Oracle® Retail Category Management

Release Notes

Release 13.4.1

May 2013

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.

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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.

Note: Due to changes since the 13.4.0 release, it is not possible to upgrade a domain from 13.4.0 to this release. It is required that a new domain be built.

Hardware and Software Requirements

See the *Oracle Retail Category Management Installation Guide* for the hardware and software requirements.

Noteworthy Defect Fixes

The following noteworthy defect fixes are included in this release:

Fixed Issue/Defect	Defect Number
Deleting nodes from the Consumer Decision Tree (CDT) XML using the CDT Editor did not reflect in the dynamic hierarchy. That is, the edited CDT could not be seen in the new form in the Assortment Rationalization @ Cluster workbook. The previous parsing process was used to run through the specified nodes and then load the appropriate dynamic hierarchy measures, while ignoring the higher unspecified dynamic hierarchy levels. This meant that if a future XML acceptance contained a lesser number of nodes, the measures for the missing nodes became leftovers. This issue is resolved by producing empty placeholder measures for the higher levels of the dynamic hierarchy, post-parsing the CDT for the specified levels, as part of a change to the whole process. The measure load files are changed from ovr to rpl, so that the empty placeholder measures clear any leftover values from the dynamic hierarchy.	15890313
The attributes of any new SKUs loaded into the system, after the initial implementation, were not getting updated. The SKU to attribute mapping source was generated only once at build time. Item attributes generation is a one-off process at build time, based on preexisting single dimensional files. The SKU-attribute assignments are now editable. This is done on the Assortment Rationalization Admin screen. The edited values are now available to every part of the system that depends on sku-attribute value assignments, such as CDTs and IPI processing. The retailer should provide a file that defines the SKU, attributeName, and attributeValue mapping for the initial loading of the values. A script then updates the dynamic picklists (for the new SKUs created) with the available attribute values. This process should be repeated for every new set of SKUs being created. Also, some minor tweaks were made with the requirement of a Java special expression code to be used.	16223645
The market sales growth in the Category Planning workbook was being computed as a relative percent of category market sales to total market sales, which is not how it should be calculated. It should rather be computed based on looking at how market sales are trending over time, such as last year compared to this year. The wrong measure (CMMktGrowthRp in place of CMMktGrowthp) was viewable in the worksheet. The measure CMMktGrowthRp (Market Growth) is removed from the worksheet and the measure CMMktGrowthp (also labeled as Market Growth) is added. The correct measure is the one that has the variance calculation; the incorrect one just had loaded data.	16311187
CDTs created in the CDT Editor were not visible in the Assortment Rationalization @ Cluster workbook. The acceptEditedCdts.ksh script did not perform the required function as it never entered the loop when it was called from the custom menu. This issue is resolved by rewriting the script for the loop using a while function and avoiding command substitution.	16533776

Fixed Issue/Defect	Defect Number
When a user selects Sales Units or Sales Revenue to drive the Market Coverage Evaluation step, the system was using CP plan sales to drive the analysis as opposed to using LY Sales. The following are the details of the worksheet and action being referred to in the application: ■ Assortment Rationalization @ Cluster/Market Coverage Evaluation step/ Set Breakpoint and Performance Drivers workbook/ Set Performance Metric Driver worksheet ■ Action: Set "Key Metric (Retailer Data Analysis)" and "Key Metric (Market Data Analysis)" fields to Sales Revenue or Sales Units. The measures used in calculations in fragmentation analysis are changed or corrected to resolve this issue. The new sales measures used are a time-shifted copy of the approved CP sales for elapsed periods and a copy of the approved AR assortment sales for non-elapsed periods.	16566929
The IPI Attribute value and attribute weights were missing the Location, Calendar, and Consumer segment dimensions (used as part of the IPI process). These are key dimensions in the Assortment Rationalization process. The intersections for the measures for the IPI Setup / Assign Attribute Value Weights worksheet are changed to include Calendar, Location, and Consumer Segment. The worksheet axes are changed to accommodate the new dimensions. The aggregation type for the ARFaWgtp (Focus Area Weights) measure is changed from total to average.	16567028
The system was not generating Keep/Add/Drop recommendations in the Assortment Rationalization @ Cluster / Assortment and IPIs/ Review Assortment Recommendations/ Final Assortment Recommendation worksheet, that is, IPI Rationalization - Compare to Latest Assortment was blank. The ARDVCarriedB (latest assortment being carried) measure was not getting set anywhere. This measure was being used for the IPI-based assortment to derive items to keep in, add to, or drop from the assortment. A rule is added to set the value of ARDVCarriedB based on the LY Sales Retail measure and populate the recommendations.	16573393
Core planning measures were missing in several worksheets under Assortment Rationalization @ Cluster and Assortment Rationalization @ Store. The following retail parameters are added as part of the resolution: Sales Retail, Sales Units, Gross Profit, Gross Profit% (from Target, Forecast, LY, Approved Assortment Plan, Assortment WP, Target Private Label, Plan Private Label, and LY Private Label categories or type of measures). The following worksheets are updated with these measures: Under Assortment Rationalization @ Cluster: ■ Market Assessment step/ Market Analysis/Assortment Coverage tab / Set Assortment Constraints ■ Review Assortment and IPIs step/Review IPI Assortment Recommendations/ Final Assortment Recommendation Summary/ Final Assortment Recommendation ■ Assortment Quantification step / Assortment Quantification Under Assortment Rationalization @ Store: ■ Assortment Finalization step/ Assortment Finalization Summary tab/ Assortment Finalization Summary by Item ■ Assortment Finalization step/ Assortment Finalization Detail tab/ Final Assortment Recommendation Summary ■ Assortment Quantification step/ Assortment Quantification	16578848

Fixed Issue/Defect	Defect Number
Measures in the Catman Administration/Data Validation and Seeding workbook were read-only. They could not be edited and committed, manually. All these measures, in the Data Validation and Seeding worksheets, are added to the measure override in the configuration with a base/aggregate state of write. Also, commit rules are added for every measure where they were missing	16581811
There was no way to load, edit, or calculate the Forecast Cost Retail (CMFCCstR) measure. There was no load, calc, or commit rule for CMFCCstR. CMFCCstR load and commit rules are added in the ARDV rule set. CMFCCstR is added to the Data Validation and Seeding workbook/Actuals-Sourced Data step/Actuals-Sourced Data worksheet. CMFCCstR is also added to the measure overrides for this workbook to make it writable for the base/aggregate state. The Forecast Cost Retail measure is now editable in the Data Validation and Seeding workbook/Actuals-Sourced Data step. It can also be loaded from a data file.	16657729
Data could not be uploaded or copied to the lowest level for measures focused around the household (HH versus Market) shoppers in the Data Verification and Seeding workbook under CatMan Administration. The workbook flagged an error and corrupted the workbook. These measures included: Retailer Trading Area Spend% (CMWPHSTrnAllpp), Market Trading Area Spend % (CMWPSgTrnAllpp), Market Trading Area HH % (CMWPSgbyrAllpp), and Retailer Trading Area HH % (CMWPShprAllpp). This occurred because the aggregate type was incorrect for these measures and the configuration allowed editing at the aggregate level. The aggregate type is changed to total and all the measures are made read-only at the aggregate level in the Data Verification and Seeding workbook. This prevents any inadvertent editing of the data at the aggregate levels.	16658400
Opening an existing workbook or creating a new workbook under the Consumer Assessment step under Assortment Rationalization @ Cluster ran into an error. The prepackaged workbook styles in Category Management are sensitive to measure changes (including intersection and aggregation type). This was an example where an aggregation type was changed, but the styles were not updated to match the aggregation type. The styles are updated to incorporate the new aggregation type (total) for the measures which are part of the Consumer Segment Analysis view. Defect number 16665957, setting up an IPI workbook, had a similar root cause.	16666058
An error occurred during installation when running build.ksh (used for domain build) due to a failed run of batch_calc rules (part of the build script) on the master domain. RPAS 13.4.1 has a tighter control on rule groups that should not be run on the master domain and all the LHS measures are local-domain measures. The batch_calc rule group is removed from the build script to resolve this issue.	16703111

Known Issues

The following table contains known issues that have been identified for the current release:

Known Issue/Defect	Defect Number
Under Assortment Rationalization @ Store, if an override is made from the Keep/Add/Delete options, the system applies this override to all the stores in the cluster. The system should be applying this override only to that specific store.	16573627
Current Assortment sales are being calculated using the following formula: ARLYASlsR (Current Asst Sales Retail) = if(ARLYCoreB (LY Core) || ARLYOptnB(LY Optional), CMLYSlsR(LY Sales Retail), 0) ARLYCoreB and ARLYOptnB are populated from ARWPCoreB and OptnB which only represent the pre-rationalization assortment and not the current assortment, which is what is required. Effectively, current assortment sales are being calculated based on the pre-rationalization analysis only. The method used is different than that used in calculating new assortment sales, which factors in user keep/add/drop choices based on both the pre-rationalization and IPI-based assortments. This makes side-by-side comparison of assortment sales between current and new assortments difficult.	16574849
Many sales-related measures in Category Planning are at the week/trading area/class (or category) level. This obscures the approved sales-related measures information when it flows from Category Planning to Assortment Rationalization @ Cluster. The reason is that the measures in the Assortment Rationalization @ Cluster workbook are at a lower intersection level, that is, week/store/sku.	16587741
IPI scores and rank do not reflect in a new workbook even after they have been previously committed. They need to be recalculated in each new workbook.	16768574

Related Documentation

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

- *Oracle Retail Category Management Installation Guide*
- *Oracle Retail Category Management Implementation Guide*
- *Oracle Retail Category Management User Guide for the RPAS Fusion Client*

Previous Releases

For additional information on previous Oracle Retail Category Management release enhancements and additional information, refer to the Release Notes and documentation that accompany the previous release.

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