute weights.

Figure 8–42   Review Attribute Weights View

Table 8–49 lists the measure available in this view.

Table 8–49   Review Attribute Weights Measure

Label
IPI Attribute Value Weight

Review IPI Scores Tab

This tab has three views. Figure 8–43 shows two of the views.

Figure 8–43   Review IPI Scores Tab View

Review IPI Scores View

Use this view to review the IPI calculation for each SKU within the category for each of the clusters in the workbook. For an example of this view, see Figure 8–43.

Table 8–50 lists the measure available in this view.

Table 8–50   Review IPI Scores Measure

Label
IPI Score

Review Focus Area Scores View

Use this view to see the focus area scores:

- Within each of the focus areas, a score is computed for each assigned assortment metric. This IPI score is based on the assortment metric value as a ratio of the mean value.

- The focus area score, for each of the focus areas, is an IPI computed as a composite IPI based on the relative weight of the metrics.

At this point, you can use the custom menu Calculate IPIs to populate values in the next few screens.

Figure 8–44   Review Focus Area IPI Scores View

Table 8–51 lists the measure available in this view.

Table 8–51   Review Focus Area IPI Scores Measure

Label
Focus Area Score

Review Consumer Segment Scores View

Use this view to see the consumer segment scores. Each consumer segment score is computed per the consumer segment/trading area based on the weights of the focus areas. A cluster score is then computed based on the relative weight of the consumer segments in each cluster. For an example of this view, see Figure 8–43.

Table 8–52 lists the measure available in this view.

Table 8–52   Review Consumer Segment Scores Measure

Label
Consumer Segment Score

Attribute-Level IPI Scores Tab

This tab has two views.

Review Final Attribute IPI Score View

Use this view to review the final IPI attribute scores.

Figure 8–45   Review Final Attribute IPI Score View

Table 8–53 lists the measure available in this view.

Table 8–53   Review Final Attribute IPI Score Measure

Label
IPI Attribute Score

Review IPI by Attribute View

Use this view to review the IPI score for each item.

Figure 8–46   Review IPI by Attribute View

Table 8–54 lists the measure available in this view.

Table 8–54   Review IPI by Attribute Measure

Label
IPI Attribute Score

Review IPI Assortment Recommendations Tab

This tab has five views.

Final Assortment Recommendation View

Use this view to see the system recommended assortment. This is represented by a measure at the SKU/Cluster level.

Figure 8–47   Final Assortment Recommendation View

Table 8–55 lists the measures available in this view.

Table 8–55   Final Assortment Recommendation Measures

Label
IPI Core
IPI Mandatory
IPI Optional
IPI Rationalization - Compare to Latest Assortment
Assortment Recommendation Final

Keep Validation View

Use this view to assign a disposition to the items that have been recommended for retention for at least one cluster. The recommendations are based on the IPI-based calculation.

Figure 8–48   Keep Validation View

Table 8–56 lists the measures available in this view.

Table 8–56   Keep Validation Measures

Label
IPI Rationalization - Compare to Latest Assortment
Pre-Rationalization - Compare to Current Assortment
Override

Add Validation View

Use this view to assign a disposition to the items that have been recommended for addition for at least one cluster. The recommendations are based on the IPI-based calculation.

Figure 8–49   Add Validation View

Table 8–57 lists the measures available in this view.

Table 8–57   Add Validation Measures

Label
IPI Rationalization - Compare to Latest Assortment

Table 8–57   (Cont.) Add Validation Measures

Label
Override

Delete Validation View

Use this view to assign a disposition to the items that have been recommended for deletion for at least one cluster. The recommendations are based on the IPI-based calculation.

Figure 8–50   Delete Validation View
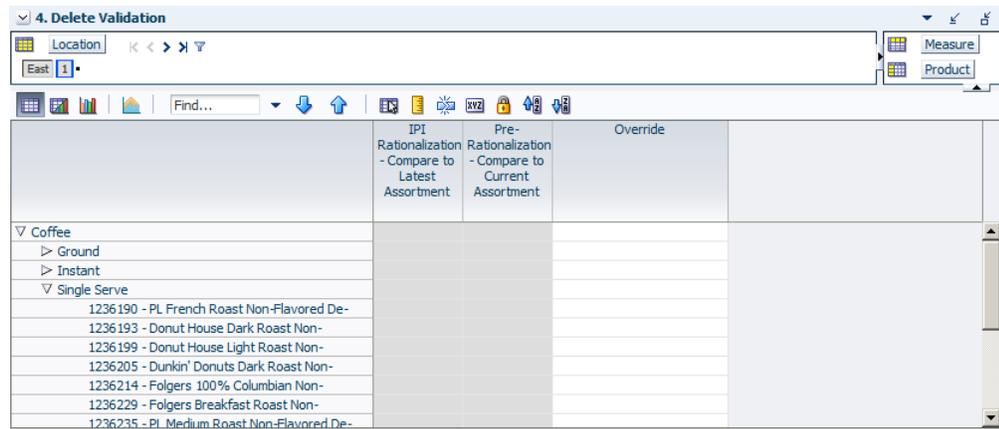
Table 8–58 lists the measures available in this view.

Table 8–58   Delete Validation Measures

Label
IPI Rationalization - Compare to Latest Assortment
Pre-Rationalization - Compare to Current Assortment
Override

Final Assortment Recommendation Summary View

Use this view to see a summary of the assortment decisions, including the overrides.

Figure 8–51   Final Assortment Recommendation Summary View

Table 8–59 lists the measures available in this view.

Table 8–59   Final Assortment Recommendation Summary Measures

Label
IPI Core Coverage
IPI Core Units
Actual Core Coverage
Pre-Rationalization - Core Recommendation
Pre-Rationalization - Optional Recommendation
IPI Optional Coverage
IPI Optional Units
Actual Optional Coverage
Pre-Rationalization - Compare to Current Assortment
IPI Rationalization - Compare to Latest Assortment
Assortment Recommendation Final

Key Take Aways Tab

This tab has one view.

Key Take Aways - Assortment Finalization View

Use this view to enter any pertinent notes for the Assortment Finalization step.

Figure 8–52   Key Take Aways - Assortment Finalization View
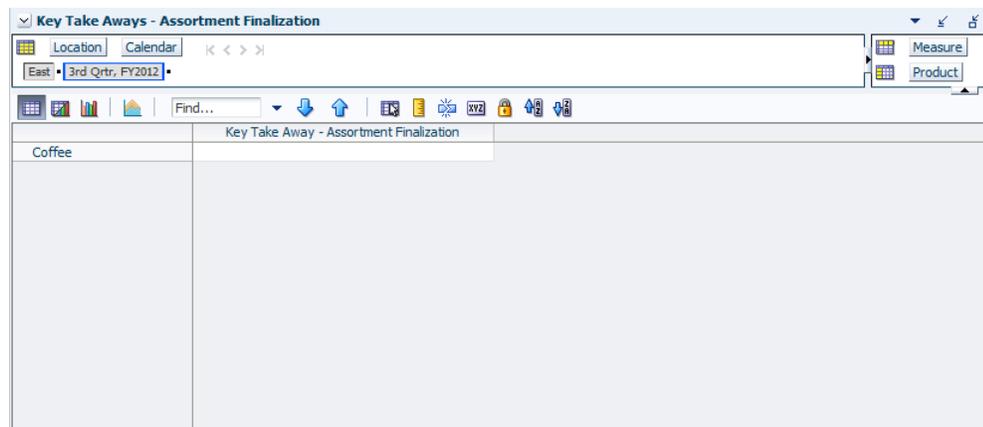
Table 8–60 lists the measure available in this view.

Table 8–60   Key Take Aways - Assortment Finalization Measure

Label
Key Take Away - Assortment Finalization

Assortment Quantification and Approval Step

Use this step to quantify the decisions made by comparing the current and proposed assortments on a variety of performance measurements. The output is a quantified final assortment ready from recommendation to management as part of the category business plan. This assortment recommendation is then used as the basis for the development of related tactics in pricing, space, promotion, and product supply/logistics.

Figure 8–53 shows the views for this step. This step has the following views:

- Assortment Quantification View
- Assortment Approval View
- Review Key Take Aways View

Custom Menu

This step has the Approve custom menu.

Figure 8–53   Assortment Quantification and Approval Step Views
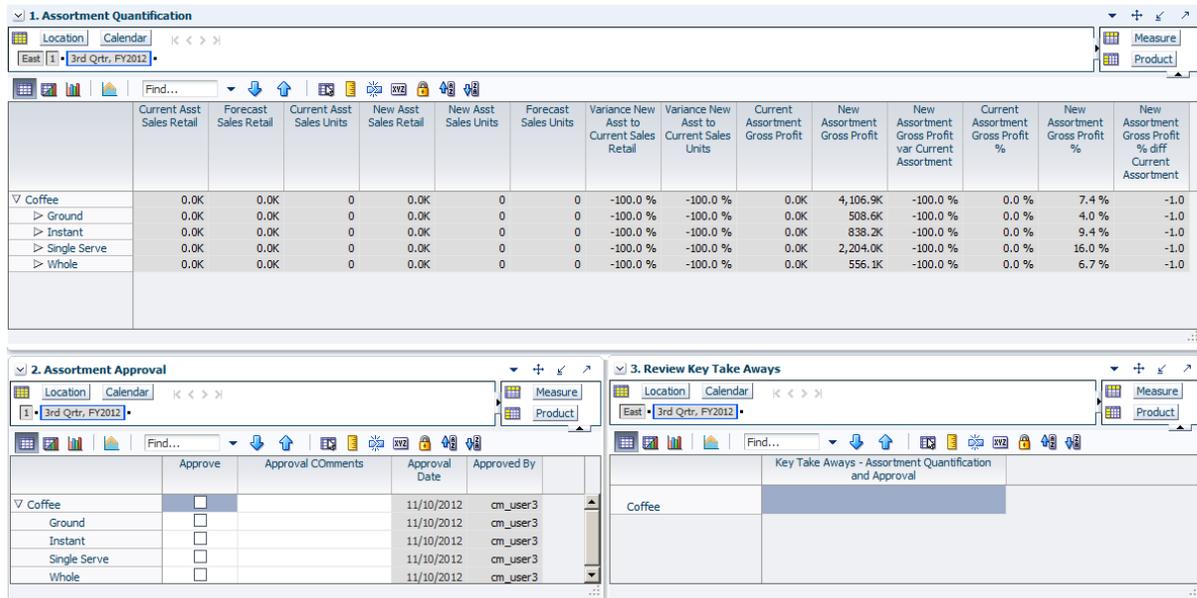
Assortment Quantification View

Use this view to review the assortment quantification. For an example of this view, see Figure 8–53.

Table 8–61 lists the measures available in this view.

Table 8–61   Assortment Quantification Measures

Label
Current Asst Sales Retail
Forecast Sales Retail
Current Asst Sales Units
New Asst Sales Retail
New Asst Sales Units
Forecast Sales Units
Variance New Asst to Current Sales Retail
Variance New Asst to Current Sales Units
Current Assortment Gross Profit
New Assortment Gross Profit
New Assortment Gross Profit var Current Assortment
Current Assortment Gross Profit %
New Assortment Gross Profit %
New Assortment Gross Profit % diff Current Assortment

Assortment Approval View

Use this view to approve the cluster-level assortment. For an example of this view, see Figure 8–53.

Table 8–62 lists the measures available in this view.

Table 8–62   Assortment Approval Measures

Label
Approve
Approval Comments
Approval Date
Approved By

Review Key Take Aways View

Use this view to enter any pertinent notes for the Assortment Quantification and Approval step.

Table 8–63 lists the measure available in this view.

Table 8–63   Review Key Take Aways Measure

Label
Key Take Aways - Assortment Quantification and Approval

Next Steps

After completing Assortment Rationalization at the cluster, continue to the Assortment Rationalization @ Store Task.

9

Assortment Rationalization @ Store Task

This task enables a retailer to analyze their assortment, assign weights to attributes, and calculate a score (ranking) that is systematically used to suggest additions and deletions to the assortment at a store.

Consumer insights are core to this application utilizing external market and consumer data. This also includes visibility to the retailer's category versus competitors versus the market place as a whole. (Examples of external market data providers include Nielsen, Symphony IRI, Axciom, and FICO.)

The application assists users in analyzing their current assortments, determining the appropriate market coverage, rationalizing (validation of necessary add, drop and keep) the assortment, and quantifying the assortment decision.

The application takes advantage of a feed of category planning data to make category role, strategies, tactics, and financial objectives visible to ensure assortment align back to the overall category-level objectives.

This task has the following steps:

- Assortment Finalization Step
- Assortment Quantification and Approval Step

Create the Assortment Rationalization @ Store Workbook

To create the workbook:

1. Select the **New Workbook** icon in the Assortment Rationalization @ Store activity.

Figure 9–1   Assortment Rationalization @ Store Activity
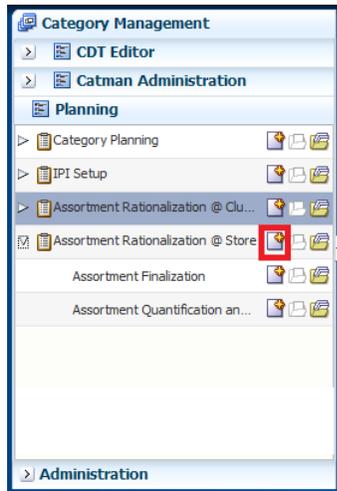
2. Select the calendar periods and move them to the Selected Periods box. Click **Next**.

Figure 9–2   Workbook Wizard Select Periods Page
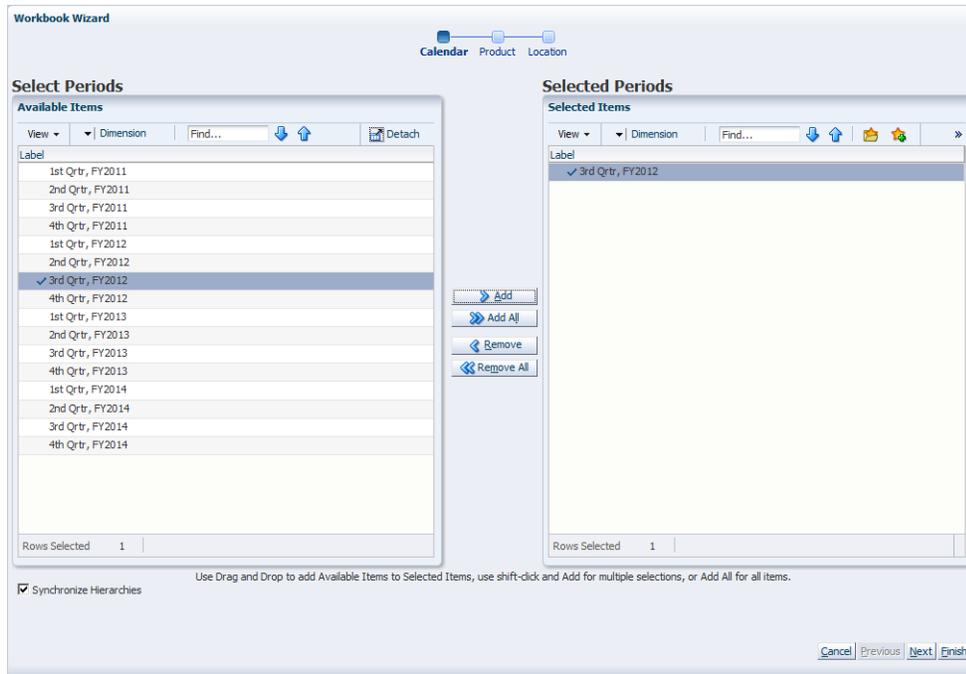
3. Select the products and move them to the Selected Products box. Click **Next**.

Figure 9–3   Workbook Wizard Select Products Page
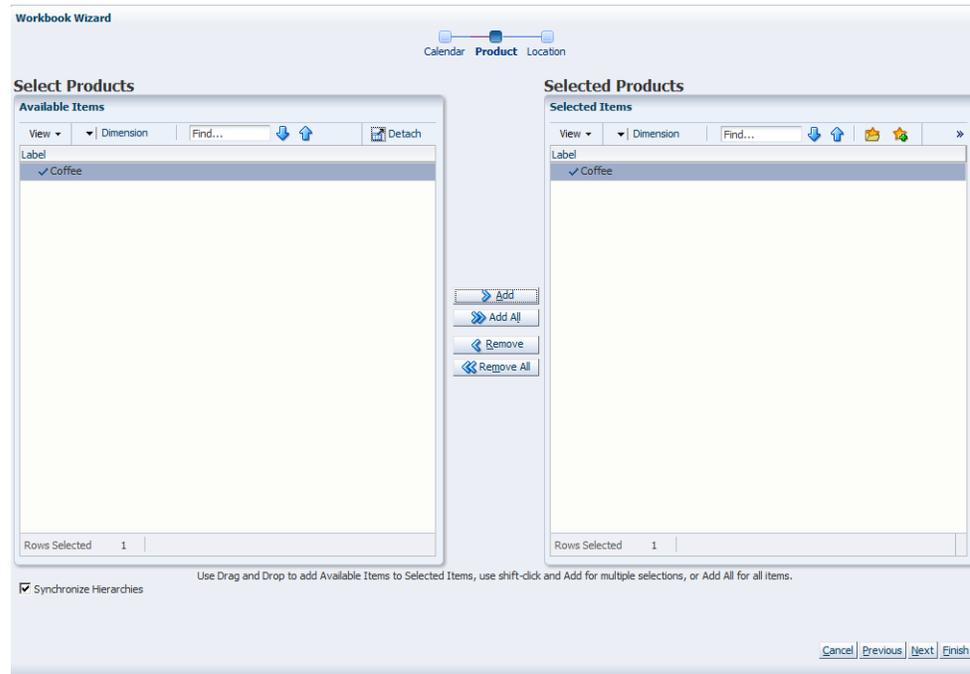
4. Select the locations and move them to the Selected Locations box. Click **Finish**.

Figure 9–4   Workbook Wizard Select Locations Page
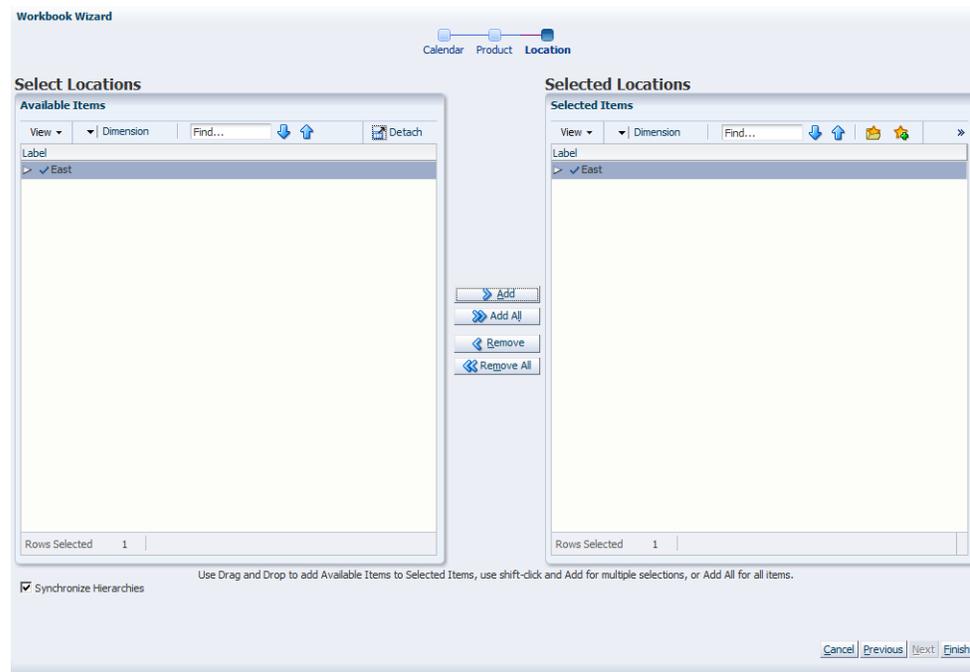
The workbook is created.

Assortment Finalization Step

Use this step to finalize the assortment at the store level.

This step has the following tabs and views:

- Assortment Finalization Summary Tab:
    - Assortment Finalization Summary by Item View
- Assortment Finalization Detail Tab:
    - Keep Validation View
    - Add Validation View
    - Delete Validation View
    - Final Assortment Recommendation Summary View

Assortment Finalization Summary Tab

This tab has one view.

Assortment Finalization Summary by Item View

Use this view to review the assortment decisions, including the overrides.

Figure 9–5   Assortment Finalization Summary by Item View

Table 9–1 lists the measures available in this view.

Table 9–1   Assortment Finalization Summary by Item Measures

Label
IPI Mandatory
IPI Core
IPI Optional
Core Assortment Recommendation
Optional Assortment Recommendation
Override
Assortment Recommendation Final
Final Approval Assortment Count

Table 9–1   (Cont.) Assortment Finalization Summary by Item Measures

Label
Assort. Plan Sales Retail
Assort. Plan Sales Units
Forecast Sales Retail
Forecast Sales Units

Assortment Finalization Detail Tab

This tab has four views.

Keep Validation View

Use this view to assign a disposition to the items that have been recommended for retention for at least one store. The recommendations are based on the IPI-based calculation.

Figure 9–6   Keep Validation View

Table 9–2 lists the measures available in this view.

Table 9–2   Keep Validation Measures

Label
IPI Rationalization - Compare to Latest Assortment
Pre-Rationalization - Compare to Current Assortment
Override

Add Validation View

Use this view to assign a disposition to the items that have been recommended for addition for at least one store. The recommendations are based on the IPI-based calculation.

Figure 9–7   Add Validation View
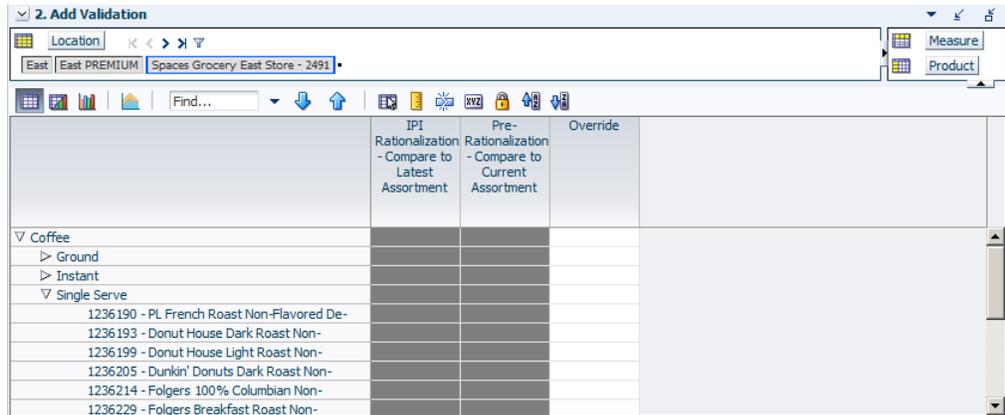
Table 9–3 lists the measures available in this view.

Table 9–3   Add Validation Measures

Label
IPI Rationalization - Compare to Latest Assortment
Pre-Rationalization - Compare to Current Assortment
Override

Delete Validation View

Use this view to assign a disposition to the items that have been recommended for deletion for at least one store. The recommendations are based on the IPI-based calculation.

Figure 9–8   Delete Validation View
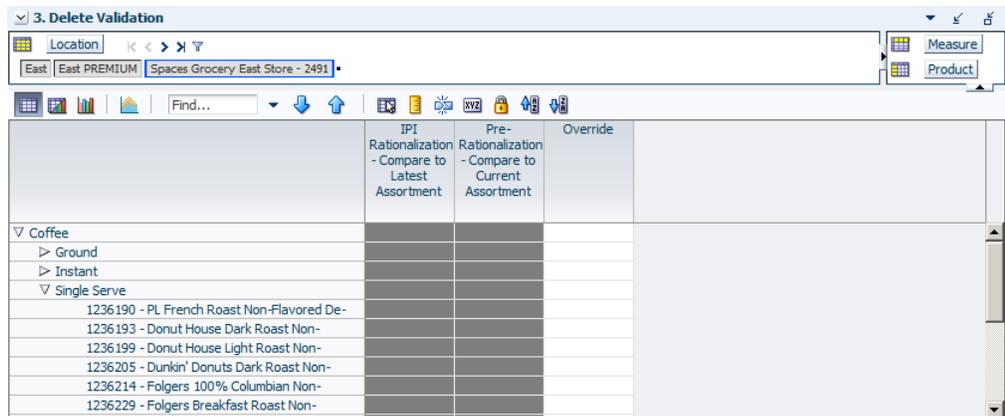
Table 9–4 lists the measures available in this view.

Table 9–4   Delete Validation Measures

Label
IPI Rationalization - Compare to Latest Assortment

Table 9–4   (Cont.) Delete Validation Measures

Label
Pre-Rationalization - Compare to Current Assortment
Override

Final Assortment Recommendation Summary View

Use this view to review the system-recommended assortment.

Figure 9–9   Final Assortment Recommendation Summary View

Table 9–5 lists the measures available in this view.

Table 9–5   Final Assortment Recommendation Summary Measures

Label
IPI Core Coverage
IPI Core Units
Actual Core Coverage
Pre-Rationalization - Core Recommendation
Pre-Rationalization - Optional Recommendation
IPI Optional Coverage
IPI Optional Units
Actual Optional Coverage
Pre-Rationalization - Compare to Current Assortment
Pre-Rationalization - Compare to Latest Assortment
Assortment Recommendation Final

Assortment Quantification and Approval Step

Use this view to review the assortment quantification and approve the assortment at the store level.

This step has the following views:

- Assortment Quantification View
- Assortment Approval View

Custom Menu

This step has the Approve custom menu.

Assortment Quantification View

Use this view to review the assortment quantification at the store level.

Figure 9–10   Assortment Quantification View

Table 9–6 lists the measures available in this view.

Table 9–6   Assortment Quantification Measures

Label
Current Asst Sales Retail
Forecast Sales Retail
Current Asst Sales Units
New Asst Sales Retail
New Asst Sales Units
Forecast Sales Units
Variance New Asst to Current Sales Retail
Variance New Asst to Current Sales Units
Current Assortment Gross Profit
New Assortment Gross Profit
New Assortment Gross Profit var Current Assortment
Current Assortment Gross Profit %
New Assortment Gross Profit %

Assortment Approval View

Use this view to approve the assortment at the store level.

Figure 9–11   Assortment Approval View
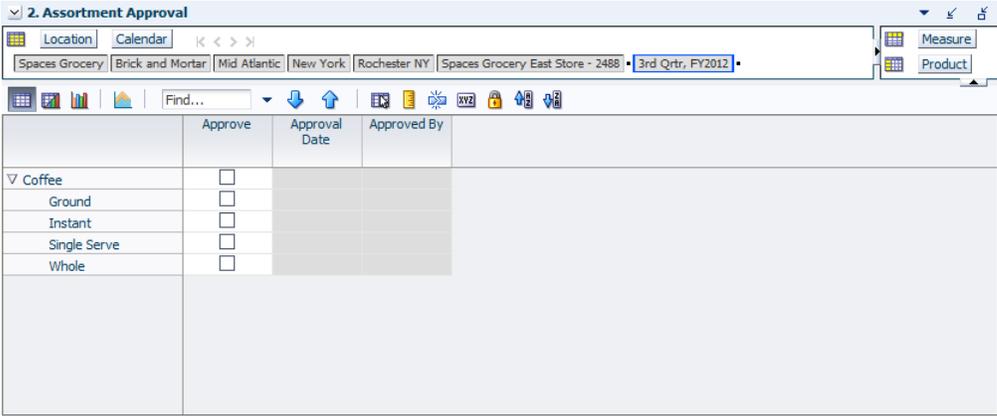
Table 9–7 lists the measures available in this view.

Table 9–7   Assortment Approval Measures

Label
Approve
Approval Date
Approved By

A

Appendix: Measure Descriptions

Table A–1 lists descriptions for some of the measures used by Category Management.

Table A–1   Measure Descriptions

Measure Label	Description
# Baskets with Category	Number of baskets that contain at least one of the items or product segments.
# Baskets with Category Rank	Number of baskets that contain at least one of the items or product segment calculated as an ordinal ranking.
# of Categories in Basket	Number of categories in the basket.
# of Categories in Basket Index	Number of categories in the basket index.
# of Facings	Product main side on a shelf. By counting the number of facings, it is possible to assess the visibility of a product in a store.
% Buyers	Percent of buyers that purchase the category in each retail segment/channel.
% Dollars	Percent of buyers' dollars that are spent in each retail segment/channel.
% Item Spend on Promotion	Percent of items receiving supplier/vendor funding to drive sales.
% of Retailer Turnover (Str)	The share of turnover that the retailer gets from the given consumer demographic (store level).
Approve	Boolean mask measure to control what is approved and not approved.
Attribute Value	Indicates if the attribute value applies to a class.
Avg. Basket Value	Average basket value.
Avg. Basket Value Index	Average basket value index.
Avg. Profit per Item	Average profit per SKU.
Avg. Sales Revenue per Item	Average sales revenue per SKU.
Buyer Conversion Rate	Indicates the percentage of buyers who shop the sub-category as compared to all shoppers who shop the store.
Consumer Segment Distribution	The percentage of consumers who belong to this consumer segment for this store cluster.
Consumer Segment Status	Status of consumer segment. Primary, Secondary, and so on.

Table A–1 (Cont.) Measure Descriptions

Measure Label	Description
Consumer Worth Index	The total amount of category purchases by the consumer who purchases a particular brand: size, type, flavor, and so on (consumer worth) divided by the average category spending for all brands.
Exclusivity Index	The percent of consumers purchasing a particular brand: size, type, flavor, and so on, that fulfill 100% of their category needs exclusively with that brand (exclusivity) divided by the average exclusivity for all brands in the category.
Forecast Sales Retail	Sales forecast from Oracle Retail Demand Forecasting.
Item Penetration	For a specific market/region, the percent of households that purchased a product group at least once within a give time frame. Sometimes called consumption index.
Item Spend per Item per Trip	Amount spent per buyer trip on the item.
Key Metric (Market Data Analysis)	The market data measure used to do fragmentation and contribution analysis.
Key Metric (Retailer Data Analysis)	The retailer data measure used to do fragmentation and contribution analysis.
Last Year Map - Week	Identifies the week used for mapping as last year.
Loyalty	That share of annual category requirements that the consumer is able to satisfy with a single brand (size, type, flavor, and so on). For example, if a consumer makes 10 purchases annually in a given category, 3 of which are made of Brand A, Brand A would have a 30% loyalty, (3/10 = 30%). This measure enables the distributor to discriminate in favor of those items where targeted consumers have shown a higher loyalty to purchase versus other products within the category. Discontinuing these products could result in the target consumer leaving the store. Loyalty is converted into an index by comparing (dividing) the loyalty of Brand A by the average loyalty of all brands within the category. Loyalty and the loyalty index can be measured at all levels of data analysis (brand, size, flavor, SKU, and so on).
Loyalty (% of Buyer Spend at Retailer)	Percent of the spending that retail buyers spend at the retailer.
Loyalty Index	That share of annual category requirements that the consumer is able to satisfy with a single brand (size, type, flavor, and so on). For example, if a consumer makes 10 purchases annually in a given category, 3 of which are made of Brand A, Brand A would have a 30% loyalty, (3/10 = 30%). This measure enables the distributor to discriminate in favor of those items where targeted consumers have shown a higher loyalty to purchase versus other products within the category. Discontinuing these products could result in the target consumer leaving the store. Loyalty is converted into an index by comparing (dividing) the loyalty of Brand A by the average loyalty of all brands within the category. Loyalty and the loyalty index can be measured at all levels of data analysis (brand, size, flavor, SKU, and so on).
Mandatory	Measure indicates mandatory items.

Table A–1   (Cont.) Measure Descriptions

Measure Label	Description
Market Inventory Turn	The number of times a retailer sells out of its complete inventory in a given period of time. It represents the speed with which inventory is sold. The most common way to compute turns is: Inventory Turns = Sales/Average Inventory If a retailer turns its inventory 22 times a year, it means that on average the retailer purchases and sells a product 22 times a year. Sales and inventory must be in the same units (that is, both at retail or cost or units). Higher turns are generally more desirable.
Market Growth	The percent increase or decrease in sales volume for the entire market from the prior year.
Market Sales Retail	Sales revenue for the item by retailer, obtained from a third-party. The data is typically obtained quarterly.
Market Share	That percent of dollar sales in a given category controlled by a distributor in a specific geography. Market share is also captured in terms of a distributor's all commodity volume (ACV) which represents the average weighted market share for all categories within the distributor's operation.
Market Share Index	Index of the retailer's market share in this segment compared to the retailer's market share for all products in the category.
Market Share Rank	Index of the retailer's market share in this segment compared to retailer's market share for all products in the category.
Market Trading Area HH %	Percentage of market households that belong to this profile.
Market Trading Area Spend %	Share of turnover that this profile gets for the market.
Max Core SKU Count	Maximum number of core units targeted at a product dimension level.
Max Core + Optional SKU Count	Maximum number of core plus optional units targeted at a product dimension level.
Min Core Coverage %	Minimum sales coverage percentage targeted at a product dimension level.
Min Core SKU Count	Minimum number of core units targeted at a product dimension level.
Min Core + Optional Coverage %	Minimum sales plus optional units coverage percentage targeted at a product dimension level.
Min Core + Optional SKU Count	Minimum number of core plus optional units targeted at a product dimension level.
Opportunity	Opportunity for the consumer segment. It can be modified by the user.
Penetration (% Buying at Retailer)	Percent of households buying at the retailer at least once within a given time period, usually annual.
Profit Productivity Index	Profit amount per SKU of the segment divided by profit amount per SKU of the category.
Purchase Frequency	The average number of times each buyer purchases an item over a given time period.
Retailer Growth	The percent increase or decrease in sales volume for the retailer from the prior year.

Table A–1   (Cont.) Measure Descriptions

Measure Label	Description
Retailer Share of Market Growth	The value or volume sales increase or decrease of the retailer divided by the total universe (that is, market).
Retailer HH Diff Market HH	Calculated measure which uses the following formula: Retailer HH % minus Market HH %
Retailer Spend Diff Market Spend	Calculated measure which uses the following formula: Retailer Spend % minus Market Spend %
Retailer Trading Area Spend %	Share of turnover that this profile gets for the retailer.
Sales Productivity Index	Sales amount per SKU of the segment divided by sales amount per SKU of the category.
Sales Revenue	Sales amount for the retailer for a given category.
Segment % Share of Category Profit	Fraction of category level profit that can be attributed to this segment.
Shopping Frequency	This measure is used for the shopping frequency.
Shopping Frequency Index	Shopping frequency index of various consumer segments.
Switching Index	Cumulative percent of the brand's users who buy other brands (size, type, flavor, and so on) divided into the average cumulative percent of users buying other brands (size, type, flavor, and so on) in the segment. This measure enables the distributor to discriminate in favor of those items where targeted consumers have shown an unwillingness to switch to other products within the category.
Total Shoppers Index	Total shoppers index by consumer segment.
Upload CDT	Pre-range flag that indicates the versions of the CDT that are valid for the trading area and class period.
Value Share	Calculated measure which uses the following formula: Penetration multiplied by Loyalty Index multiplied by Spending Index
LY Strategy	Historical strategy assignment associated with the category.

Glossary

80/20 rule

A phrase or rule of thumb used by retailers that typically 20 percent of SKUs typically perform 80 percent of the volume.

ACV Weighted Distribution

The percent of the annual value sales (All Commodity Volume) represented by the stores where at least one unit of a particular SKU was sold.

affinities

The relationship between items or groups of items in the basket of a customer. Types of affinities include cannibalization (product A reduces sales of product B) and halo (when you sell product A, more of product B sells).

assortment add

An item, that does not already exist in the assortment, that will be added to the assortment.

assortment delete

An item falling below the target market coverage that is carried in the market and by the retailer, and that has been validated through the rationalization process.

assortment keep

An item falling within the target market coverage that is carried in the market and carried by the retailer, and that has been validated through the rationalization process.

assortment finalization

A process the finalizes the assortment by reflecting the various recommendations (such as adds/deletes/keeps) from prior steps and enables the user to override and finalize the decisions. The output is the recommended assortment that reflects previous decisions made regarding market coverage, consumer, and retailer measurements.

assortment quantification

Quantifies the decisions made by comparing the current and proposed assortments on a variety of performance measurements. The output is a quantified final assortment ready from recommendation to management as part of the category business plan. This assortment recommendation is then used as the basis for the development of related tactics in pricing, space, promotion, and product supply/logistics.

cannibalization

The reduction in sales of one item from its baseline sales, when another item is on promotion. Retail Analytics calculates this metric in conjunction to affinity items. When item A, which Item B has affinity to, is promoted, any negative impact on item B's sales during this promotion period is referred to as cannibalization.

category

A distinct, measurable, and manageable group of products and services that consumers perceive to be interrelated and/or substitutable in meeting a consumer need.

category buyer conversion

Of the category customers who shop a store, the percentage that buy the category.

category definition

Agreement on the category's structure or segmentation. Basically, consumers group brands, types, and individual SKUs together in a way that matters to them and enables them to differentiate between SKUs to meet their needs.

category growth

Target growth percent for the category compared to last year as defined in category planning.

category role

Purpose or name of the strategic assignment based upon quantitative and qualitative cross-category analysis considering the consumer, distributor, supplier, and market place.

category share

Share of a sub-category compared to the category as a whole.

category strategy

Strategy of the sub-category to which the items belongs, such as profit generator, turf defender, cash generator, and so on.

category structure

See **consumer decision tree**.

category tactic

Represents the various tactics designated to a category. Tactics include Assortment, Pricing, and so on.

consumer decision tree

The relationship of product segments to one another in terms of perceived consumer importance. Structure implies a hierarchical relationship among the segments. A consumer makes a specific judgment first, proceeds to the second most important decision, proceeds to the third decision, and so on.

consumer segment

Represents a type of consumer that has a particular profile. Retailers develop different types of profiles of consumers they want to target and then map their stores to the specific consumer segments.

conversion

Percentage of visitors to a store who purchase a specific category.

cumulative ranking

Ranking of an item based on cumulative performance within any segment.

hardline retailer

A retailer that deals in merchandise such as hardware, housewares, automotive, electronics, sporting goods, health and beauty aids, or toys.

halo

Increase in sales of one item from its baseline sales, when another item is on promotion. Retail Analytics calculates this metric in conjunction to affinity items. When item A, which Item B has affinity to, is promoted, any positive impact on item B's sales during this promotion period is referred to as halo.

household panel data

Product purchase behavior data collected from a panel of households which are projected to represent a targeted area (such as, a region, local market, or total U.S.). All purchases are captured at the point-of-sale or in-home using handheld scanners. Captured sales conditions may include: pricing, trade channel, display, feature, and so on. Data suppliers then mine the data to provide insight into consumer purchase behaviors.

index

When comparing metrics, the common approach is to express the data as an index versus the average of all SKUs in a segment.

IPI

A system calculated metric which determines the item or sub-category's overall relative importance.

Item Performance Index (IPI)

See IPI.

key take away

Test field where user comments that can be saved for each task.

loyalty card data

Data captured through loyalty cards for a particular retailer. Retailers mine the data of their loyalty card holders for the purpose of understanding who their profitable customers are, what they buy, how often they buy, and which products and attributes to which they are loyal. Sometimes referred to as frequent shopper data.

market basket data

Data about the total transaction (such as market basket) of which SKUs are a part. This type of information provides insight into the halo and cannibalization effects of items that are purchased, which items are typically found in high basket rings, and so on.

market coverage

The number of items representing a certain percentage of the total sales for the market that the retailer currently carries. For example, the retailer could be carrying 100 SKUs whose combined sales represents 90% of the market or rather 90% market coverage.

market data

Retail and consumer data provided to retailers and their suppliers by third-party syndicated data suppliers. This data reflects all retailers as a whole.

market loyalty data

Data supplied to retailers by syndicated data suppliers, such as Nielsen or Symphony IRI, that represents loyalty metrics associated with consumers within a particular trading area. Market loyalty represents consumer loyalty within the market.

market share

The percent of sales volume (amounts or units) that a particular category, product segment, or item contributes to all the sales volume in the market.

potential assortment add

An item falling within the target market coverage, that is carried in the market but not the retailer, with no rationalization having taken place (such as add/keep/delete validation).

potential assortment delete

An item falling below the target market coverage that is carried in the market and carried by the retailer with no rationalization having taken place (such as add/keep/delete validation).

potential assortment keep

An item falling within the target market coverage that is carried in the market and carried by the retailer with no rationalization having taken place (such as add/keep/delete validation).

product segment

Individual groups of products. Consumers segregate products into groupings. For example, in the pet care category, consumers tend to segregate between dog, cat, aquatic, and so on. They then further divide dog products into food and accessories and food into dry, canned, and soft/moist types.

product switching

Cumulative percent of the brand's users who buy other brands (size, type, flavor, and so on) divided into the average cumulative percent of users buying other brands (size, type, flavor, and so on) in the segment. This information enables the distributor to discriminate in favor of those items where targeted consumers have shown an unwillingness to switch to other products within the category.

promotional effectiveness

A workbook template used in the context of promotional forecasting. This workbook enables the analysis of the effects of promotions on items at both the micro and the macro level. What if analysis can also be performed on the results of promotional forecasts, as you can modify future and past promotional inputs, system-estimated effects of promotions, and promotional forecasts themselves.

sales volume

Represents the amount of sales. This can be described in number of units sold or dollar sales.

segment shopper index

The percentage of a segment's shoppers represented by targeted consumer households (demographic), divided by the percentage of shoppers that the same demographic represents of all shoppers in the market place. The use of this information enables the retailer to discriminate in favor of segments having the greatest appeal or importance to their target consumer.

SKU contribution

The amount a particular SKU contributes to the overall performance of the product segment or category as a whole.

SKU fragmentation

Comparison of segments to ascertain how many SKUs are required to reach a specific market coverage. The focus is on sales contribution. Product segments which differ in the characteristic are referred to as fragmentation.

SKU proliferation

Comparison of segments to ascertain how many SKUs are required to reach a specific market coverage. The focus is on market coverage. Product segments which differ in the characteristic are referred to as fragmentation.

spending index

Spending of buyers compared to the average spend by retailer.

store cluster

Grouping of stores based on a particular statistic such as consumer segment, store size, and so on.

target market coverage

The number of items representing a certain percentage of the total sales for the market that the retailer wants to carry.

top shopper index

Represents the tier-1 of loyalty customers as determined in the retailers' loyalty solutions.

total market share

See **ACV Weighted Distribution**.

trading area

Geographic region consisting of consumers and customers for a retailer defined by syndicated data providers.

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