

Oracle® Retail Merchandising
Implementation Guide
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Preface

This *Oracle Retail Merchandising Implementation Guide* provides a high-level view of how the Merchandising Operations Management applications integrate with each other. The guide includes the following:

- Installation overview

This chapter is a high-level overview of the process required for a successful installation of the Oracle Retail Merchandising Operations Management applications. In addition, this chapter provides hardware and software requirements and the order in which the applications must be installed. Note that this does not replace existing installation guides, but it does provide a single reference to requirements and what to expect when installing the Merchandising Operations Management applications.

- Chapters on Oracle Retail applications

These chapters provide an overview of the Merchandising Operations Management applications. They provide a detailed look at how each application integrates with the other Merchandising Operations Management applications, as well as the information passed back and forth between those applications (that is, the information RMS (Retail Merchandising System) provides to other applications and the information other applications provide to RMS). These chapters also describe the users that must be created for each application as well as the security settings that these applications can employ.

Audience

The implementation guide is intended for the Oracle Retail Merchandising Operations Management applications integrators and implementation staff, as well as the retailer's IT personnel.

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For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

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Related Documents

For more information, see the following documents:

- *Oracle Retail Merchandising Batch Schedule*
- *Oracle Retail Merchandising Security Guide*
- Oracle Retail Allocation documentation
- Oracle Retail Invoice Matching documentation
- Oracle Retail Merchandising System documentation
- Oracle Retail Trade Management documentation
- Oracle Retail Sales Audit documentation
- Oracle Retail Price Management documentation
- Oracle Retail Active Retail Intelligence documentation

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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

Review Patch Documentation

When you install the application for the first time, you install either a base release (for example, 14.0) or a later patch release (for example, 14.0.1). If you are installing the base release and additional patch and bundled hot fix releases, read the documentation for all releases that have occurred since the base release before you begin installation.

Documentation for patch and bundled hot fix releases can contain critical information related to the base release, as well as information about code changes since the base release.

Improved Process for Oracle Retail Documentation Corrections

To more quickly address critical corrections to Oracle Retail documentation content, Oracle Retail documentation may be republished whenever a critical correction is needed. For critical corrections, the republication of an Oracle Retail document may at times **not** be attached to a numbered software release; instead, the Oracle Retail document will simply be replaced on the Oracle Technology Network Web site, or, in the case of Data Models, to the applicable My Oracle Support Documentation container where they reside.

This process will prevent delays in making critical corrections available to customers. For the customer, it means that before you begin installation, you must verify that you have the most recent version of the Oracle Retail documentation set. Oracle Retail documentation is available on the Oracle Technology Network at the following URL:

<http://www.oracle.com/technetwork/documentation/oracle-retail-100266.html>

An updated version of the applicable Oracle Retail document is indicated by Oracle part number, as well as print date (month and year). An updated version uses the same part number, with a higher-numbered suffix. For example, part number E123456-02 is an updated version of a document with part number E123456-01.

If a more recent version of a document is available, that version supersedes all previous versions.

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/technetwork/documentation/oracle-retail-100266.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

Navigate: This is a navigate statement. It tells you how to get to the start of the procedure and ends with a screen shot of the starting point and the statement the Window Name window opens.

This is a code sample

It is used to display examples of code

Installation Overview

This chapter is a high-level overview of the process required for a successful installation of the Oracle Retail Merchandising Operations Management applications. For complete step-by-step installation process, see the *Installation Guide* for each application.

Pre-installation

Pre-installation requirements are tasks that must be researched and completed prior to starting the actual installation process.

Hardware requirements vary between applications. See *Installation Guide* for each of your applications for specific hardware requirements. The amount, capabilities, and types of hardware required for each implementation will vary based on the retailer's needs and objectives.

Software requirements vary among applications. See *Installation Guide* for each of your applications for specific software requirements.

Database Partitioning Strategy

Establishing a database partitioning strategy is a mandatory step that must be completed prior to installing any of the Oracle Retail Merchandising Operations Management applications. A spreadsheet is included with the installation materials that define requirements for both mandatory and optional partitioning. This enables the resource in charge of implementing the partitioning strategy to determine the correct strategy.

Installation Order

See the *Installation Guides* for the individual Merchandising products for the required order of installation.

Installation Processes

Some of the Oracle Retail Merchandising Operations Management applications provide installers to facilitate the installation process, while others require a manual installation. The following are the processes used to install each application.

Application	Installation Process
Allocation	Installer
ARI	Manual installation
ReIM	Installer
RMS	Installer
RPM	Installer

Product Compatibility

The *Oracle Retail Merchandising Implementation Guide* provides a high-level view of the interaction between Oracle Retail Merchandising Operations Management applications.

However, some Oracle Retail Merchandising Operations Management applications can be integrated with other Oracle products. These additional integrations details are not given in this guide.

Oracle E-Business Suite and PeopleSoft

RMS, Oracle Retail Sales Audit (ReSA), and Oracle Retail Invoice Matching (ReIM) can be integrated with Oracle E-Business Suite or PeopleSoft. This integration allows RMS to obtain the following data from Oracle E-Business Suite:

- General ledger accounting data
- Supplier and supplier site data
- Currency rates
- Freight terms
- Payment terms

For more information, see the *Oracle Retail Merchandising System Operations Guide Volume 3 – Back-End Configuration and Operations Guide*.

Oracle Retail POS Suite

The integration between RMS and Oracle Retail POS Suite has been tested for this release. RMS, ReSA, and Oracle Retail Price Management (RPM) can be integrated with the following Oracle Retail POS Suite applications:

- Oracle Retail Point-of-Service
- Oracle Retail Back Office
- Oracle Retail Central Office

For information on the integration, see the *Oracle Retail POS Suite /Merchandising Operations Management Implementation Guide*.

Oracle Retail Advanced Inventory Planning

Oracle Retail Merchandising System (RMS) can be integrated with Oracle Retail Advanced Inventory Planning (AIP). For more information, see the AIP and RMS documentation.

Oracle Retail Predictive Application Server

RMS can be integrated with Oracle Retail Predictive Application Server (RPAS). See RMS and RPAS documentation for more information.

Merchandising Operations Management Applications

This chapter briefly describes each of the Merchandising Operations Management applications. See the chapters that follow for more detailed descriptions.

Oracle Retail Merchandising System

RMS is the foundation system that records and controls virtually all data in the retail enterprise and ensures data integrity across all integrated systems. RMS includes key functions such as item maintenance, inventory management, and replenishment. This functionality provides easy access to the information that is crucial to the day-to-day merchandising activities within a retail organization, providing the ability to focus on key decisions that help achieve sales and profit targets.

RMS streamlines business practices and unifies business systems across retail channels to better serve customers. Because RMS has been developed as a Web-based, scalable product, it fully supports the large volumes found in retail, leaving more time for retailers to concentrate on the bottom line.

Oracle Retail Trade Management

Oracle Retail Trade Management (RTM) is an import management system designed to integrate and streamline the international trade transaction process. RTM links multiple departments together for all import functions. RTM provides immediate online visibility to the status, location, and disposition of products as they move through the import cycle.

RTM links partners in the supply chain—suppliers, agents, bank, transportation providers, freight consolidators, customs brokers—to share a constant flow of information needed to manage the movement of goods from the source to destination across international borders.

Because RTM is coupled with RMS, the import purchase order process also ties in with regular purchase order features such as open-to-buy, updating stock ledger, and inventory. RTM provides the facility to track and capture expenses incurred in the import process, and to apportion the expenses to the actual landed cost of the inventory. The application also provides letter of credit payment processing, which is typically used in import purchase orders.

Oracle Retail Sales Audit

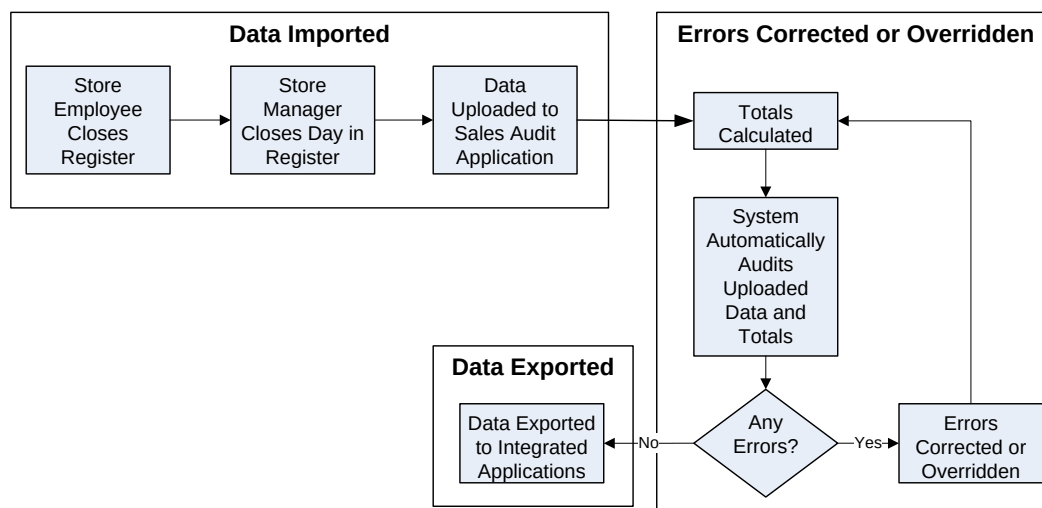
ReSA is an auditing system that provides a simplified sales audit process that accepts raw point of sale data and provides clean data to downstream applications, while ensuring integrity of audited data. The application supports automatic and interactive auditing of the Sales Data. The application is designed to focus on the exception conditions, while allowing clean data to flow through thus increasing productivity.

Flexibility is provided in the creation of user-defined rules and totals to configure exceptional conditions. User-defined audit rules fine-tune the system to focus validation

on potential problem areas, and custom totals are created online for validation of calculations such as data entry or over/short.

Interactive audit functionality allows auditors to focus on exceptions and the audit to navigate through resolution to ensure a clean data load to the integrated applications. The application validates and balances the transactions and tender data, and detects and corrects the errors according to the predefined rules. The application allows sales balancing at store/register or cashier levels. The application helps identify, review, and resolve errors and irregularities in a timely manner.

The following diagram illustrates the audit process.



Information Maintained by Oracle Retail Sales Audit

Oracle Retail Allocation

A retailer's most important asset is its inventory. Oracle Retail Allocation helps retailers determine the inventory requirements at the item, store, and week level using real time inventory information. The system calculates individual store need based on parameters you set - whether it's the characteristics of the product, the store, or the category. The result is an allocation tailored to each store's unique need.

Oracle Retail Allocation allows you to allocate either in advance of the order's arrival or at the last minute to leverage real-time sales and inventory information. And when you do allocate, the system provides you the flexibility of basing your allocation on many different methods such as: merchandise sales plans, receipt plans, forecast demand and sales history.

Oracle Retail Invoice Matching

Invoice matching is a control procedure designed to ensure that the retailer pays the negotiated cost for actual quantities received.

ReIM supports the invoice verification process with accuracy and efficiency, focusing resources on exception management. ReIM accepts electronic invoice data uploads through Electronic Data Interchange (EDI) and provides rapid online summary entry of invoices. ReIM supports automated and online processes that allow one or more invoices to be matched against one or more receipts. When the cost and quantities of an invoice are matched within tolerance, the invoice is ready for payment and staged to a table to be extracted to the accounts payable application.

If a cost or quantity difference between the invoice and receipts is outside tolerance, a discrepancy is recognized and must be resolved. A flexible resolution process allows discrepancies to be directed to the most appropriate user group for disposition. Reviewers can assign one or more reason codes that they are authorized to use to resolve the discrepancy.

Each reason code is associated with a type of action (for example, create chargeback or receiver cost adjustment). Many reason codes can be associated with a particular action type, allowing more granular reporting. Actions drive document creation and EDI downloads to suppliers, inventory adjustments, and accounting activities. Actions also allow an invoice to be extracted by a retailer and posted for payment.

Oracle Retail Price Management

Oracle Retail Price Management (RPM) is a pricing and promotions execution system. RPM functionality includes the definition, maintenance, and review of price changes, clearances, and promotions. RPM capabilities range from simple item price changes at a single location to complex buy-get promotions across zones.

RPM has three primary pricing execution dialogs to create and maintain regular price changes, clearances, and promotions. Although each of the three pricing activities is unique, the system displays these dialogs using a common look and feel. Each of these dialogs uses the conflict checking engine that leverages the RPM future retail table. The future retail table provides a forward-looking view of all pending approved pricing events that affect an item at a given location.

RPM pricing events are defined against the zone structure. The zone structure represents a group of locations organized to support a retailer's pricing strategy. RPM allows the user to break out of the zone structure and create location-level events as needed.

RPM supports the definition and application of price guides to these pricing events. Price guides allow the retailer to smooth retails and provide ends-in rounding logic to derive a final consumer price.

RPM supports pricing strategies you can use to define how item retails are proposed when pricing worksheets are generated. The strategies are defined at department, class, or subclass to represent which items are affected.

RPM also supports creation of vendor-funded promotions, by either associating an existing deal from RMS with the promotion, or by creating a new deal in RMS based on the information provided for the promotion.

Oracle Retail Active Retail Intelligence

Oracle Retail Active Retail Intelligence (ARI) is an exception management and workflow tool driven by business rules. It spans the Oracle Retail Merchandising Operations Management applications and provides a central repository for alert notifications and associated actions across all Oracle-based applications.

ARI can be uniquely configured for each client to fit individual business needs.

ARI provides the capability to build three categories of rules:

- Exception reporting
- Workflow management
- Enterprise process modification

Oracle Retail Merchandising System

This chapter gives an overview of the information maintained by RMS and RMS integration with other applications.

Information Maintained by RMS

RMS is the System of Record (SOR) for the following:

Seed Data

RMS contains data that must be populated at the time of installation. Either the data is required by the application, or the data is static and can be loaded for any client. The code tables CODE_HEAD and CODE_DETAIL are examples of tables with system-required values that must be loaded at the time of installation. Additional codes can be added as needed to these tables after installation, by either using the online form or additional client scripts. Customization of the seed data is based on the client's requirements.

Additionally, some configuration tables must be populated for the application to open and function correctly, even though the configuration values can be modified later. These configurations are maintained in System Options set of tables, and are required for initial setup that can be updated prior to the implementation, to reflect final configuration.

Foundation Data

Foundation data is the base for all future information on which RMS builds. This information needs to be present before you begin using the system. The majority of foundation data can be set up online; more commonly, a client performs a data conversion process to import this information from legacy systems.

New data conversion scripts are created in RMS for loading Related Items and Customer Order Location functionality. After data conversion, clients will use the online processes to further maintain information.

Foundation data consists of three types of information:

- Organizational hierarchy
- Merchandise hierarchy
- Supplier and partner management

Organizational Hierarchy

The organizational hierarchy allows you to create maximum of six levels of hierarchy relationships to support the operational structure of your company.

In a Retail store, the customer walks through the store and buys, retails procure goods from suppliers and the retailer acts as a customer. In a Franchise store, the retailer supplies goods to the franchise customers, the retailer acts as a supplier and tracks the sales.

You can create a preferred organizational structure to support consolidated reporting at various levels of the company. You can also assign responsibility for any level of the hierarchy to one or more people to satisfy internal reporting requirements.

The organizational hierarchy also supports two types of stores to satisfy the franchise requirements:

- Franchise
- Company

A company store act as retail store in RMS.

The Franchise stores are used to support franchise business models. Other applications, such as RPM and RWMS, view franchise stores as they would view any other store in RMS; however, RMS performs special processing based on the store types.

Merchandise Hierarchy

The merchandise hierarchy allows you to create maximum of six levels of hierarchy relationships to support the product management structure of your company. You can assign a buyer and merchandiser at the division, group, and department levels of the merchandise hierarchy. You can also link a lower level to the next higher level. For example, you must indicate to which group a department belongs, or to which division a group belongs.

Supplier and Partner Management

A supplier supplies the merchandise and a partner is involved in other financial taxation that results in an invoice. Supplier and partner management provides functionality to create and store valid merchandise suppliers and partners. You can maintain a variety of information about suppliers such as financial arrangements, inventory management parameters, types of EDI transactions, and invoice matching attributes. Suppliers are typically created in a financial system and interfaced into RMS; supplier enrichment can be maintained in RMS.

The supplier structure can be extended to supplier-parent and supplier-site relationships, to accommodate financial systems that support this configuration. A supplier site is a location from which the supplier ships merchandise.

Item Maintenance

RMS is responsible for the creation and maintenance of all items. RMS uses a flexible data hierarchy for an item, with levels that you to model items in a desired way. The hierarchy consists up to three levels, highest (level 1) to lowest (level 3). Within the defined levels for an item family, one level is denoted as the transaction level. This is the level at which all inventory and sales transaction takes place. This model gives retailers a flexibility to create families of items that share common characteristics.

RMS creates several types of items, such as regular items, deposit items, packs, concession items, consignment items, and transformable items.

Through item maintenance, RMS also maintains the relationships of items with other entities such as suppliers, locations, and attributes.

Purchasing

The Purchase Order module allows you to create and maintain purchase orders in a variety of ways. It provides commitments to vendors for products in specific amounts for specified locations. Purchase orders are created manually or automatically through replenishment or from an external system. They can be created against entered contracts and deals, or directly through direct store delivery or Vendor Managed Inventory (VMI). RMS also provides the ability to maintain the items, locations, and quantities ordered for Purchase Orders.

Contracts

The contract dialog gives you the ability to create, maintain, submit, and approve contracts. A contract is a legally binding agreement with a supplier to supply items at a negotiated cost.

In RMS, the contracting functions fit closely with the replenishment and ordering functions. The main functions of the Contracts window are to book manufacturing time, track supplier availability and commitments, and match them with business requirements. The main business benefit of contracting is to achieve supplier involvement during the planning phase of a retailer's business.

Deals

Deals management allows you to create and maintain deals with partners or suppliers. Deal partners can be suppliers, distributors, and manufacturers. Within a deal, clients create deal components, specify the items for each deal component, and define thresholds.

Components are deals or parts of deals that a retailer receives from a supplier. There can be multiple components in a single deal. You must define thresholds to define the quantity or amount that must be purchased or sold to receive the deal. RMS components include off-invoice deals, rebates, vendor-funded promotions, vendor-funded markdowns, and fixed deals.

You also define the items and locations for which the deal can be applied. You can choose to include or exclude locations as necessary.

You also define the Proof Of Performance (POP) terms for a deal. POP terms are defined by the deal vendor that offers the deal. For deals, POP terms are defined at the deal, deal/component, or deal/component/item-location combination. For fixed deals, POP terms are defined at the deal level.

The deal pass-through functionality allows a percentage of a deals discount to be passed from a warehouse to a franchise store. This functionality applies to franchise stores.

For clients that choose to use supplier sites with RMS, deals are managed at the supplier parent level.

Cost Management

For cost changes, the Cost Management dialog gives you the ability to:

- Accept cost changes received through EDI (flat files)
- Create a cost change
- Edit a cost change
- View a cost change

A cost change is an adjustment to the supplier cost of an item, either up or down. Before you create a cost change, you must create a list of user-defined cost change reasons and then apply a reason to each cost change. This is useful in reporting.

The initial cost of an item is established at item setup. The cost of the item is adjusted in the item record until the status of the item is Approved. After the item is approved, any cost changes needs to be handled through the cost change dialog.

When a cost change is submitted through EDI, the EDI cost change is reviewed and released to create a cost change document. The cost change document is then viewed and submitted for approval.

When a cost change document is created online, you enter the cost change, an event description, an effective date, and a reason code, and then submit the cost change for approval.

After a cost change is approved, the item/supplier cost record is updated. Any outstanding purchase order line items with no received units are recalculated, if recalculation is indicated on the cost change.

Additionally, you use the Cost Management dialog to create cost zone groups for zone-type expenses for item estimated landed cost. Zone-type expenses are incurred when imported goods are moved from the discharge port to the purchase order receiving location. Because the expenses can vary depending on the distance between the discharge port and the receiving location, cost zones can be configured to appropriately reflect the expenses. The locations (stores and physical warehouses) must be grouped to reflect the expense variances for moving the goods. Normally a zone strategy is used for these cost zone groups, but it is possible that every location within the company has different expenses to move the goods from the discharge port. If that is the case, a store strategy would be used. If every location within the company has the same transportation costs from the discharge port, a corporate strategy is adequate (but not when multiple currencies are being used). After these cost zone groups are defined, they are added to new items as they are created, in anticipation of the expense profiles that are needed for the items.

Multiple Sets of Books

Support for multiple sets of books provides better integration with financials systems that supports Multiple Sets of Books within a single installation. Multiple Sets of Books option is enabled by default in RMS and the client will need to set up additional location-specific foundation data, including:

- Organizational units
- Transfer entities
- Set of books IDs

Inventory Control

Inventory functionality in RMS is the core of the application. Inventory is tracked perpetually and financially in RMS. The following describes perpetual inventory tracking. For information on financial inventory tracking, see [Stock Ledger](#).

RMS achieves inventory control through functions that include transfers, Return to Vendor (RTV), Inventory Adjustments, Sales Upload, Purchase Order Receipts (shipments), Stock Counts, Allocations, Franchise Orders and Returns, and Customer Orders.

Transfers

Transfers in RMS provide an organized framework for monitoring the movement of stock. RMS creates and maintains transfers; however, you can also interface transfer information into RMS from other systems.

RMS supports a number of different types of transfers such as intercompany transfers, book transfers, Purchase Order-linked transfers, externally generated transfers, customer orders and franchise order. Transfer functions also support the movement of one or more items between two internal RMS locations, and multi-leg transfers in which the intermediate location is considered a finisher location. Finishers are locations where work is performed on merchandise, such as dyeing fabric and attaching labels.

Mass return transfers are used to reallocate merchandise to locations or to return merchandise to the supplier.

Returns to Vendor

Return to Vendor (RTV) transactions are used to send merchandise back to a vendor. The RTV transaction in RMS allows one or more items to be returned to a single vendor. For each transaction, the items, quantities, and costs are specified. Upon shipment out of a location, inventory is removed from the stock on hand.

RTVs are created manually in RMS or imported from an external system. RMS also provides the ability to maintain RTVs. Shipped RTVs create a debit memo or credit note request (based on supplier configuration) in the invoice matching staging table in RMS, for export to Oracle Retail Invoice Matching.

Inventory Adjustments

Inventory adjustments are used to increase or decrease inventory to account for events that occur outside the normal course of business (for example, receipts, sales, stock counts). Inventory adjustments are created in RMS or imported from an external system (store or warehouse application). RMS supports two types of inventory adjustments; stock on hand or unavailable inventory. Inventory adjustments can also be created by locations for multiple items, by item for multiple locations, or through a product transformation for a specific location.

Purchase Order Receipts (Shipments)

Purchase order receipts (Shipments) record the increment to on-hand when goods are received from a supplier. Weighted average cost (WAC) is recalculated at time of receipt using the PO landed cost. Transaction audit records are created for financial audit, and the receiver is made available for invoice matching.

Stock Counts

Stock counts are the processes by which inventory is counted in the store and compared against the system inventory level for discrepancies. RMS supports two types of stock counts:

- **Unit stock counts**
These adjust the on hand quantities for the item-locations affected and create an inventory adjustment transaction for the stock ledger.
- **Unit and value stock counts**
These adjust the on hand quantities for the item-locations affected and adjust the stock ledger to the results of the stock count.

Replenishment

Automated replenishment constantly monitors inventory conditions. Based on inventory conditions, purchase orders or transfers are created to fulfill consumer demand.

Automated replenishment parameters are set up at the supplier, supplier/department, and supplier/location or supplier/department/location level. These parameters include:

- Review cycle and order control
- Due order processing
- Investment buy attributes
- Scaling constraints
- Rounding attributes
- Supplier minimums
- Truck splitting constraints

Items can be set up for automated replenishment through the Item Maintenance dialog, either individually or through item lists.

Automated replenishment also supports different methods to determining whether purchase orders are created and quantities ordered. These replenishment methods are applied at the item/location.

- **Constant** is a stock-oriented method in which the item is replenished when the inventory level falls below a specified level.
- **Min/Max** is a stock-oriented method in which the item is replenished up to the maximum when the inventory level falls below a specified minimum stock level.
- **Floating Point** is a stock-oriented method in which the item is replenished when the inventory level falls below a dynamic system-calculated maximum stock level.
- **Time Supply** is a stock-oriented method in which replenishment is based on the number of days of supply for the item a retailer wants in inventory. The Time Supply method requires a forecasting system.
- **Time Supply Seasonal** is the same as Time Supply, but it takes seasonality and terminal stock into account. The Time Supply Seasonal method requires a forecasting system.
- **Time Supply Issues** is used only by warehouses, this is the same as Time Supply, but it uses warehouse issues forecast rather than store sales forecast. The Time Supply Issues method requires a forecasting system.
- **Dynamic** is a method that controls inventory using dynamic calculations of order point and order quantities based on a number of factors, including forecast sales over

order lead time, review lead time, inventory selling days, lost sales factor, and safety stock. The Dynamic method requires a forecasting system.

- **Dynamic Seasonal** is the same as Dynamic, but it takes seasonality and terminal stock into account. The Dynamic Seasonal method requires a forecasting system.
- **Dynamic Issues** is used by warehouses only, this is the same as Dynamic, but it uses warehouse issues forecast rather than store sales forecast. The Dynamic Issues method requires a forecasting system.
- **Store Orders** is a method that allows replenishment to look at the store order need quantity when determining the recommended order quantity.

Franchise Management

The Franchise Management allows the retailer to manage their franchise business in the following scenarios:

- Retailer owns and manages the inventory for a franchise location.
In this case, the franchise customer (location) needs to be set up as stockholding stores in RMS, with a store type as Franchise. A stockholding franchise store functions similar to a company store with locations of inventory transactions such as Replenishment, Allocation, Stock Counts and Inventory Adjustments being allowed for such stores in RMS and the pricing being carried out in RPM. The main differences in these stores are, the way in which the orders are captured and accounted financially.
- Retailer does not own or manage inventory for a franchise location.
Here the retailer does not manage the inventory for a franchise location or wherein the wholesale operations constitute a small fraction of the retailers business and thus does not warrant a separate Order Management System.

In both these scenarios, non-stockholding stores must be setup in RMS to represent these franchise (or wholesale) customers.

Franchise Pricing

Franchise pricing determines the price that is charged on a franchise partners for an item. Pricing for these stores is maintained in the future cost table. The pricing for franchise locations are determined by setting up cost templates in RMS and associating these templates with an item or a franchise location. Franchise pricing includes any landed costs and applicable deals through deal pass-through to the final pricing.

The user has an option to override the future cost franchise price and instead define a fixed price to be charged for an item for manually or through the batch upload orders.

Franchise Ordering

Franchise store can source the merchandise from company locations (Warehouse or Store) or from a supplier. The franchise order can be initiated manually using the franchise order form or by an batch upload process using flat file received from an external application. The franchise order created using the flat file also creates a purchase order for supplier sourced and transfers for company location sourced orders.

In addition, franchise order gets initiated in response to any inventory transaction process where the receiving location is a franchise store and the sending location is a company location or supplier. Some of these inventory transactions are Replenishment Requests, Allocation, Store Orders, Items requests; AIP generated Purchase Orders or Transfers, and externally generated transfers.

Franchise Returns

Franchise stores return the items back to the company location (warehouse or store). Item return from a franchise store directly to the supplier is not allowed. The franchise returns can either be a physical return to the company location or can be a book return. Book Return is possible when the item is destroyed at the site, in such scenario the inventory is not physically returned but can be financially accounted.

The franchise return can be initiated manually using the franchise return form or by batch upload process using flat file received from an external application. Franchise returns result in creating a transfer to track the inventory movement.

In addition, franchise returns get created in response to any inventory transaction where the sending location is a franchise store and receiving location is a company location. Some of these processes are AIP or externally generated transfers.

Stock Ledger

The stock ledger in RMS records the financial results of the merchandising processes such as buying, selling, price changes, and transfers. All of these transactions are recorded in the RMS stock ledger and rolled up to the subclass/location level for days, weeks, and months, depending on calendar settings. The aggregate levels in the stock ledger are used to measure inventory amounts and merchandise profitability. The stock ledger is mainly used for reporting purposes; however, there is some online visibility as well.

The stock ledger supports multiple currencies. All transaction-level information is stored in the local currency of the store or warehouse where the transaction occurred. As transaction-level information is rolled up to the aggregated levels in the stock ledger, records are kept in local currency and converted to primary currency. This allows corporate reporting to be performed in the primary currency of the company, while still providing visibility by location to the profitability in the local currency.

The stock ledger supports both the retail and cost methods of accounting. The cost method can use standard cost or average cost, depending on how the system is configured. The stock ledger supports both the retail (4-5-4) and the normal (Gregorian) calendar. If the retail calendar is used, data is maintained by the 4-5-4 month and the week. If the normal calendar is used, data is maintained only by the Gregorian month. Data can also be maintained daily using the retail (4-5-4) or normal (Gregorian) calendar.

RMS supports multiple sets of books. Clients that use multiple sets of books assign RMS locations to a particular set of books defined in an external financial system. Changes to the stock ledger affect the set of books with which a particular transaction is associated.

Investment Buy

Investment buy facilitates the process of purchasing inventory in excess of the replenishment recommendation in order to take advantage of a supplier deal or to leverage inventory against a cost increase. The inventory is stored at the warehouse or in outside storage to be used for future issues to the stores. The recommended quantity to investment buy, that is, to order, is calculated based on the following:

- Amount of the deal or cost increase
- Upcoming deals for the product
- Cost of money
- Cost of storage
- Forecasted demand for the product, using warehouse issue values calculated by Oracle Retail Demand Forecasting

- Target return on investment (ROI)

The rationale is to purchase as much product as profitable at the lower cost and to retain this profit rather than passing the discount on to customers and stores. The determination of how much product is profitable to purchase is based on the cost savings of the product versus the costs to purchase, store and handle the additional inventory.

Investment buy eligibility and order control are set at one of these four levels:

- Supplier
- Supplier-department
- Supplier-location (warehouse locations only)
- Supplier-department-location

Warehouses must be enabled for both replenishment and investment buy on RMS WH (warehouse) table.

The investment buy opportunity calculation takes place nightly during the batch run, after the replenishment need determination, but before the replenishment order build. The investment buy module IBCALC.PC attempts to purchase additional inventory beyond the replenishment recommendation in order to achieve future cost savings. Two distinct events provide the incentive to purchase investment buy quantities:

- A current supplier deal ends within the look-ahead period.
- A future cost increase becomes active within the look-ahead period.

The calculation determines the future cost for a given item-supplier-country-location for physical warehouse locations only.

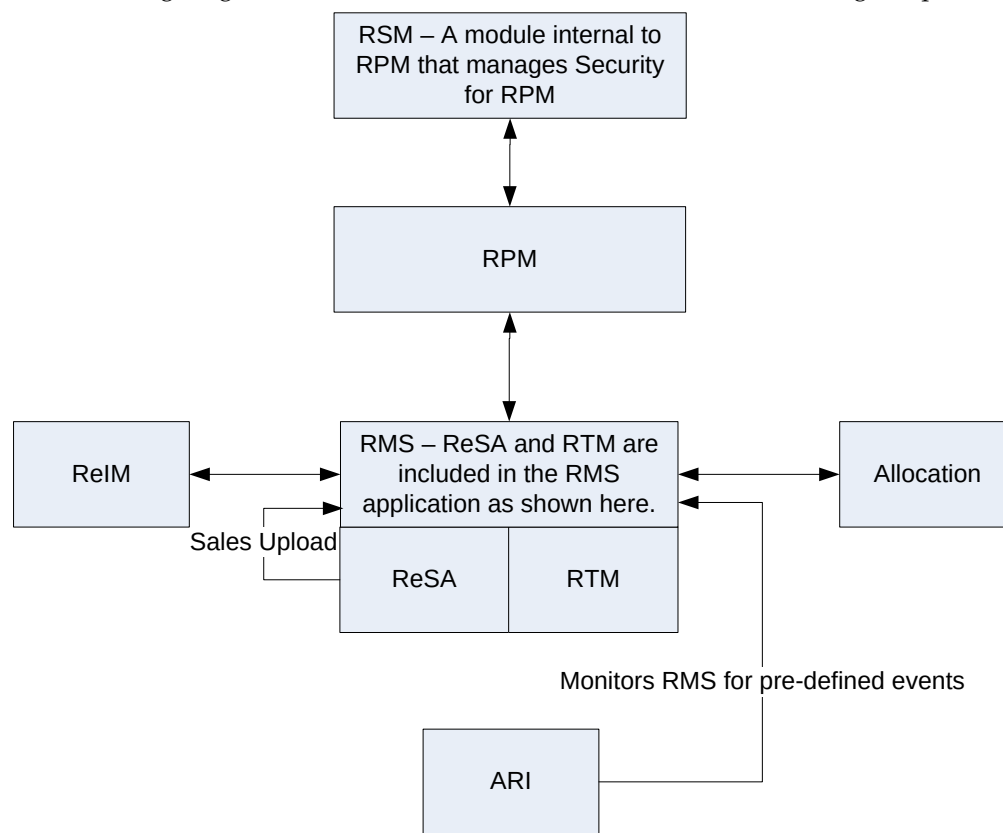
If the order control for a particular line item is buyer worksheet, it might be modified in the buyer worksheet dialog, and can be added to either new or existing purchase orders.

RMS Integration with Other Applications

RMS provides essential information to all of the Oracle Retail Merchandising Operations Management applications (ReSA, RTM, RPM, ReIM, Allocation), and interacts with all of them. RMS exists on the same database schema as all of the other applications, which provides flexibility in how information is shared between RMS and the other Oracle Retail Merchandising Operations applications.

Information is shared with other Oracle Retail Merchandising Operations Management applications through direct reads from Oracle Retail Merchandising Operations Management application tables, calls to Oracle Retail Merchandising Operations Management application packages, batch processes, and the Oracle Retail Integration Bus (RIB) if the client is using this option.

The following diagram illustrates the RMS location in the merchandising footprint.



RMS location in the Merchandising Footprint

RMS and RTM

Oracle Retail Trade Management (RTM) and RMS share the same database instance. When RTM is enabled in an RMS instance, certain import-specific data maintenance is required for country, supplier, partners and items. These are directly updated into the RMS database and subsequently used in RTM.

RMS and ReSA

Oracle Retail Sales Audit (ReSA) and RMS share the same database. ReSA shares some of its master data with RMS. Foundation data such as stores a company/location close dates, location traits, bank setup and tender types are maintained in RMS and used in ReSA.

Sales Upload Process

Current reference data is retrieved from RMS into ReSA by the batch program SAGETREF. The data is extracted into multiple data files. The data in the files is used by the batch program SAIMPTLOG as reference data for doing validation checks on the POS/OMS transaction data during the data upload to ReSA. Having the reference in data file formats increases the performance of the SAIMPTLOG process. SAGETREF generates the following reference files:

- Items
- Wastage
- Sub-transaction level items

- Primary variant relationships
- Variable weight PLU
- Store business day
- Code types
- Error codes
- Credit card validation
- Store POS
- Tender type
- Merchant code types
- Partner vendors
- Supplier vendors
- Employee IDs
- Banner IDs

Along with the reference files, the following files are generated:

- Promotions File – This file contains RPM promotions.
- Currency File - This file contains valid currency codes in RMS.
- Warehouse File - This file contains valid physical warehouses from RMS.
- Inventory Status File - This file contains valid inventory status values from RMS.

All clean and audited sales and returns data is extracted from ReSA into a POSU file by the batch program SAEXPRMS. All sale and return transactions that do not have RMS errors are extracted into the file. The sales audit system options parameter work unit controls the export of data into files in case of the presence of RMS errors in the POS/OMS transaction data. The shell scripts UPLOADSALES.KSH and SALESPROCESS.KSH will load the data from the POSU file into the RMS tables.

RMS and RPM

RPM exists on the same database schema as RMS which allows information to be shared between applications through direct database reads, package calls, and batch processes. RPM uses APIs to facilitate the exchange of information with RMS.

RPM provides the following to RMS:

- **Regular Price Event Approval/Modification/Deletion**—Regular price event creation, modification, or deletion triggers a call to an RMS API to generate (or remove if deleting) the ticket request information.
- **Price Event Execution**— For regular, promotional, or clearance price events that end or are set to go into effect, the PriceEventExecutionBatch owns the process. When the pricing event has been processed by the batch program it updates item/location pricing in RMS by interfacing with the RMSSUB_PRICECHANGE API in RMS.
- **Initial Pricing**—Initial pricing for items in RMS is dependent upon the primary zone group for the item defined in RPM and characteristics of that zone group. These characteristics include markup percent, markup percent type, and pricing guides. RPM provides this information to RMS through an API (MERCH_RETAIL_API_SQL).

- **Deal Creation**— For Price Changes and Clearances, RPM creates new details under existing deals. Promotions can create new deals in addition to creating details under existing deals. When this occurs RPM uses an RMS API (PM_DEALS_API_SQL) to create the deal in RMS.

RMS provides the following to RPM:

- **Foundation Data** is essential to RPM functionality. To successfully set up price changes RPM requires RMS merchandise hierarchy, organizational hierarchy, and suppliers. RPM is able to access this information through the RMS database.
- **Item**—Price changes created in RPM ultimately relate to an item/location within RMS. RPM must know all eligible items currently in the merchandising system, the locations at which they are eligible (item/location relationships) in any status and the suppliers associated with the items. RPM can access this information through the RMS database.
- **Competitive Pricing Information**—RPM has the ability to create price changes based off competitive activity in the marketplace. RPM is able to access this information through the RMS database.
- **Deals** can be associated with price changes in RPM (including vendor funded promotions). In order to associate a price change to an existing deal RPM needs visibility to the deals currently available in the RMS system. RPM is able to access this information through the RMS database.
- **Event Notification** —To ensure appropriate processing, RPM must be notified of certain events:
 - **Store/Warehouse Creation**—A zone structure must be added to RPM when new stores and warehouses are created in RMS. To do this RMS provides RPM with the store and/or virtual warehouse being added, its pricing location, and its currency (to ensure it is the same as the zone it is being added to). A store/virtual warehouse creation event in RMS triggers an API call to RPM to perform the necessary processing.
 - **Item/Location Creation**—When new item/location relationships are established, RPM must verify that no future retail records currently exist, create an initial future retail record (for sellable items), and determine if there are existing price changes that would affect the item resulting in a future retail record for the price change as well. An item/location creation event in RMS triggers data to be staged in RPM so that it is picked up for the batch processing.
 - **Item Modification** is used to notify RPM when an item is reclassified. The details of the reclassification are written to an item modification table in RPM for the next batch processing run. An item modification creation event in RMS triggers an API call to RPM to perform the necessary processing.
 - **Department Creation** is used to notify RPM when new departments are created in RMS. RPM creates aggregation-level information for the new department using predefined system defaults. A department creation event in RMS triggers an API call to RPM to perform the necessary processing.

RMS and Allocation

RMS provides the following to Allocation:

- **Foundation Data** is essential to all areas of Allocation including valid locations to allocate to and from, location groupings, and valid merchandise hierarchies to allocate within.
- **Item**—Allocations are generated at the item location level so it is necessary that the Allocation application understand what items and item/locations are eligible in the system.
- **Purchase Order**—One of the sources from which a user can allocate. Allocation relies on RMS to provide Purchase Order information.
- **Transfer**—One of the sources from which a user can allocate. Allocation relies on RMS to provide Transfer information.
- **Bill Of Lading (BOL)**—One of the sources from which a user can allocate. Allocation relies on RMS to provide BOL information.
- **Advance Shipment Notices (ASN)**—One of the sources from which a user can allocate. Allocation relies on RMS to provide ASN information.
- **Inventory**—In order to determine the correct need at an item location level before performing an allocation the application needs visibility to the current on hand inventory at each location being allocated to. Allocation relies on RMS to provide inventory information at the item/location level.
- **Sales Information**—Allocation can use historical sales, forecast sales, and plan sales in order to determine the need at an item/location level for an allocation. Allocation interfaces this information in from external planning system to an Allocation table.

Allocation provides the following to RMS/RTM/ReSA:

- **Allocations**— When the allocations is moved to Approved or Reserved status, the Allocation is written to RMS tables to give visibility to the allocation results.
- **Purchase Orders created by What-If process in Allocation**—If this option is enabled in Allocation the client can create a simulated allocation based on current need and then automatically create a purchase order from that Allocation in RMS to fulfill that need. Allocation uses an RMS API to build the purchase order in RMS.

Invoice Matching and RMS

RMS provides the following to Invoice Matching:

- **Foundation Data** is essential to all parts of invoice matching including valid locations for Invoices to be implemented at, valid suppliers to receive invoices from, and supplier addresses to send credits and debits based on invoice matching results.
- **Item** is essential to the invoice matching process as item information ensures that invoices being received are valid for the business. For example an item received on an invoice is carried by the client, is supplied by the supplier who sent the invoice, and is carried in the locations for which the item was received.
- **Purchase Orders** are used by Invoice Matching to facilitate the invoice matching process which is performed at the purchase order location level.
- **Shipments**—Shipment information is used by Invoice Matching to determine if a PO has been received yet which affects the matching algorithm used by the AutoMatch batch program in Invoice Matching.

- **Deals and Rebate**—Invoice Matching creates credit memos, debit memos, and credit requests based on deal and rebate information in RMS for processing by the financial (AP) system. This is performed by the ComplexDealUpload and FixedDealUpload batch processes that read from RMS staging tables.

Invoice Matching provides the following to RMS:

- **Invoice Matching results for shipments**—Shipment records are updated with the invoice matching results from the invoice match process (this involves updating the match status and quantity matched of the shipments in question). The matching process is handled by the AutoMatch batch process in Invoice Match which attempts to match all invoices in ready-to-match, unresolved, or multi-unresolved status.
- **Receiver Cost Adjustments**—An API is executed when invoice matching discrepancies are resolved through a receiver cost adjustment. The API updates the purchase order, shipment, and potentially the item cost in RMS, depending on the reason code action used.
- **Receiver Unit Adjustments**—An API is executed when invoice matching discrepancies are resolved through a Receiver Unit Adjustment. The API updates the purchase order and shipment in RMS to complete the transaction.
- **Closing unmatched shipments**—Invoice matching closes the invoice matching status for shipments in RMS after a set period of time (defined by the client in system options). This updates the invoice matching status of the shipment on the shipment table in RMS. This process is managed by the ReceiptWriteOff batch program.

RMS and ARI

ARI is a monitoring system that interacts with any applications database (including RMS). It stores the RMS database structure as metadata information, monitors the event defined by a client and notifies the client when the event occurs.

Internationalization

For details on the language supported information see, Oracle Retail Merchandising System documentation for the current release.

Oracle Retail Trade Management

This chapter is an overview of Oracle Retail Trade Management (RTM).

Master Data

Oracle Retail Trade Management shares the same database with RMS. RTM is enabled in an RMS instance by the following system options parameter settings:

- Simplified RTM Indicator is N
- Import Indicator is Y

RTM requires certain master data maintenance such as outside locations, Freight Type, Freight Size and Standard Carrier Alpha Codes (SCAC). Import-specific data maintenance is required for country, supplier, partners and items. For calculation of duties, fees, and taxes applicable on import merchandise, Harmonized Tariff Schedule (HTS), files must be uploaded or entered into the system.

Landed Cost

Landed cost is the total cost of an item received from a vendor inclusive of the supplier cost and all costs associated with moving the item from the supplier's warehouse or factory to the purchase order receiving location. RTM facilitates the setting up of various cost components, associating them to the purchase orders, calculating the estimated landed costs at the time of purchase order creation. It also facilitates the tracking and booking of the actual costs after the receipt process.

Estimated Landed Cost (ELC) is composed of cost components from the Supplier, Trading Partners, Item and Origin Country, which are brought together during Purchase Order (PO) creation to develop an estimate of costs associated with purchasing a particular item on the current PO.

The components of landed cost are defined using Expenses, Assessments, and Computation Value Bases (CVBs).

Expenses

Expenses are direct and indirect costs incurred in moving a purchased item from the supplier's warehouse/factory to the purchase order receiving location. Expenses should not be confused with up charges, which allow add-on costs from an initial receiving location to a final retail location and are not part of the landed cost.

An example of a direct expense is the packing cost or insurance cost. Charges incurred for clearing and loading goods at the lading port are an example of indirect costs. Expenses are either added to the base inventory value or booked as a separate expense. Expenses apportioned to inventory affect the weighted average cost (WAC) of the item. Expenses can be assigned to a particular country, supplier, or partner. Expenses are tracked at country or zone levels, as the following defines.

Country Level Expenses

Country level expenses track the costs of bringing merchandise from the origin country, through the lading port, to the import country's discharge port. For example, track expenses for a silk blouse from China, through the lading port, Hong Kong, to the discharge port, Los Angeles.

Zone Level Expenses

Zone level expenses track the costs of bringing merchandise from the import country's discharge port to the purchase order receiving location. For example, track expenses for a silk blouse from discharge port, Los Angeles, through to the retailer's New York City warehouse and to the retailer's Chicago warehouse. Costs are different based on the final destination (for example, longer truck route, railroad).

Zones are defined using the Cost Zone dialog (see Cost Management information in RMS documentation). When the zones are created they are used to define expenses at the supplier level (by zone) for default to items.

Assessments

Assessments are the cost components that represent the total tax, fee, and duty charges for an item. Computation formulas and specific fee and tax types contained in the harmonized tariff schedule (HTS) determine most assessments. The harmonized tariff schedule is defined for an import country.

The HTS comprises a hierarchical structure for describing all goods in trade for duty, quota and statistical purposes. The HTS structure is based on the international Harmonized Commodity Description and Coding System (HS), administered by the World Customs Organization in Brussels, Belgium.

There are two components used to track HTS within the system:

- HTS chapter tables
- HTS tariff item tables

The HTS chapter tables are organized by the first one to four digits of the tariff schedule classification. The HTS tariff item tables are organized around the full tariff item number. The length of the HTS heading or chapter is defined by import country along with the display format of the tariff number on the HTS import country setup table. The item level tariff codes do vary among GATT (General Agreement on Trades and Tariffs) countries. Each tariff item has various duty rates assigned to it. Classification of goods in this system must be done in accordance with the country-specific rules. For example, in the U.S. it should be done as per General and Additional U.S. Rules of Interpretation, starting with the a four digit heading level to find the most specific provision and then moving to the subordinate categories. Other assessments, such as taxes, fees, countervailing charges, and anti-dumping charges are also assigned at the tariff item level.

RTM also allows the retailer to set up the quota restrictions imposed by the government on an item. The quota is linked to the HTS classification.

HTS calculations can be performed based on the country of manufacture or the country of sourcing for their products. This determination is made at implementation time and is defined on the System Options table.

Computation value bases (CVB) are mechanisms used to create a compound expense or assessment. CVBs allow expenses to be a certain percentage of a group of other expenses and assessments rather than just of one value.

Purchasing

If RTM is enabled in an RMS instance, then import orders can be created in RMS. The purchase order dialog provides additional import functionalities along with standard PO information, if the import purchase order indicator is checked. Throughout each step of the import purchase order creation, there are several options available to capture additional information-specific to ordering imported merchandise.

The menu options within the PO Header Maintenance window are used to attach shipping, letter of credit, order dates, attributes, required documents, and timeline information. The menu options within the PO Item Maintenance window are used to attach HTS, required documents, and timeline information for line items on the PO. The PO Item/Location window provides the option to assign expenses at the Item/Location level. All of the expense components are brought together in one view in the Order Item Expense Maintenance window.

Letter of Credit

A letter of credit (LC) is a bank instrument used by most retailers to finance purchase of imported goods. LCs are a preferred method of international settlement because the conditions of the purchase, such as required documents and special instructions are detailed in the text of the LC and reviewed by the bank for compliance before the release of payment. They provide importers with a secure method to pay for merchandise and vendors with a secure method to receive payment for merchandise. Letters of credit can be created and applied to purchase orders. Activity against the letter of credit can also be tracked. When the goods are shipped and shipping documents are available, the seller presents documents at the desk of the advising bank, and if there are no discrepancies, collects the specified payment amount. The advising bank debits the issuing bank for the amount of the negotiation as well as any charges, and the issuing bank makes payment and notifies the retailer of the amount of the principal draw down and associated charges.

RTM also supports the exchange of letter of credit (LC) information with a bank in the internationally recognized Society for Worldwide Interbank Financial Telecommunications (SWIFT) format.

Transportation

The transportation functionality in RTM provides a facility to track information from trading partners as merchandise is transported from the manufacturer through customs clearance in the importing country. This information is recorded at various levels: vessel/voyage, bill of lading (BOL), container, PO/item, and commercial invoice. Transportation information is most often received through EDI. When entered, the information is tracked and edited, as it changes.

The Transportation module is used to track the following information: Shipments, deliveries, licenses and visas, claims, missing documents, packing, dates, timelines, commercial invoices, inland freight, and totals.

When a transportation record is complete, the record is finalized. Finalized transportation records are used to automatically create customs entries. The goods are then tracked as they move through customs.

Customs Entry

The Customs Entry module manages entries of merchandise for clearance through customs while providing the information required for government documentation and reporting. Government duties, taxes and fees are calculated in accordance with the country of import. Entry information is prepared for transmission to the customs broker for entry submission. The Customs Entry module provides the ability to track the arrival of a shipment at customs, the customs clearance or associated delays, customs exams, and entry and liquidation payment amounts.

When the charges and assessments are complete, the retailer can choose to allocate the costs to the actual landed cost module. When the customs entry is complete, the custom entry record needs to be confirmed. Non-merchandise invoices are created automatically from confirmed customs entries in the Oracle Retail Invoice Matching application.

Obligations

As an item progresses through the import process, bills are received from various service providers. As non-merchandise invoices are received from trade partners and suppliers, they can be recorded in the obligations module. They are allocated over the shipment, orders and items that they cover, and the system proportionally allocates the charges to the line item level. Approving an obligation allocates the costs to the actual landed cost module. Approving an obligation creates a non-merchandise invoice in approved status in the Oracle Retail Invoice Matching application.

Actual Landed Costs

RTM helps to track the actual landed cost incurred when buying an import item. The module reports variances between estimated and actual landed costs by cost component and shipment. The Actual Landed Cost (ALC) dialogs provide the flexibility to view information about actual and estimated landed costs for any item on a purchase order or invoice obligation. The information can be organized by obligation, obligation cost component, shipment, or location. Duties, fees and taxes are posted directly to the Actual Landed Cost module bypassing the obligations maintenance process. While finalizing the ALC at a purchase order level, the user can also choose whether or not to update weighted average cost (WAC) for each purchase order. For those circumstances where goods might be partially or completely processed through a distribution center to another location prior to assembly and calculation of ALC, it might be more accurate to have WAC be determined by ELC to stand rather than updating it with an ELC/ALC variance.

RTM Integration with Other Applications

This section describes RTM integration with other application.

Integration with RMS

Oracle Retail Trade Management (RTM) and RMS share the same database schema. When RTM is enabled in an RMS instance, certain import-specific data maintenance is required for country, supplier, partners and items. These are directly updated into the RMS database and subsequently used in RTM.

Integration with Oracle Retail Invoice Matching

RTM, RMS, and ReIM share the same database schema.

Customs Entry Record - Confirmation of the customs entry record inserts an approved non-merchandise invoice record into the Invoice Matching staging tables for extract and uploads into ReIM.

Obligations Entry - Approving an obligation inserts an approved non-merchandise invoice record into the Invoice Matching staging tables for extract and upload into ReIM.

Integration with External Partners

RTM automates the international import transaction data. Four components of RTM: Customs entry, harmonized tariff schedule, letter of credit, and transportation have batch-processing modules that facilitate the flow of data between RTM and external applications and files.

Sharing the Letter of Credit Data with the Trading Partners

Letter of credit batch modules process letter of credit applications and amendments to banks, and upload confirmations, drawdown notifications, and related information from banks. Letter of credit batch module downloads and uploads data in an internationally recognized standard format called SWIFT (Society for Worldwide Interbank Financial Telecommunications).

The batch program LCADNLD extracts approved letter of credit applications to banks. The LCMT700 Perl script converts the LC applications from an RTM file format to the SWIFT (MT 700) format.

The issuing bank sends the retailer a confirmation when it agrees to stand as guarantee for the LC. The LCMT730 Perl script converts letter of credit confirmations from a SWIFT format (MT730) to an RTM flat file format. The batch program LCUPLD uploads the converted data from the table to the RTM database tables.

The issuing bank informs the retailer when credit draw downs are made against the LC or when bank charges the retailer the bank fees. The LCMT798 Perl script converts draw downs and bank fees data from a SWIFT file format to an RTM format. The batch program LCUP798 uploads the converted data from the table to the RTM database tables.

At times after a LC has been issued and confirmed, the retailer might want to make amendments to the LC. An amendment to a LC is valid when all parties involved agree to the new conditions and the agreement has been registered. Retailer initiated amendments are extracted by the batch program LCMDNLD. The LCMT707 Perl script converts the LC Amendments from an RTM file format to the SWIFT (MT707) format.

Integration with Customs Broker

The batch program CEDNLD (customs entry download) extracts custom entry information from the RTM database to custom brokers. Custom Entry (CE) transactions that are in a Sent status are written into a flat file. One flat file is written per broker. Information contained in the files include: order items, bill of lading/airway bill information, shipment information, container information, license, and visa information, broker charges and missing documents information.

The output file could be FTP to the broker. This process has to be handled during implementation and is outside the scope of RTM.

Upload of HTS Data

Customs agencies provide HTS data, this information must be converted to the RTM HTS upload file format for uploading into the system. The RTM batch program TRANUPLD uploads the data from the file into the RTM/RMS database. The program handles both the initial HTS information load as well as mid-year HTS updates that are supplied by the import country's government. The initial upload is handled by inserting information from the file into the tables. HTS information already available in the tables is handled by adjusting the effective dates of the existing HTS records and inserting a new set of HTS records into the tables. Files provided by the import country's government includes HTS Chapters, HTS classification, HTS Tax, HTS Fee, HTS OGA, Tariff Treatments, Tariff Treatment Exclusions.

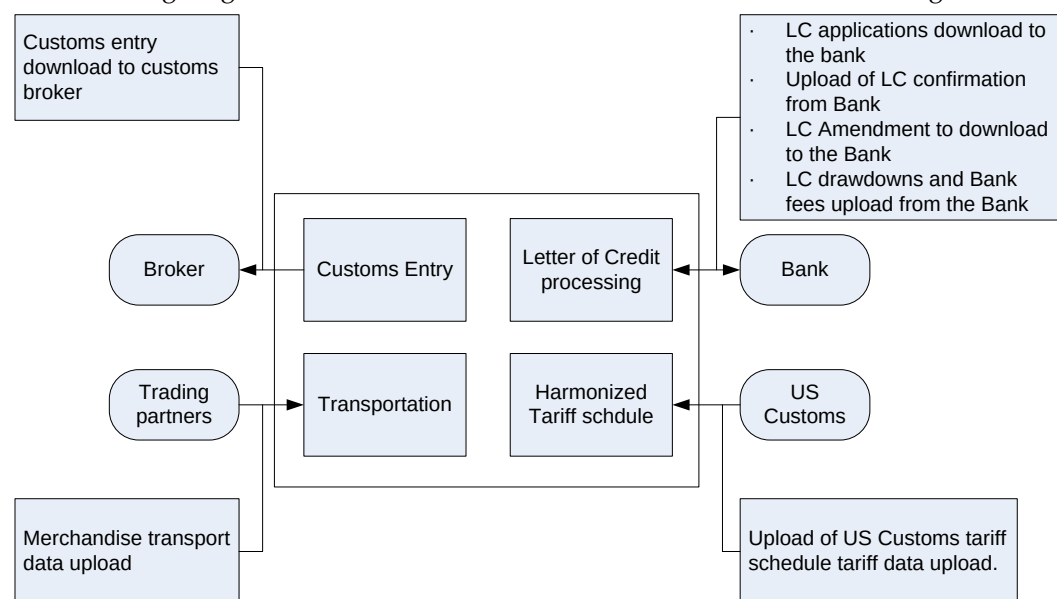
The files provided by the import country government must be placed in the proper input directory after it is converted, so that the batch program TRANUPLD can pick up the file and process the data.

Integration with Supply Chain Partners

As the merchandise moves from manufacturers' warehouse/factory to the discharge port at the import country, the supply chain partners share information with the retailer in a specified file format. The batch program TRANUPLD uploads the information provided in the files into the transportation tables in RTM/RMS database, thus providing online visibility of the merchandise in the supply chain.

The files provided by the supply chain partners should be placed in the proper input directory, so that the batch program TRANUPLD can pick up the file and process the same. In case the files provided by the supply chain partners differ from the expected file format, custom program must be written to convert the data from the original file format to the required file format.

The following diagram illustrates the interaction between RTM and external agencies.



Interaction between RTM and External Agencies

User Setup and Security

As RTM and RMS share the same instance, the application shares the security framework of RMS. The user setup, role assignment and access permission are done in the RMS framework.

For details on the user and security setup in RMS, refer to the *RMS Users and Security section* of this guide.

Simplified RTM Configuration

RTM is a simplified version of Oracle Retail product suite targeted at mid-tier retailers. The simplified Oracle Retail Merchandising Operations Management applications support basic retail processes needed by a mid-tier retailer. Advanced features are turned-off through system parameters, with the goal to reduce implementation complexity and enabling faster implementation and lower total cost of ownership.

If the system option parameter Simplified RTM indicator is enabled, then the following RTM functionality is not available in the application:

- Setting up RTM-specific master data such as freight type, freight size, and standard carrier alpha codes (SCAC)
- Letter of credit functionality
- Transportation functionality
- Customs entry functionality
- Obligation maintenance
- Actual landed costs

If both the Simplified RTM indicator and the Import indicator are enabled, then some import-related functionality is available in RMS. With this set up, the retailer has the option to set up the HTS data and use it in the purchase order process. The retailer can also choose letter of credit as a payment option in the Purchase Order header level, but all other related LC functionality is not available. It is assumed that the retailer is using some other external system for LC processing.

If the import indicator is not enabled, then no RTM functionality is available in the application. For additional information on setting the value in a System Configurations table, see *Oracle Retail Merchandising System Installation Guide*.

Other Features

As RTM is related to import purchases and might use foreign currency, it is important that the current exchange rate between the primary currency and the supplier's currency is maintained in the application. RMS does maintain currency exchange rates and can accept currency updates.

Oracle Retail Sales Audit

This chapter is an overview of Oracle Retail Sales Audit (ReSA).

Information Maintained by ReSA

The following information is maintained in the ReSA application.

System Options

Oracle Retail Sales Audit (ReSA) contains a set of system options that is different from the RMS system options set. These system options control functionality in ReSA. One of the important system option parameters is the balancing level. The balancing parameter could be Cashier or Register. If the balancing parameter is Cashier, the totals are balanced for each cashier. If the balancing parameter is Register, the totals are balanced for each register. Another important option is the unit of work. This determines whether transactions are exported prior to the elimination of all errors for the store/day. Other parameters include defining the escheatment party and the details of the clearinghouse. Certain business rules like duplicate and missing transaction number checks are also controlled through the system options setting.

Foundation Data

ReSA requires a certain amount of foundation data to start working. ReSA shares some of its foundation data with RMS, while the rest of the foundation data needs to be maintained in ReSA.

Foundation data in ReSA includes company/location close dates, location traits, bank setup, tender types, reference maintenance, error codes and store-specific foundation data.

Totals

ReSA allows the retailer to define the Totals needed for their business. Totals in ReSA can be a ReSA-calculated value from raw transaction data or a total that comes from the POS/OMS through the RTLog. ReSA calculates a total based on raw transaction data or on existing totals. Totals are used for performing store balancing over/short analysis within ReSA. Totals are also used to create data for external systems such as General Ledger. By assigning an audit rule to the total, business validation is built in ReSA. For example, the retailer defines a ReSA-calculated total of total cash tendered at a register for a store/day. He defines another total, a POS/OMS-declared total, for the total cash declared at the register for a store/day. He defines an audit rule to compare both the totals for over/short analysis. Totals are used to export consolidated data to an external system. So, while defining a total, the retailer defines the systems to which the total is exported.

Audit Rules

Rules are used in ReSA to perform custom data validation against transactions and totals. Audit rules run on POS/OMS transaction data and totals during the automated and interactive audit process. When the rule is broken, an exception error is thrown that must

be edited or overwritten by the auditor. ReSA comes with some standard pre-configured rules and also provides flexibility to the retailers to define rules needed for their business.

Error Codes

Error codes provide information to the auditor about the type of error and the remedial action needed to solve the error, thus increasing the effectiveness of the audit process. When setting up audit rules for automated audit process, an error code is associated to the rule. The error code contains an explanation of why the rule failed, as well as a recommended solution. The error code also contains security settings to determine if the error can be overridden at the store or headquarters. When a rule fails, the error code is available to the auditor in the error list. Additionally the specific location where the error has occurred is available in the transaction details, thus helping the auditor to quickly understand and correct the error.

Automatic Audit Process

Automatic auditing is done in ReSA using batch programs. The goal of the automatic audit process is to accept transaction data from point-of-sale (POS/OMS) applications and move the data through a series of processes that culminate in clean data. ReSA uses several batch-processing modules to perform the following activities:

- Import POS/OMS transaction data from the RTLog.
- Perform initial validation of data during upload of data from the RTLog to ReSA database.
- Produce totals using user-defined totaling calculation rules that are user reviewable during the interactive audit.
- Validate transaction and total data with user-defined audit rules and generate errors whenever data does not meet the criteria. The user reviews these errors during the interactive audit.
- Create and export files of clean data in formats suitable for transfer to other applications.
- Update the ReSA database with adjustments received from external systems on previously exported data.

Interactive Audit Process

Auditors use the interactive audit process to view and correct errors. This process is done after the automated audit is completed. This process allows the auditors to view errors at summary or detail level, fix or override errors, update the totals and close the store/day. In addition, it is also possible to review and edit data of missing transactions or transactions that have passed automated audit, add transactions and delete invalid or missing transactions.

Summary Views

ReSA provides summary views for the auditor to identify and fix the problem areas quickly. A store/day summary view form contains the following information about a store/day: The audit status, the data status, the number of transactions, the number of errors and the over/short amount. The auditor has access to other options from the store/day summary form such as: The error list, the balancing level summary, over/short, miscellaneous totals, missing transactions and the import/export log.

ReSA provides two other summary views: Tender Summary and Item Summary.

Single or Multi-Level Auditing

It is common to have one of the following workflows for the sale audit:

- Single level audit, with all audits being performed at the head office.
- Multi-level audit process in which some audit occurs at the store and the final auditing happens at the head office.

For the multi-level audit it is important that the store auditors must perform their audits before the headquarters auditors, making workflow management very important.

Single or multi-level auditing in ReSA is achieved through proper assignment of employees to stores and headquarters.

Automated Clearing House (ACH) Processing

Automated Clearing House (ACH) is a U.S.-based banking network used to electronically transfer funds. Retailers use ACH to enable them to have access to funds before the funds have been physically deposited in the bank. This is done by estimating the following day's bank deposit and sending this amount to the consolidating bank through the ACH network. In this way, the cash to be received from the stores is hedged.

Escheatment Processing

Escheatment is the process of forwarding monies of outstanding, non-expiring vouchers to the proper government authorities (state or country) after a defined period of time from the date of issuance. Some government authorities require that unredeemed vouchers be escheated after a specific period of time has passed. When a voucher is escheated, an invoice is generated that initiates payment of the escheated voucher amount to the government authority. The government authorities then attempt to locate the consumers owed the monies.

To accommodate Escheatment, a new total should be added to Sales Audit to create escheatment totals. ReSA automatically totals sales transactions based on calculation definitions set up for the total.

Audit Trail

The audit trail functionality provides the store and headquarters employees with the capability of tracking all changes to transactions and totals. ReSA maintains versions of all modified transactions thus enabling easy tracking of changes.

Totals for General Ledger that are impacted by a revised transaction are reversed and both the reversal and the new total are extracted for the General Ledger.

Reporting

ReSA provides some basic online reporting that allows users to view sales audit data that is in the system. The following reports are available in ReSA:

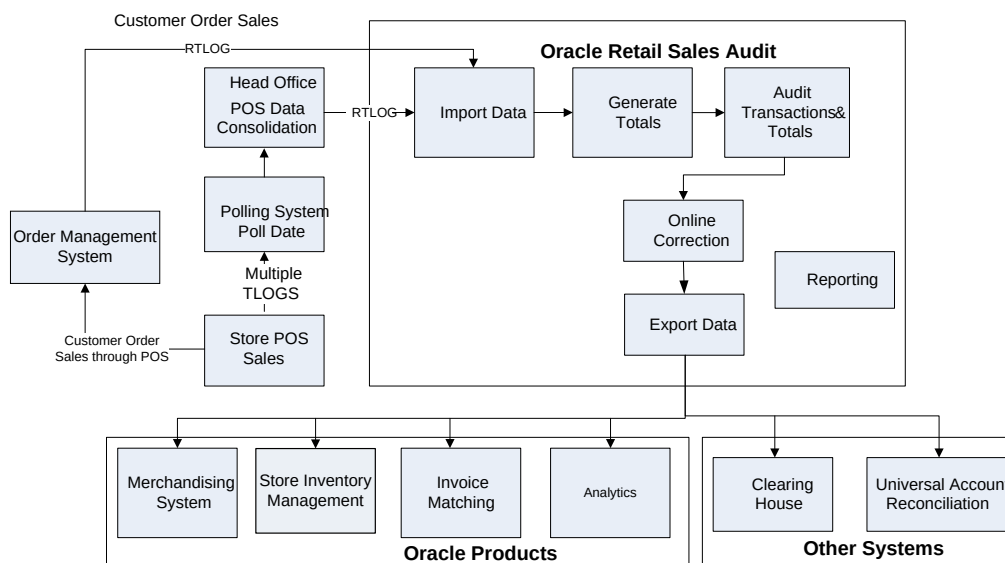
- Credit Card Summary report
- Flash Sales report
- Flash Totals report
- Voucher Activity report

Integration with Other Applications

Oracle Retail Sales Audit interfaces with the following Oracle products:

- Oracle Retail Merchandise System
- Store Inventory Management
- Oracle Retail Invoice Matching System
- Retail Analytics

This figure displays the ReSA interfacing products:



Oracle Retail Sales Audit Interface

Oracle Retail Sales Audit also interfaces with the following third-party applications:

- Automated Clearing House.
- Universal Account Reconciliation System.

Integration with Oracle Retail Merchandising System

ReSA and RMS share the same database. ReSA shares some of its master data with RMS. Foundation data such as items, stores, company/location close dates, location traits, bank setup, and tender types are maintained in RMS and used in ReSA.

Current reference data is retrieved from RMS into ReSA by the batch program SAGETREF. The data is extracted into multiple data files. The data in the files are used by the batch program SAIMPTLOG as reference data for doing validation checks on the POS/OMS transaction data during the data upload from POS/OMS to ReSA. Having the reference in data file formats increases the performance of the SAIMPTLOG process. SAGETREF generates the following reference files: Items, Wastage, Sub-transaction level items, Primary variant relationships, Promotions File, Currency File, Warehouse File, Inventory Status File, Variable weight PLU, Store business day, Code types, Error codes, Credit card validation, Store POS, Tender type, Merchant code types, Partner vendors, Supplier vendors, Employee IDs, Banner IDs.

All clean and audited sales and returns data is extracted from ReSA into a POSU file by the batch program SAEXPRMS. All corrected sale and return transactions that do not have RMS errors are extracted into the file. The sales audit system options parameter work unit controls the export of data into file in case of presence of RMS errors in the POS/OMS transaction data. The shell scripts UPLOADSALES.KSH and SALESPROCESS.KSH load data from the POSU file into the RMS tables.

Integration with Point-of-Service and Order Management System

Sales, returns and other transaction data are loaded into ReSA from the Point-of-Service and Order Management System application. These applications should provide a standard RTLog file. The RTLog data is loaded into ReSA either in trickle mode or once a day. If the data is uploaded in the trickle mode, then corporate inventory reflects a more accurate intra-day stock position. The data from the RTLog is loaded into ReSA using the batch program SAIMPTLOG for end-of-day. If trickle processing is used the final RTLog for the day must include a count of all RTLog files for the store/day.

Integration with Oracle Retail Invoice Matching

In the normal course of business, payments are made to vendors at the store level. Payments for merchandise purchases done at store level are booked against a corresponding merchandise invoice. Payments of non-merchandise purchases or miscellaneous services availed at the store are booked against a corresponding non-merchandise invoice. These transactions are passed from the POS/OMS to ReSA as specially designated PAID OUT transactions (sub-transaction type of EV – Expense Vendor or MV – Merchandise Vendor). All these invoices are assumed paid. The batch program SAEXPIM transfers the PAID OUT type of transactions to the Invoice Matching staging tables.

The batch program SAEXPIM is also used for escheatment processing. Unclaimed monies of outstanding, non-expiring vouchers are totaled after a defined period of time from the date of issuance of the voucher and posted to the Invoice Matching staging tables as a non-merchandise invoice by SAEXPIM. The unclaimed amount is paid out as income to the issuing Retailer. In some U.S. states, it is paid out to the state (based on configuration). ReSA determines who receives this income and accordingly posts a non-merchandise invoice for the partner. These invoices are assumed not paid.

The batch job EDIDLINV is used to extract the invoices from the Oracle Retail Invoice Matching (ReIM) staging tables and load as EDI invoices to ReIM.

Integration with Oracle General Ledger

The batch program SAEXPGL transfers the sales data from ReSA into the financial staging tables in RMS. This batch program executes only if the external financial system is set to O (for other), E-Business Suite, or some other external financial application based on system options configuration.

SAEXPGL directly inserts the data into financial stage tables of RMS.

Integration with Automated Clearing House

ReSA determines the estimated bank deposit for each store/day. The batch program SAEXPACH posts the store/day deposits into a database table and creates the standard ACH format file. The output file is sent to a Clearing House. The output file conforms to the requirements imposed by the National Automated Clearing House Association (NACHA). The nature of the ACH process is such that as much money as possible must be sent as soon as possible to the consolidating bank. Any adjustments to the amount sent can be made front-end. This batch assumes that there is only one total to be exported for ACH per store/day.

Integration with Universal Account Reconciliation Solution

The batch program SAEXPUAR extracts specified TOTALS to a flat file that is interfaced to an account reconciliation application. For each store day, all specified totals are posted to their appropriate output files. All the stores and totals with usage type starting with UAR are exported.

Integration with Store Inventory Management

ReSA sends audited data to SIM which helps SIM to be synchronized with RMS with respect to inventory levels. The batch program SAEXPSIM extracts information from transactions with changed item quantities, item deletions, item addition, change in item status to VOID, and change in transaction status to PVOID. This information in the form of a file (SIMT) is uploaded and processed by SIM.

User Setup and Security

Access to forms and records in ReSA is controlled at two levels: RMS security and ReSA-specific security.

Since ReSA and RMS share the same instance, ReSA utilizes the basic security functionality defined within RMS. ReSA users must have an Oracle User ID and must have the appropriate product and location security defined within RMS. In addition to the general RMS security, additional security must be defined for ReSA users.

Security setting at ReSA level includes classifying the employee as a store employee or a headquarters employee and then defining some field level access. These security settings affect the forms and fields to which an auditor is given access, and at what point in the auditing process the access is granted.

The employee maintenance form in ReSA is used to define the employee type. The employee is also assigned the stores for which he can perform an audit process. Note that the employee still has the option of viewing all stores to which they have been assigned RMS security. Additionally, the POS IDs can be assigned to the user on the form. Based on a ReSA system option setting, the user ID of the cashier is validated during the RTLog upload and the employee's POS ID is used for cashier validation. Stores are assigned to headquarter employees through the use of location traits.

Field-level access provides the setup of security for nine specially designated fields based on the Oracle Role. Since both store and headquarters use the same forms and have access to the same data, additional controls for data security are needed. This additional security is provided by the field-level access control in select forms.

Oracle Retail Allocation

This chapter provides an overview of Oracle Retail Allocation.

Information Maintained by Allocation

The following information is maintained in the Allocation application:

Standard Allocations — Oracle Retail Allocation provides the customer a number of sources from which to allocate products. These sources include:

- Purchase Orders
- Advanced Shipment Notification(ASN)
- Transfers
- Bill of Lading (BOL)
- Warehouse inventory

Customers have more access and control to existing transactions as a result of the different item sources, which results in increased supply chain efficiencies.

What if Allocations — These allocations are similar to regular allocations with the exception that they have an infinite amount of product available to allocate. This allows a customer to determine the true need for the locations being allocated to, if they choose to create a purchase based on the allocation to fulfill the need.

Scheduled Allocations — Manually re-creating allocations that have the same criteria requires time. Oracle Retail Allocation allows users to define an allocation and schedule it to be automatically re-created on specific dates and time until the end date is met, warehouse stock is depleted, or threshold is met.

Allocation Templates — Oracle Retail Allocation users can create standard templates to apply to allocations to save time. Two types of templates can be created: allocation location groups and policy.

Policies — Oracle Retail Allocation requires the selection of a policy for the calculation of an allocation. The policy defines the source of the data used in the calculation of the allocation and other parameters that are used in the calculation.

Advanced Need Determining Calculations — Allocations are calculated in real time by advanced internal algorithms that calculate store need based on the policy parameters established by the customer and the current perpetual inventory and sales for the items being allocated.

Split Allocations — Oracle Retail Allocation allows users to react to changes (such as short ships, delays, and cancelled product) by splitting an allocation. Using this functionality, users can split one or many items off from an existing allocation and onto their own allocation.

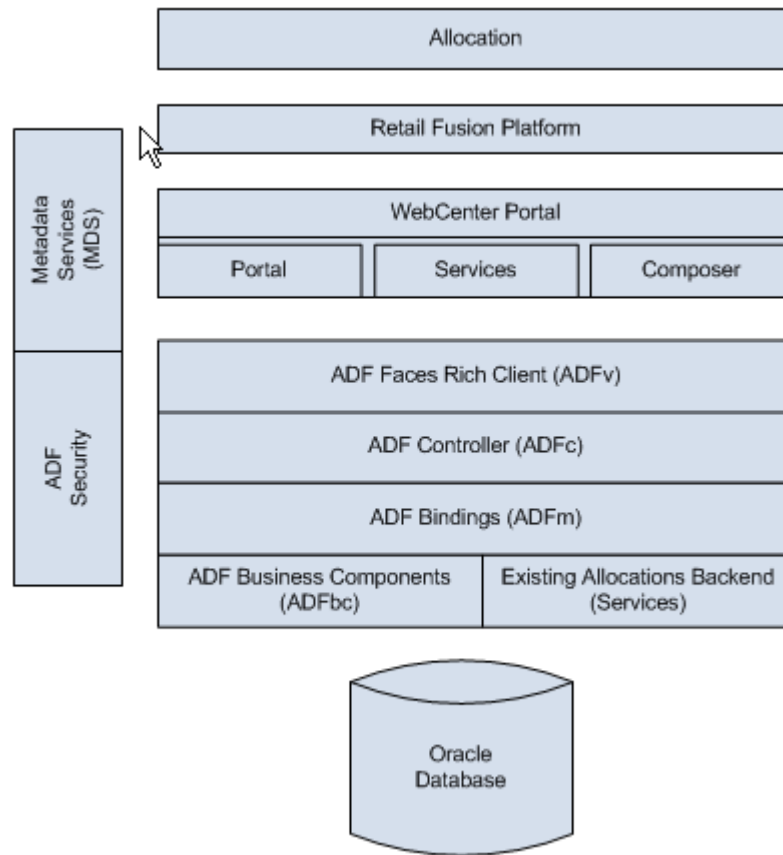
Integration with Other Applications

A retailer that acquires Oracle Retail Allocation gains the ability to achieve more accurate allocations on a stable product. Having the right product in the right stores allows for service levels to be raised, sales to be increased, and inventory costs to be lowered. By accurately determining which stores should get which product, retailers can meet their turnover goals and increase profitability.

The Oracle Retail Allocation retailer benefits from the following capabilities:

- Built on ADF Technology stack, it allows the ability to quickly add UI based on ready to use design patterns, metadata driven tools and visual tools. Debugging can be performed more rapidly; maintenance and alteration costs are kept low using the Meta data driven Application Development.
- The application's interface takes advantage of the Java Database Connectivity (JDBC), ADF's built-in transaction management, along with connections to datasources handled in Weblogic server hence minimizing the interface points needed to be maintained.
- The application's robust algorithm executes rapidly and the call to the calculation engine has been ported over from C++ library to a Java Library thus minimizing the overhead/issues related to maintaining codebase consisting of two languages.
 - For retailers with other Oracle Retail products, integration with the Oracle Retail product suite means that item, purchase order, supplier, sales, and other data are accessed directly from the RMS tables, with no need for batch modules. The allocation information containing the item, location, and allocated quantity details is passed from RMS to a warehouse management system, such as the Oracle Retail Warehouse Management System (RWMS).
- Access Control to the System is better managed by using Fusion Security Architecture.
- The application allows for retailers to adjust to changing trends in the market by facilitating real time allocations.

The following diagram illustrates the Allocation n-tier architecture:



Allocation n-tier Architecture

RMS owns virtually all of the information that Oracle Retail Allocation needs to operate and the information that Oracle Retail Allocation provides is of primary interest/use for RMS. As a result Oracle Retail Allocation has limited interaction with other Oracle Retail Merchandising Operations Management applications. For Oracle Retail Merchandising Operations Management applications that Oracle Retail Allocation does interact with, it is managed through direct reads from Oracle Retail Merchandising Operations Management application tables, direct calls to Oracle Retail Merchandising Operations Management packages, and Oracle Retail Allocation packages based on Oracle Retail Merchandising Operations Management application tables.

For more information on the Merchandising Architecture, see *Retail Reference Architecture artifacts on My Oracle Support*.

Allocation and RMS

RMS provides the following to Allocation:

- **Foundation Data**—This information is essential to all areas of Oracle Retail Allocation including valid locations to allocate to and from, location groupings, valid merchandise hierarchies to allocate within, and so forth.
- **Item**—Allocations are generated at the item location level so it is necessary that the Allocation application understands what items and item/locations are eligible in the system.

- **Purchase Order**—One of the sources from which a user allocates is an approved Purchase Order. Oracle Retail Allocation relies on RMS to provide Purchase Order information.
- **Transfer**—One of the sources from which a user allocates is an approved Transfer. Oracle Retail Allocation relies on RMS to provide Transfer information.
- **BOL**—One of the sources from which a user allocates is a bill of lading. Oracle Retail Allocation relies on RMS to provide BOL information.
- **ASN** —One of the sources from which a user allocates is an ASN. Oracle Retail Allocation relies on RMS to provide ASN information.
- **Inventory** —In order to determine the correct need at an item-location level before performing an allocation, the application needs visibility to the current on-hand inventory at each location being allocated to. Oracle Retail Allocation relies on RMS to provide inventory information at the item/location level.
- **Shipping Information** — Once an allocation is shipped by the Warehouse Management System, this information is passed on to the RMS. This shipment information implies that the allocation has been processed and is not available for any further user edits from the UI. Oracle Retail Allocation relies on the RMS to provide shipment information.
- **Sales Information** — Oracle Retail Allocation uses historical sales, forecast sales, and plan in order to determine the need at an item/location level for an allocation. Oracle Retail Allocation relies on RMS to provide sales information, RDF to provide forecast information, and Assortment Planning (or external planning system) to provide plan information.

Allocation provides the following to RMS:

- **Allocations** — Once an allocation has been moved to Approved or Reserved status, the allocation is written to RMS tables to give visibility to the allocation results.
- **Purchase Orders created by What-If process in Allocation** — If the user selects the What-if option when creating an allocation, the allocation is created based on current need and then have RMS build a Purchase Order from the allocation to fulfill the need. Oracle Retail Allocation uses an RMS API to build the purchase order in RMS.

Allocation and RPM

RPM provides the following to Allocation:

- **Future retail** — Oracle Retail Allocation has the ability to get a real time price from RPM with which it is directly integrated. Allocation uses this data to provide the future retail price values of the set of items present in the entire allocation (based on their quantities). In addition, you can access future retail price values by item and by location.
- **Promotions** — You can associate active or future promotions present in RPM while creating an allocation.

Allocation provides no information to RPM.

Allocation and RTM

No information is exchanged.

Allocation and ReSA

No information is exchanged.

Allocation and ReIM

No information is exchanged.

Allocation and ARI

ARI is a monitoring system that interacts with any applications database (including Oracle Retail Allocation). As such, it does not use any information from Oracle Retail Allocation; rather, it monitors the Oracle Retail Allocation database for events defined by a customer and notifies the customer when said events occur.

Allocation and AP

Allocation is now integrated with RPAS Assortment Planning via RETL using the new Receipt Plan feature. Assortment Plan data ideally represents what the store is expected to receive at the item level.

Allocation and SPO

Prior to Oracle Retail Allocation Release 13.3, the option to select and apply a specific set of store size profile data was not available to be used during the allocation process. Logic was set to always apply the lowest level defined in the ALC_SIZE_PROFILE table. Oracle Retail Size Profile Optimization enables you to create various seasonal sets of store size profile data in terms of generation IDs (GIDs). GIDs are commonly created in advance of a selling period and based off current trend. Oracle Retail Allocation will allow you to select a specific GID to be applied during the allocation process. This is illustrated in the following three business case examples:

- **Business Case 1:** When creating a pre-allocation for the upcoming fall season. You may want to use a forward out Subclass Fall 2014 set of size profile data. This helps to better align the planning and execution process.
- **Business Case 2:** When creating an in-season allocation, where the allocation is expected to be processed the next day, you may want to take advantage of a current trend GID and select the Style level GID set of size profile data. Results will be based off actual trend data.
- **Business Case 3:** For key items, you may want to apply key item level specific GIDs instead of store size profile data created at higher levels, such as Class or Subclass.

Allocation System Options

In order to increase operational efficiencies, Allocation has introduced the system properties settings into the UI. The Tasks menu > Allocation Foundation > Manage System Options allows you to view various system settings. Manage System Options displays two tabs System Properties and User Group Properties. System Properties will display global system settings which were configured and defined during install and implementation; the System Properties is controlled and maintained by the System Administrator user role. The User Group Properties displays settings in which the Allocation user group can manage as business trend, and business needs change due to a shift in season or a change in their business model. The User Group Properties is controlled and maintained by the Allocation Manager user role. Allowing allocation users to have view access of these settings allows for them to better understand the Allocation product, process and results.

System Properties

- **CALCULATION QUEUE POLLING INTERVAL**
Indicates the calculation queue polling interval in milliseconds. This system option has been deprecated and does not impact the calculation queue due to the implementation of WLS JMS queue. This property requires a reboot/restart of Oracle Retail Allocation to take effect.
- **ITEM LOCATION WARNING**
Indicates whether a warning message needs to be displayed to the user in case of, selection of an invalid item/location combination. This system option is important for customers to understand that invalid item/locations combinations have been added in an allocation. Once these are identified, the user can take necessary steps to rectify them before proceeding with the workflow.
- **END OF WEEK DAY**
Indicates the day treated as the end of the week. This system option is vital for all customers implementing Oracle Retail Allocation. Any weekly rollups performed by the application during need calculations are based on this setting. For accurate results, this needs to be in sync with the setup within the merchandising system.
- **BULK WAREHOUSE SETTING**
Indicates the non-finisher virtual bulk warehouse ID for PO creation for What If allocations. This is a non-finisher virtual warehouse where the customer would require the delivery of bulk purchase orders created out of What If allocations. It needs to be noted here that this warehouse would be considered only in cases where the destination stores do not have a designated default delivery warehouse in the merchandising system.
Business example: Bulk Warehouse Setting = VWH1. For store S1, default delivery warehouse in the merchandising system = VWH2. For store S2, there is no default delivery warehouse in the merchandising system. In the above setting, a bulk PO raised for S1 would be sent to VWH2 and for S2 would be sent to VWH1.
- **AUTOMATIC GROUP UPDATE**
Indicates whether the location groups need to be updated for worksheet allocations. This system option is important for customers who extensively use location groups. In cases where a location group undergoes modifications within the merchandising system, where there are stores that were added to or deleted from the group, the Allocation user would be alerted of such changes on accessing an allocation making use of the modified location group.
- **ALL ORDERS**
Indicates whether the On Order quantities against open purchase orders are considered while calculating item stock on hand.
On Order quantities against open purchase orders are considered while calculating stock on hand (SOH) for the items in the order only if this option is set to Yes. This setting needs to be taken into consideration while analyzing the net need quantity generated for a store by the calculation algorithm.
- **SUPPLY CHAIN PATH SETTING**
Retailers intending to use date-based paths might consider using the distribution level of 2 whereas those using static time-based paths would want to use the distribution level of 1. Change in this value would invalidate all the allocations

created in the previous distribution level setup and not allow the user to access them.

Note: The distribution path set up by the retailer is unidirectional and cannot be used to move goods back to the deconsolidation center from the store.

Currently, this field is defaulted to zero and disabled till Multi Level Distribution (MLD) functionality is introduced.

- **WHAT IF ITEM SOURCE QUERY LEVEL**

For this property, the retailer would need to set the merchandise hierarchy at which the maximum number of item queries are likely to be carried out while creating a What If allocation. This would largely need to be a corporate decision during the implementation phase.

- **LOCATION EXCEPTION REASONS - PRODUCT SOURCED ALLOCATION**

Indicates the item-location relationship status that needs to be excluded from product sourced allocations. Separate multiple statuses with a space. Example: Location Exception Reason Product Sourced = C D I. If you want to exclude a non-existing item location relationship, add NULL to the list.

Within the merchandising system, there are multiple item-location relationships that may exist. During the implementation phase, it is very important that the retailer takes a decision around which of these relationships would be considered valid during the creation process for a regular allocation. Defining the set of invalid relationship status through this system option removes an additional overhead of having to individually examine each allocation and manually remove invalid item location combinations.

- **LOCATION EXCEPTION REASON - "WHAT IF" ALLOCATION**

Indicates the item-location relationship status that needs to be excluded from What If allocations. Separate multiple statuses with a space. Example: Location Exception Reasons What If = C D I. If you want to exclude a non-existing item location relationship, add NULL to the list.

Within the merchandising system, there are multiple item-location relationships that may exist. During the implementation phase, it is very important that the retailer takes a decision around which of these relationships would be considered valid during the creation process for a 'what if' allocation. Defining the set of invalid relationship status through this system option removes an additional overhead of having to individually examine each allocation and manually remove invalid item location combinations.

- **DEFAULT "WHAT IF" IMPORT WAREHOUSE**

Indicates the default warehouse for import based purchase orders from What If allocations. This is a non-finisher virtual warehouse where the customer would require the delivery of purchase orders created out of What If allocations. It needs to be noted here that this warehouse would be considered only in cases where the destination stores do not have a designated default delivery warehouse in the merchandising system.

Business example: Default What If Import Warehouse = VWH1. For store S1, default delivery warehouse in the merchandising system = VWH2. For store S2, there is no default delivery warehouse in the merchandising system. In the above setting, a What If PO raised for S1 would be sent to VWH2 and for S2 would be sent to VWH1.

- **"WHAT IF" SUMMARY DEFAULT ACTION**
Indicates the What If Summary Default Action: Create or Update PO.
- **FUTURE AVAILABLE FOR WHAT IF ALLOCATIONS**
Indicates whether or not to consider Future Available inventory for What If Allocations. True - Use the future SOH; False - Use the current SOH only.
While raising purchase orders out of What If allocations, this system option gives the retailer the extra edge of being able to see inventory likely to be delivered within the time horizon of the allocation at the locations being covered by the allocation. The order quantity gets optimized as a result of this and it also safeguards the retailer against over-allocation and markdown scenarios.
- **ENABLE SIZE PROFILE VALIDATION**
Indicates if the size profile validation should be done when the user hits the Calculate button.
- **SIZE PROFILE VALIDATION LEVELS**
Indicates the levels at which the validation should be done. The valid values are STYLE, SUBCLASS, CLASS, and DEPT. If you want to specify more than one value, then use the comma as a delimiter.
This needs to be set to the merchandise hierarchy levels at which the retailer is likely to store the size profile data.
- **SISTER STORE SETUP**
Indicates whether the need of a similar store can be used during allocation calculation. If this is set to True, the system uses the sister store's need when the records don't exist for a store. If this is set to False, the system uses the sister store's need when the records don't exist for a store or when there are existing records but with zero need.
This gives the retailer the option to use item sales data from a like store in case of no existing records from the store in the allocation or there is a new store receiving goods for the first time and which is unlikely to have any past history data
- **LOCATION LIST THRESHOLD**
Indicates threshold value to be used in SQL IN while fetching a location list.
- **UNLOCK MINUTES**
Indicates the locking time out in minutes.
- **PROMOTION ASSOCIATION**
Indicates whether the system should allow you to link promotions with an allocation during the creation process.
- **BATCH PROVIDER URL**
Indicates the WebLogic context Uniform Resource Locator (URL) that the Async process uses. This property requires a reboot/restart of Oracle Retail Allocation to take effect.
- **ITEM SEARCH MAXIMUM**
Indicates the limitation on the number of rows that are returned by the item search.
- **ALLOCATION RETENTION DAYS**
Indicates the number of days you can link allocations to the RMS allocations in the system.

- **WORKSHEET RETENTION DAYS**
Indicates the number of days you can link allocations to the worksheets in the system.
- **NOTIFICATION POLLING INTERVAL**
Indicates the notification polling interval in milliseconds.
- **NOTIFICATION POLLING TIMEOUT**
Indicates the notification polling timeout in milliseconds.
- **ENABLE FUTURE RETAIL**
Indicates whether or not the retail values of the items being allocated are displayed to the user.
- **ENABLE PROMOTIONS**
Indicates whether or not the system must allow the user to link promotions with an allocation during the creation process.
- **CALCULATION LOG PATH**
Directory path to hold calculation dat files. This property requires a reboot/restart of Oracle Retail Allocation to take effect.

User Group Properties

The User Group properties are assigned to the Allocation Manager standard user role.

- **NUMBER OF DAYS BEFORE RELEASE DATE**
Indicates the number of days before the release date, that is used during the creation of a purchase order for a What If allocation. This field is set to three days by default.
- **BAYESIAN SENSITIVITY FACTOR**
Indicates the plan sensitivity value used while using the Plan Reproject policy. The sensitivity factor is set to 0.3 by default. This value can be changed to any value between zero to one based on the requirements.
- **SECONDARY**
Indicates whether to display secondary description of store or supplier in store field and supplier field respectively.
- **BREAK PACK ENFORCEMENT**
Indicates whether the break pack functionality is enabled or not.
- **PRESENTATION MINIMUMS**
Indicates if presentation minimums are initially defaulted into the quantity limits UI. This field impacts the default setting of the Presentation Minimums and Quantity Limit check box on the Policy Maintenance window.
- **DEFAULT STORE CALCULATION/PO MULTIPLE**
Indicates the default store calculation multiple. Possible Values are:
 - o EA - Each
 - o IN - Inner
 - o CA - Case
 - o PA - Pallet
- **ITEM SOURCE DEFAULT FOR ITEM SEARCH PAGE**

Indicates the Item Source that will be checked by default when entering the Item Search page.

- o P - Purchase order
 - o A - Advanced shipping notification
 - o T - Transfer
 - o B - Bill of lading
 - o W - Warehouse
- DESCRIPTION LENGTH
Indicates the maximum length to be used for display of Item descriptions in the user interface.
- RULE VISIBILITY
Indicates the rule type for which the need value is displayed on the Allocation Maintenance window.
- PACK VARIABLE ACCEPTANCE THRESHOLD
Indicates the Pack Variance Acceptance Threshold value.
- QL SPLIT METHOD FOR LOCATION GROUPS
Indicates the method of splitting quantity limits across individual stores in a location group.
- MAXIMUM ITEMS IN ALTERNATE HIERARCHY SELECTION
Indicates the maximum number of items per alternate hierarchy selection.
- CROSSING LEGAL ENTITIES
Indicates whether you can cross legal entities. If you select option 'YES', the allocations cannot cross legal entities. Option 'NO' indicates that allocations can cross legal entities.

Database Statistics

In order to ensure optimal performance of Oracle Retail Allocation, ensure that an appropriate database statistics strategy is in place for the Allocation database tables. Of particular importance is a strategy for managing the temporary tables used within the calculation processing and user online sessions.

The calculations tables can be identified by the naming standard, ALC_CALC_***_TEMP, and they represent the volatile tables that are subject to high concurrent users and application logic inserting data (and later deleting). Gathering stats against these temp tables has always been a challenge because the number of rows changes at a very high frequency. Cardinality is the estimated number of rows that will be returned by a query operation and is the key to getting representative statistics (and not necessarily the latest statistics). With this architecture, we have no way of knowing during the session if the upper boundary of a temp table is 100 rows, 10000 rows or 1000000 rows and so our cardinality is unpredictable and the Oracle Optimizer Engine gives you a false estimate and produce bad query response times.

The following is the list of the volatile tables which must be set up for using dynamic sampling or a locked statistics approach:

- ALC_CALC_DESTINATION_TEMP
- ALC_CALC_NEED_DATES_TEMP
- ALC_CALC_NEED_TEMP
- ALC_CALC_QTY_LIMITS_TEMP

- ALC_CALC_RLOH_ITEM_TEMP
- ALC_CALC_RLOH_TEMP
- ALC_CALC_SOURCE_TEMP
- ALC_HEAD_TEMP
- ALC_MERCH_HIER_RLOH_TEMP
- ALC_SESSION_ITEM_LOC
- ALC_SESSION_ITEM_LOC_EXCL
- ALC_SESSION_QUANTITY_LIMITS
- ALC_WORK_SESSION_ITEM
- ALC_WORK_SESSION_ITEM_ALL
- ALC_WORK_SESSION_ITEM_LOC

So generically, we need to choose one of two options: using DYNAMIC_SAMPLING, or locking the statistics at an approximate average level.

Dynamic Sampling

Using DYNAMIC_SAMPLING (an Oracle system parameter), Oracle gathers just enough stats on the referenced table to give it a best guess. So if you select dynamic sampling, you must drop the current stats on the reference temp table(s) and then lock them. This prevents the auto stats from collecting them or a dba mistakenly creating them and also tells the Optimization Engine that these referenced tables are candidates for dynamic sampling collection. Then, it is recommended setting the DYNAMIC_SAMPLING to 6. It can be set either at the system or session level. See the following article for more details on dynamic sampling: *Optimizer Dynamic Sampling (OPTIMIZER_DYNAMIC_SAMPLING) (ID: 336267.1)*.

Locking Statistics

Oracle recommends that if you are not using dynamic sampling, their size be monitored and the statistics gathered at, or close to, their peak size. The statistics should then be locked using dbms_stats.lock_table_stats().

Note: The volatile tables need to be maintained by running the AlcDailyCleanUp batch process nightly. For more details on the batch, see the *Oracle Retail Allocation Operations Guide*.

The following are additional recommendations on statistics relevant to Allocation:

- If statistics are currently being gathered manually, Oracle assumes that automatic statistics gathering has been disabled. If not, set DBMS_STATS.SET_GLOBAL_PREFS ('AUTOSTATS_TARGET', 'ORACLE'). This will still gather dictionary table statistics.
- The remaining ALC% tables should follow best practices for statistics gathering using DBMS_STATS.GATHER_*_STATS procedures, namely allowing ESTIMATE_PERCENT to default to AUTO_SAMPLE_SIZE. Running these statistics on a weekly basis should suffice unless a major change occurs in the characteristics of the data (e.g. size, density, etc).
- Finally, if not carried out previously, we recommend that fixed object statistics be gathered (DBMS_STATS.GATHER_FIXED_OBJECTS_STATS) while there is a representative load on the system. If that is not feasible, then these should be at least gathered after the database is warmed-up and v\$session, v\$access, v\$sql, v\$sql_plan, etc are populated.

Internationalization

For details on the language supported information see, Oracle Retail Merchandising System documentation for the current release.

Oracle Retail Invoice Matching

This chapter is an overview of Oracle Retail Invoice Matching (ReIM).

Information Maintained by ReIM

The following information is maintained in the ReIM application.

Multi-dimensional matching utilizes complex matching logic designed to maximize match rates and processing productivity for both invoice and credit note matching.

Discrepancy routing identifies cost and quantity discrepancies when a match has not occurred after a user-specified period of time and automatically routes discrepancies to user groups capable of efficient and effective disposition.

Resolution dialog offers a powerful, streamlined approach to handling invoice discrepancies where reviewers can disposition a discrepancy based on a set of user-defined reason codes.

Self-billing and deals bill-back integration provides robust integration with the Oracle Retail Merchandising System that supports supplier billing for RTVs, rebates and other deals, consignments, direct store delivery, evaluated receipts, and other non-merchandise billings from obligations and customs entry.

Receiver adjustments integration provides direct updates of receiver cost and quantity adjustments initiated from the matching/resolution process to inventory valuation and positions in the RMS.

Best terms date uses payment terms rankings (predetermined by the user) to identify the invoice or purchase order term best supporting the retailer's cash management objectives. Payment terms and terms date information is exported to the retailer's accounts payable solution to support payment of the invoice.

Debit reversals allow the user to efficiently convert a supplier-disputed debit memo into an editable credit memo with supplier comments for resolution, allowing for flexible handling through the routing process or central processing.

Matching tolerances offers the flexibility to set up tolerances by monetary range, nominal amount, or percent. Separate tolerances can be applied for quantity and cost and for discrepancies in either the retailer's or its supplier's favor. Tolerances are set at supplier, merchandise department, and system levels.

Integration with Other Applications

The Invoice Matching application's primary purpose is to match invoices so they can be exported to Accounts Payable (AP) to be paid. Invoice Matching has limited interaction with the Oracle Retail Merchandising Operations Management applications with the exception of RMS. RMS is the owner of the information that Invoice Matching needs to match invoices it receives.

Information from the Invoice Matching application is shared with Oracle Retail Merchandising Operations Management applications through direct reads from Oracle Retail Merchandising Operations Management application tables, calls to Oracle Retail Merchandising Operations Management application packages, Invoice Matching packages based on Oracle Retail Merchandising Operations Management application tables, and batch processes.

For more information on the Merchandising Architecture, see *Retail Reference Architecture artifacts on My Oracle Support*.

Invoice Matching and RMS

RMS provides the following to Invoice Matching:

- **Foundation Data** is essential to all parts of invoice matching, including valid locations for invoices to be executed, valid suppliers from which to receive invoices, supplier addresses to send credits and debits based on invoice matching results, and more.
- **Item** information is essential to the invoice matching process as item information ensures that invoices being received are valid for the business. For example, an item received on an invoice is carried by the client, is supplied by the supplier who sent the invoice, and is carried in the locations for which the item was received.
- **Purchase Orders** are used by Invoice Matching to facilitate the invoice matching process which is performed at the purchase order location level.
- **Shipments** information is used by Invoice Matching to determine if a PO has been received, which affects the matching algorithm used by the AutoMatch batch program in Invoice Match.
- **Deals and Rebate**—Invoice Matching creates credit memos, debit memos, and credit requests based on deal and rebate information in RMS for processing by the financial (AP) system. This is performed by the ComplexDealUpload and FixedDealUpload batch processes that read from RMS staging tables.
- **Staged Accounts Payable transactions**—Accounts Payable documents created in RMS for consignment invoices, Obligations invoices, customer entries invoices, payment transactions sent through ReSA, and Return to Vendor chargebacks (either debit memos or credit note requests) are staged to Invoice Matching staging tables in RMS and extracted using the batch EDIDLINV to be loaded as EDI documents into Invoice Matching.

Invoice Matching provides the following to RMS/RTM/ReSA:

- **Invoice Matching results for shipments**—Shipment records are updated with the invoice matching results from the invoice match process. This involves updating the match status and quantity matched of the shipments in question. The matching process is handled by the AutoMatch batch process in Invoice Matching, which attempts to match all invoices in ready-to-match, unresolved, or multi-unresolved status.
- **Receiver Cost Adjustments**—An API executed when invoice matching discrepancies are resolved through a receiver cost adjustment. The API updates the purchase order, shipment, and potentially the item cost in RMS, depending on the reason code action used.
- **Receiver Unit Adjustments**—An API is executed when invoice matching discrepancies are resolved through a receiver unit adjustment. The API updates the purchase order and shipment in RMS to complete the transaction.
- **Closing unmatched shipments**—Invoice matching closes the invoice matching status for shipments in RMS after a set period of time (defined by the client in system options). This updates the invoice matching status of the shipment on the shipment table in RMS. This process is managed by the ReceiptWriteOff batch program.

Invoice Matching and RTM

RTM provides to Invoice Matching:

- **Finalized Customs Entry**—When Customs Entries are confirmed in RTM, a non-merchandise invoice is automatically created in Invoice Matching staging tables.
- **Approved Obligations**—when an Obligation is approved in RTM, a non-merchandise invoice is automatically created in Invoice Matching staging tables.

Note: Invoice Matching provides no information to RTM.

Invoice Matching and ReSA

ReSA provides the following to Invoice Matching:

Store Level Purchasing—Payments for merchandise purchases done at store level are booked against a corresponding merchandise invoice. Payments of non-merchandise purchases or miscellaneous services availed at the store are booked against a corresponding non-merchandise invoice. These transactions are passed from the POS/OMS to ReSA as specially designated PAID OUT transactions. All these invoices are assumed paid. The batch program SAEXPIM transfers the specially-designated PAID OUT type of transactions to the Invoice Matching staging tables for extract to the Invoice Matching application.

Escheatment Processing - Unclaimed monies of outstanding, non-expiring vouchers are totaled after a defined period from the date of issuance of the voucher and posted to Invoice Matching staging tables as a non-merchandise invoice by SAEXPIM. The unclaimed amount is paid out as income to the issuing retailer or, in some U.S. states; it is paid out to the state. ReSA determines who receives this income and accordingly posts a non-merchandise invoice for the partner. These invoices are assumed not paid.

Note: Invoice Matching provides no information to ReSA.

Invoice Matching and RPM

Information is not shared between these applications.

Invoice Matching and Allocation

Information is not shared between these applications.

Invoice Matching and ARI

ARI is a monitoring system that interacts with any applications database (including Invoice Matching). As such, it does not use any information from Invoice Matching; rather it monitors the Invoice Matching database for events defined by a client and notifies the client when said events occur.

Invoice Matching and Financial Systems

Invoice Matching exports data to financial staging tables through the FinancialPosting batch program.

However, clients using any other system for financials must create their own interface to deliver information to that system.

Invoice Matching and External Suppliers

Invoice Matching gets invoices from external suppliers in one of two ways: EDI or hardcopy. When EDI is used, the EdiUpload batch program is responsible for uploading the invoice details from the vendor using a standardized file format. When a hardcopy is used, the client needs to manually enter the invoice in the system before matching can proceed.

Notification to suppliers of charge backs and requests for credit notes is provided in a flat file extracted by EdiDownload batch process.

Invoice Matching Users and Security

Users in Invoice Matching can be set up either using LDAP or the database through the IM_USER_AUTHORIZATION table. If clients have existing applications that use LDAP, Invoice Matching can be configured to point toward the clients' LDAP server to prevent the creation of multiple user IDs for the same user. Clients need to determine which method works best for them during implementation.

Users logging in to Invoice Matching are validated against LDAP or the database to authenticate the user prior to beginning an application session. A system administrator is responsible for setting up new users in the system (LDAP or the database).

When a user is authenticated, Invoice Matching provides a two-tier security structure to limit the functions and information that they are authorized to use.

Application Level Security

This provides a way for clients to limit the functionality that users have access to in the Invoice Matching application. Invoice Matching provides clients with the ability to grant users with one of three levels of access to various functionalities:

- **Edit** provides a user group with total access to the functionality in question.
- **View** provides a user group with the ability to access a functional area. However, the user group is not able to interact with information in the functional area (only view it).
- **No Access** prevents a user group from accessing the functional area in question.

Application Level Security for Invoice Matching is maintained on the IM_BUSINESS_ROLES table and is associated to users through the IM_BUSINESS_ROLE_MEMBER table.

Data Level Security

This level provides a way for clients to limit the information that users have access to in the Invoice Matching application. Invoice Matching allows clients to limit user access for three types of information:

- **Dept/Class** limits a user group to performing Discrepancy Resolution functions for specific department/classes. This information is maintained on the IM_BUSINESS_ROLES_DEPT table.
- **Location** limits a user group to performing Discrepancy Resolution functions for specific locations. This information is maintained on the IM_BUSINESS_ROLES_LOC.
- **Reason Codes** limits a user group to specific reason codes that they are allowed to use. This information is maintained on the IM_BUSINESS_ROLES_REASON_CODES table.

To implement the security structure offered by Invoice Matching, the concept of business roles is used. Business roles are unique to each client and need to be defined during the implementation effort. Business roles should accurately represent the different types of

users that access the Invoice Matching application and the types of functions and information that those roles need to access.

The Invoice Matching application allows a client to set up these business roles through the application by using the User Group dialog. The Invoice Matching application also allows a client to associate users to a respective business role (User Group) through the User Group dialog. This results in the user inheriting the security characteristics of that user group. It is important to note that the relationship between a user and a user group is one-to-one.

Internationalization

For details on the language supported information see, Oracle Retail Merchandising System documentation for the current release.

Oracle Retail Price Management

This chapter is an overview of RPM.

Functional Design

RPM is a highly configurable, strategy-based pricing solution that suggests and assists with pricing decisions. RPM empowers retailers to automate and streamline pricing strategies across the organization, yielding a more predictable and profitable outcome. It provides decision support through pricing-focused business information to validate and approve new retails and markdown suggestions. This approach results in improved margins and strengthened productivity, all while remaining competitive.

RPM supports the creation and execution of manual price changes and clearances. It also provides semi-automated pricing functionality through the execution of a pricing strategy. Pricing strategies allow the retailer to define parameters that will propose retail prices based on competitive information, margin targets, or clearance objectives.

RPM is part of the Oracle Retail Enterprise footprint. It uses several methods of integration: RIB, Batch, and RSL. RPM is the system of record for all retail pricing. SIM can request the creation/update or deletion of price events, but there is no import option from SIM.

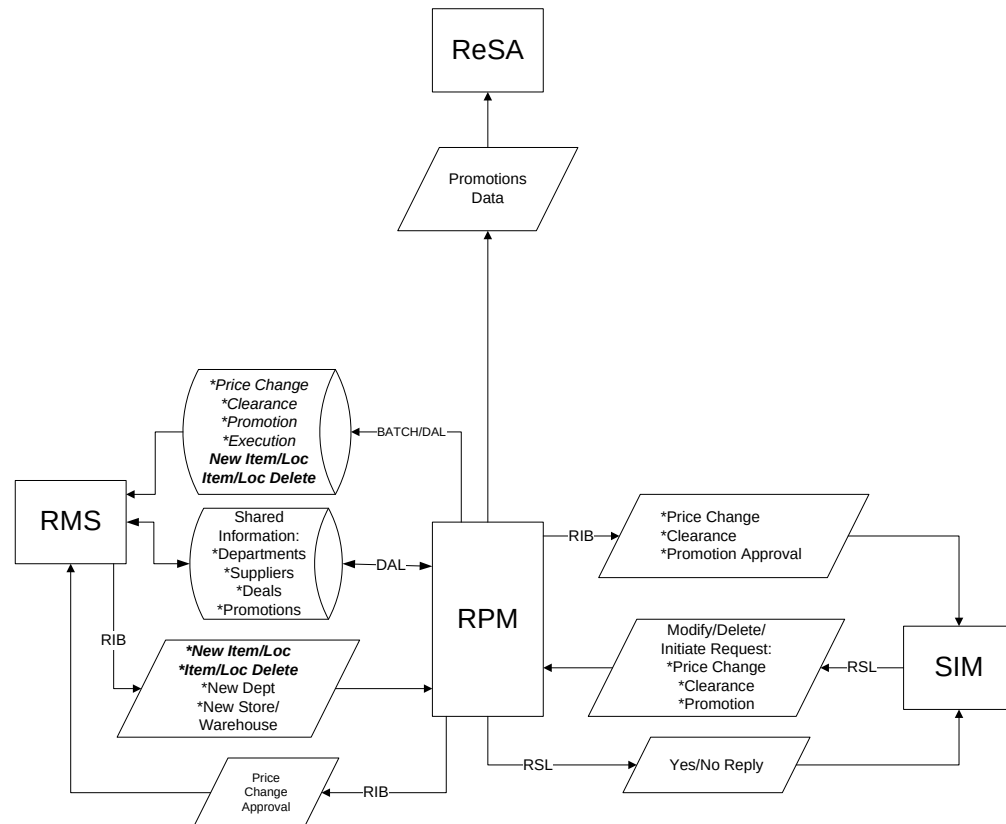
System Options and Defaults

RPM includes a system options and defaults menu that allows the client to configure system settings as well as default values for certain dialogs. These are described in detail later in this chapter. Additionally, there are columns in the worksheet, worksheet status, price change and clearance dialog that can be displayed or hidden at the global level. This hide/show definition does not need to be supported with a GUI. It is important that during installation and implementation of the application, these system options are reviewed and set based on client business needs and/or preferences.

There are system options and system defaults that exist both in the table and the user interface. In addition, listed in each section is a default value for each system option/default field. This default value is populated upon entering the RPM application; however, values are not stored in the database. The user must save the values in the system options user interface to commit the values to the database. This gives the user the options to change the values per business processes before committing any values to the RPM system options table.

RPM in the Oracle Retail Footprint

The following flowchart illustrates the position of RPM in relation to other Oracle Retail modules:



RPM Illustrated as Part of the Oracle Retail Footprint

Foundation Data

During installation and implementation, RPM requires some initial data setup to create and implement price changes, clearances, promotions and pricing strategies. This foundation data includes aggregation level, link codes, market basket codes, zone structures, price guides, calendar, and candidate rules. The following is a general overview of each functional area, including examples of lessons learned in the field. This information is to be used as reference when encountering issues or to avoid issues when implementing RPM.

Aggregation Data Functional Overview

The merchandise hierarchy allows the client to create the relationships required to support the product management structure of a company. Key information about how inventory is tracked, priced and reported is stored at the department level. It is very important that departments are set up in appropriate order for subsequent systems such as RPM to utilize. Departments are associated to zone groups, which assist in calculating the initial price for an item when created, approved and ranged to a location. The following is important information about using hierarchy information in RPM.

Adding a New Hierarchy in RMS

When creating merchandise hierarchy in RMS, it is important that the department, class and subclass are set up correctly. Inappropriate setup will cause performance concerns in supporting applications such as RPM. The following are the correct and incorrect ways of creating Merchandise Hierarchical data.

The following is a suggested approach for creating Merchandise Hierarchy in RMS:

- **Department**—Next level below group in the merchandise hierarchy of a company. A group can have multiple departments. Key information about how inventory is tracked and reported is stored at the department level.
- **Class**—Next level below department in the merchandise hierarchy of a company. A department can have multiple classes. A class provides the means to group products within a department.
- **Subclass**—Next level below class in the merchandise hierarchy of a company. A class can have multiple subclasses. A subclass provides the means to classify products within a department/class combination.

Example:

- Department: Active Wear
- Class: Women's Active Wear
- Subclass: Women's Running Active Wear

The following is a less-effective, alternative approach to creating Merchandise Hierarchy in RMS:

In this example, the department is set up by designer; the department spans all locations and when it is used in RPM will cause performance issues. RPM was intended to support department data in order to create/implement price events under the Oracle Retail definition of what a department is in a retail store.

Example:

- Department: Prada (The department is set up by designer but spans many locations)
- Class: Prada Women's Apparel
- Subclass Prada: Women's Apparel-Active Wear

Deleting an Existing Department from RMS

In the event a client is not using the RIB, there is a manual process to ensure department data is deleted properly and appropriate tables are in sync. If a department is deleted from the DEPS table, it should also be removed from the aggregation table in RPM. If the two tables are not in sync, the RPM application errors out with a fatal exception when entering the Aggregation Level user interface.

Markup Definition

For each Department (or Class or Subclass, if the Primary Zone Group has been defined at either of those levels), the client will need to specify the Initial Markup Percentage. This is used to determine the initial retail price for new items. It also necessary to specify whether this percentage should be applied as a Cost or Retail Markup.

The markup definition is defined in two places. The first is RMS in the DEPT form. The second is under the Maintain Primary Zone Group Definition. Even though there are two places where the setup can be defined, RPM reads and uses this information in the Maintain Primary Zone Group Definition, and all settings should be controlled there. Therefore, all modifications made to markup percentage should be done in RPM.

When the Markup Type and Markup percent is NULL for a department, or primary zone group does not exist, an embedded system default (DEF_MARKUP_TYPE) will default the markup type to RETAIL(R).

Link Codes Functional Overview

Link codes should be used for identical items that will always share the same retail price (for example, a retailer wants all frozen vegetables to carry the same price). They are used for ease of data entry and considered a point-in-time price event. When the link code price event is created and effective, it is considered complete and will not inherit new items/locations.

Link codes can be created at the Zone Group, Zone, or individual location levels and are held at an item/location level in RPM; only one might be assigned per item/location. For link code price changes, the Apply button validates the item/locations for which a price change is being created/edited, has link codes attached, and prohibits the user from applying the new/edited price change. When a price change is approved, this validation need not occur, as the state of the link when that price change was approved is respected. The state of the link means which items/locations were affected when the price change was approved at that point in time. If any of the item/locations in the link code fail conflict checking, the entire link code price change will fail conflict checking. The user will not be allowed to create a price change through the price change dialog that affects an item/location that has a link code assigned.

Link code functionality is not available in clearances. For worksheets, there are certain rules that need to be followed to determine how items with link codes should be handled in the worksheet. For each item/zone pulled by the extract program (assuming strategy is set up at a zone level), validation is performed to verify if there are any link codes that exist across all of the locations in the zone for the item. If there are varying link codes across the item/locations, the item will not be pulled into the worksheet. A NULL link code counts and is considered different than an item/location that has a link code assigned. Every item in the link at the locations must also be represented in the worksheet, or the item will not be pulled into the worksheet.

For price changes created in SIM that affect a link code, the price change will need to be converted into a link code/location price change so the price change can be created in RPM (that is, the price change fails if it stays in a SKU/location form and affects a link code).

Link Codes and Inheritance

Link codes should be used as a grouping mechanism for items that should be priced the same for a particular price event and assumes all items that exist for the link code at the time the price is effective will be represented. Link codes do not inherit price events, nor is the link code dynamic and able to add details. As stated, it represents a point-in-time price event and should not be assumed or used group items for future events, such as new item location, and location move.

- Proper use of a link code
Create a link with a grouping of cola that should be priced the same for an event. All items exist when price change is created. New retail price is reflected.
- Improper user of a link code
Create a link with a grouping of cola that should be priced the same for an event. Create a new item and add to the link code. The link code price change already in effect will not reflect the new item unless a new price change is created.

Link Codes and Worksheets/Merchandise Extract

Link codes can be used within the worksheet/pricing strategy functionality. The link code must be the same for an item across all locations in the zone, and all items in the link code must be present.

Example:

Primary Area	Secondary Area
Link Code A	Link Code A
Item 1	Item 1
Item 2	Item 2
Item 3	Link Code B
Link Code B	Item 4
Item 4	Item 6
Item 5	Link Code C
	Item 7
Item 6	
Item 7	Item 3
Item 8	Item 8

From primary to secondary areas:

- A price change to link code A should propose a retail for link code A in the secondary area. This applies to items 1 and 2.
- A price change to link code B should propose a retail for link code B in the secondary area. This applies to items 4 and 6.
- Link code C does not exist in the primary area and therefore no retail will be proposed, it should be thrown out of the secondary area worksheet.
- Item 3 is in the link code in the primary area but is not in the link code in the secondary area. Because Item 3 was not an individual item in the primary area, it should not be an individual item in the secondary area and should be thrown out.

- Item 6 was a single item in the primary area, but is not in the link code in the secondary area. Item 6 should be represented within the link code in the secondary area and should have its retail proposed from the link code, not the item 6 change of the primary area.
- Item 8 is a single item in the primary area and single item in the secondary. No unique processing is needed.
- If an item does not exist in the primary area but exists in the secondary area, but is not a part of any link code in the secondary area, throw it out. There are multiple errors that can be triggered by merchandise extract batch when a link code is not set up properly.

Error Descriptions

INVALID_SECONDARY_ITEM

This error occurs when the items in the secondary are mismatched with primary and, therefore, the secondary is not able to receive the primary's proposed retail for that secondary item. To rectify this error, ensure the item meets or does not meet any of the following conditions:

- Item does not belong to any link code, whereas the same item belongs to a link code in the primary area.
- Item does not exist in the primary area and does not belong to any link code in the secondary area.
- Item belongs to a link code that does not exist in the primary area.

MISSING_LINK_ITEM

This error occurs when one or more items from an item-link code/zone group is missing, or the entire group is excluded. To rectify this error, ensure the item meets or does not meet any of the following conditions:

- If any one item from a link code is present in the worksheet, all items in the same link code must also be present in the worksheet.
- Items sharing the same link code should have the same Basis UOM.
- Items sharing the same link code should all have the same Class VAT Indicator settings.
- For Margin and Maintain Margin Strategies, items sharing the same link code should have the same Margin Market Basket code.
- For Competitive Margin Strategies, items sharing the same link code should have the same Competitive Market Basket code.

VARIABLE_LINK_CODE

This error occurs when the item does not have the same link code at all locations in the zone. In order to rectify this, modify your link code to reflect the locations and ensure the link is setup with all locations used in the pricing strategy.

VARIABLE_LINK_MBC

This error occurs when the items sharing a market basket code do not have the same link code at all locations in the zone. In order to rectify this, compare the items in the market basket code to the item/locations in the link code.

VARIABLE_LINK_SELLING_UOM

This error occurs when the items sharing a link code do not have the same Basis UOM at all locations in the zone. In order to rectify this, verify the basis UOM for all the items in the link code at the locations in the zone.

VARIABLE_LINK_VAT_IND

This error occurs when the items sharing a link code do not have the same VAT indicator at all locations in the zone. In order to rectify this, check for the existence of the item on the VAT tables in RMS in comparison to the locations.

Link Codes and New Item Location Batch

The user must run the NewItemLocation batch to populate RPM_FUTURE_RETAIL with an item location record. When a user creates a link code, the user interface utilizes the item location table in RMS to verify the item/location exists. Potential issues can occur when a link code is created after the item is ranged in RMS and populated on ITEM_LOC but before the NewItemLocation batch has been run. If a price event is created against the link code before the batch is run, price events will not be reflected since seed data does not exist on the RPM_FUTURE_RETAIL table. The correct approach is to range an item, run the NewItemLocation batch job and then create the link code.

Market Basket Codes Functional Overview

The maintain market basket codes area allows the client to assign market baskets codes to an item/zone. The items can be associated to the code through the merchandise hierarchy, at the item level, or through item attributes such as diff or diff type. They are used in Competitive Strategies to match, price above or price below the competitor price. Margin and Maintain Margin Strategies can set different targets by market basket code. The market basket codes are used to group items together with similar pricing characteristics. Only one market basket code per item/location can exist.

For example, price all items in the A market basket code at 30% margin while all items in the B market basket code items have a target of 20% margin. A market basket code could group highly competitive or margin-sensitive merchandise together. The user will have the ability to set up two market basket codes per item/zone: one to be used with the Competitive Pricing Strategy, and the other to be used with the new Maintain Margin Pricing Strategy. When the merchandise extract batch program run, the program will identify the pricing strategy being executed and associate the proper market basket code.

Market Basket Codes need to be created and maintained by the Database Administrator (DBA). There is no UI to create the list of values (LOV). The table is RPM_MBC_LOV_VALUES. The table includes MKT_BASKET_CODE (the market basket code), NAME (description of the code), and TYPE, which indicates if Market Basket Code (MBC) is for Margin strategies (1) or competitive strategy (0). Market Basket Functionality is not available in simplified (SE) RPM. Provide segmentation of items within a strategy.

The high level process is as follows:

1. User assigns market basket codes to item/zones in the new Market Basket Code dialog.
2. User creates a Maintain Margin Pricing Strategy and assigns margin values to the market basket codes.
3. User creates a cost change and approves it in RMS.
4. Merchandise Extract is run and it identifies the cost change in RMS and generates a worksheet using the maintain margin pricing strategy and its corresponding market basket code.

Market Basket Codes and Link Codes

Items set up in a market basket code also can be in a Link code. The items in the market basket are considered a grouping of items with similar pricing attributes, such as competitive, and within that grouping the items are then instructed to be priced the same within a link code. In this scenario of using a link code/market basket code together, items must have the same Link Code at all locations in the zone in order to avoid merchandise extract batch errors.

Zone Structures Functional Overview

Zone structures in RPM allow you to define groupings of locations for pricing purposes and eliminate the need to manage pricing at a location level. At the highest level, these groupings are divided into categories called zone groups. While these zone groups might be flexibly defined, they are primarily defined by their pricing scheme. The three types of zone groups in RPM are regular zone groups, clearance zone groups, and promotion zone groups. In addition to being defined by pricing, zone groups are defined by the items being priced. The following are examples of zone groups:

- Regular price beverage zone group
- Regular price footwear zone group
- Promotion price beverage zone group

Within zone groups in RPM are groupings of locations (stores or warehouses) called zones. The function of these zones is to group locations together in a manner that best facilitates company pricing strategies. These zones might be flexibly defined. For example, the client might choose to create zones based on geographic regions, such as the following:

- U.S. East region
- U.S. West region
- Mexico stores

Similarly, the client can create zones with locations with similar characteristics, such as the following:

- U.S. urban stores
- U.S. rural stores

Contained within zones are locations. These locations can be stores or warehouses.

- **Regular Only**– Stores and warehouses allowed.
- **Clearance Only**– Stores and warehouses allowed.
- **Promotion Only**– Stores only, warehouse not allowed.
- If zones are created with a combination of regular, clearance, and promotion, warehouses will not be a valid selection if the combination includes promotion.

There are no restrictions on the number of locations a zone can contain. However, two rules apply to the relationship between locations and zones:

- A location cannot exist in more than one zone within a zone group. A location can, however, exist in multiple zone groups. For example, a New York City store might exist in the U.S. urban stores zone group as well as the U.S. East region zone group.
- All locations within the same zone must use the same currency.

When zone groups are created in RPM, users are able to assign them to primary zone group definitions. The primary zone group definition allows the user to specify the zone structure to use when pricing merchandise hierarchies, and how to initially price items in these hierarchies (markup percentage, markup type). These definitions can be created at the department, class, or subclass level.

When RMS publishes a new location or Warehouse (if Warehouses are recognized as locations per a system option) the message will include a pricing location. RPM will take the pricing location of the new location or warehouse and attempt to add the new location to every zone group/zone in which the pricing location exists. This will include Regular, Clearance and Promotion Zone Groups. If the Pricing location and the New location are not of the same currency, then the new location will be added to every Zone Group where the pricing location exists but the system will create a new zone for the location with the same currency as the new location.

This process works the same for the following location types: Company stores, virtual warehouses, franchise locations—stocking holding and non-stock holding.

Users can add, modify, or delete the primary zone group definition for a given merchandise hierarchy within RPM. There are limitations for deleting a primary zone group definition. For more information, see *Oracle Retail Price Management User Guide*.

Primary Price Zone Benefits

When the primary price zone is used when creating a price event, location level data is stored at zone level versus location level. It is recommended to enter the item data at the highest level possible; Merchandise Hierarchy (department, class, or subclass), Parent Item, Parent Item DIFF-1, or using an Item List. This is also true for the selection of locations at primary zone level versus store level.

RPM supports storing future retails at higher than transaction item/location level i.e. style (parent), style/color (parent item/DIFF-1) and zone, only where the zone is part of the Primary Zone Group for a department. This rule is in place for all price event types; price change, clearance and promotions.

For example, if you create a promotion for a single parent item that has 50 color/size items associated and the primary zone used includes 500 store locations. The RPM future retail tables will be updated with as little as one record at the style (parent) and zone (primary zone) that represents all items and locations.

If you create the same promotion, but do not use primary zone, RPM will update the future retail tables with one record for each of the 500 store locations. The location rollup functions only when a department's primary zone group is used to create the price event. If non-primary zone groups are used, data will be stored at parent/location vs. parent/zone.

Examples:

- If you are setting up a clearance for an entire style, create the data at parent item, or item list level. Do not explode down to transaction item detail.
- When creating item lists, include parent items when you can instead of transaction level items.
- If you need to create price events at transaction item level, keep in mind the number of items you are selecting, such as the more items = slower response times.

Empty Zones and Price Events

A user can create an empty zone and add locations to the zone at a later date. They can create price events against the zone with no locations; however, conflict will not run and records are not generated on RPM_FUTURE_RETAIL or ZONE_FUTURE_RETAIL. Therefore, when a new item location batch is implemented for items/locations in that zone nothing is inherited.

Open Zone Use and Flexibility

The Open Zone Use System defines whether or not different Zone Group types can be used in all the pricing dialogs or if the type of the Zone Group will limit where it can be used. For example, if set to No (unchecked), then Promotion Zone Groups cannot be used in the clearance and price change dialogs or in the pricing strategies definition. It is recommended during implementation to set this as checked or Yes initially, so that when creating an price events you can take advantage of rollup functionality. See more information in [Primary Price Zone Benefits](#) section. Setting this value to Yes allows flexibility in how/which zones that can be used for certain price events. However, when checked or set to Yes, it cannot be unchecked.

Deleting and Adding a Location after Zone Exists

When a user adds or deletes a location from or to an existing zone, the location move functionality is leveraged to move that location in or out of the zone. A location move is created in approved status and will move to scheduled when the scheduling batch is run. It is important to note that the location will not be added to the zone until it is properly moved in or out through a location move which is scheduled automatically when the user presses the Delete or Add button.

Future Retail

The future retail tables are the most important tables within RPM. All price event activities need to access and update the future retail tables. Most retailers do their pricing above the item/location level (parent level, zone level, or parent/zone level). The structure of these tables in previous releases might result in retailers having unnecessarily large future retail tables and longer conflict checking processing time.

Price Guides Functional Overview

The pricing guide helps users create a uniform pricing strategy. They are used to smooth the proposed retails in order to maintain a consistent set of price points by rounding or applying ends in logic to retail values. Pricing guides can be set up at the corporate or department level. Department pricing guides can also link into corporate pricing guides. After pricing guides are defined, they can then be used when setting up pricing strategies, creating price changes, creating clearances, creating promotions, and are very useful when performing what-if analysis in the worksheet. The user can edit a pricing guide at any time, regardless of whether it is attached to a strategy, price change, promotion, or clearance. Edited guide details will only affect retails derived by the guide from that point on. It will not affect/overwrite any retails that have already been derived based on the old guide details.

Calendar

Calendars are set up in RPM for the primary purpose of attaching them to pricing strategies. Calendars span a user-defined period of time and contain review a period that occurs once or many times over the duration of the calendar.

Candidate Rules Functional Overview

This set of rules is run against the items/locations being extracted from the merchandise system to determine if they should be flagged for review. They are defined at the corporate level and can contain variables at the department level. Candidate rules can be inclusive or exclusive. If they are inclusive, and the candidate rule is met, the

item/location is flagged in the worksheet. When exclusive candidate rules are met, the item/location is excluded from the review when the merchandise extract program builds the worksheet. Candidate rules can also be active or inactive, allowing the user to suspend rules that are only needed at certain times of the year. Candidate rules are only run against the worksheet the first time the worksheet is created.

Exceptions:

Each review period has an indicator stating whether or not to run exceptions. If the indicator is set to Yes, the merchandise extract should tag those item/location records that are pulled into the worksheet with an exception flag if any of the following occur during a review period where exceptions are processed: competitor regular retail price changes, cost changes, and new item/location relationships.

For every item/location pulled into the worksheet, RPM attempts to propose a new retail based on the strategy attached to that item/location. When the worksheet is first created, the details of the strategy are saved. Updates to the strategy do not affect any worksheets that are currently being reviewed. The updates are only reflected in worksheets generated after the updates to the strategy are made. Until the worksheet has been locked, new retails should continue to be proposed using the strategy details every night the batch program is run.

Candidate Rules and Worksheets

Each review period has an indicator stating what kind of candidate rules to run, if any. The options on the calendar are to run only inclusion rules, only exclusion rules, both inclusion rules and exclusion rules, or none of the rules. Each item/location from the strategy to which the calendar is attached should be run against the rules. If the strategy is at the zone level, then any item/location within that zone that meets an exclusion rule should exclude the entire worksheet line item. Also, if there is a primary area that is being brought into the worksheet, the secondary areas attached to the primary area should run through all candidate rules as well.

Two types of candidate rules can be run:

- Inclusion (to flag an item on a worksheet as having met a rule)
- Exclusion (to prevent the item from making the worksheet)

For regular price strategies, when an item meets an inclusion rule it simply means that the rule column on the worksheet will populate and the user can see the rules are met. It should be noted that, for regular price strategies they are simply flags or alerts, no processing takes place against them.

For the clearance strategy, when an item meets an inclusion rule the system is triggered to propose a markdown, and populate the rule column. The markdown that is proposed is not related to the specific rule that was met, just that the rule was met and clearance proposed. The markdown is based on the clearance strategy and which markdown is next in that item's markdown lifecycle.

All items in the hierarchy level of the worksheet will make it into the worksheet (unless they meet an exclusion rule). Candidate rules are applied at the transaction item/location level. If any transaction/location meets a rule, markdowns are proposed for the transaction/zone. The user can decide if the rule met is inclusive of enough locations in the zone to take action or not. In order to take action against other SKUs in a parent or parent diff (or even a related style), it is important that other items are brought into the worksheet.

Candidate Rule Condition Definition Fields

The following table lists the fields, operators, and values.

Field Name	Operators	Values
Class	=, <, >, <=, >=, <>	LOV—Classes (Dept must be selected first)
Clearance	=	Yes / No
Current Margin %	=, <, >, <=, >=, <>	Numeric
Department	=, <, >, <=, >=, <>	LOV—Departments
Diff ID	=, <>	LOV—Diff IDs
First Received Date	=, <, >, <=, >=, <>	Date
Weeks since First Received Date	=, <, >, <=, >=, <>	Numeric
Item #	=, <, >, <=, >=, <>	LOV—(Dept, Class, or Subclass must be selected first)
Item List	=, <>	LOV—Item Lists
Last Received Date	=, <, >, <=, >=, <>	Date
Weeks since Last Received date	=, <, >, <=, >=, <>	Numeric
Markdown #	=, <, >, <=, >=, <>	Numeric
Margin Market Basket Code	=, <>	LOV—Margin market Basket Codes
Competitive Market Basket Code	=, <>	LOV—Competitive Market Basket Codes
Supplier	=, <, >, <=, >=, <>	LOV—Suppliers
Projected Sales	=, <, >, <=, >=, <>	Numeric
Promotions	=	Yes / No
Replenishment Indicator	=	Yes / No
Retail Label Type	=	LOV—Label type
Retail Label Value	=, <, >, <=, >=, <>	Numeric (Retail Label Type must be selected first)
Seasonal Sell Thru	=, <, >, <=, >=, <>	Numeric
Season Code	=, <, >, <=, >=, <>	LOV—Season Codes
Phase Code	=, <, >, <=, >=, <>	LOV – Phase codes (Season Code must be selected first)
Sell Thru	=, <, >, <=, >=, <>	Numeric
Package Size	=, <, >, <=, >=, <>	Numeric
Package UOM	=	LOV—UOMs (Package size must be selected first)
Store On Order	=, <, >, <=, >=, <>	Numeric

Field Name	Operators	Values
Store On Hand	=, <, >, <=, >=, <>	Numeric
Subclass	=, <, >, <=, >=, <>	LOV – Subclasses (Department and Class must be selected first)
UDA - Value Type	=, <>	LOV—UDAs (Value Type)
UDA - Date Type	=, <>	LOV—UDAs (Date Type)
UDA - Free Form Text	=, <>	LOV—UDAs (Free Form)
UDA Date Value	=, <, >, <=, >=, <>	Date (UDA Date Type must be selected first)
UDA Value	=, <, >, <=, >=, <>	LOV UDA values (UDA—Value Type must be selected first)
VPN	=, <, >, <=, >=, <>	LOV VPNs (Supplier must be selected first)
Weeks of Sales Exposure	=, <, >, <=, >=, <>	Numeric
WH On Order	=, <, >, <=, >=, <>	Numeric
WH On Hand	=, <, >, <=, >=, <>	Numeric

Price and Promotion Data

This section of the document provides details that pertain to all types of price events and helps provide insight on how to optimize and configure data to benefit functionality in RPM.

Creating Price Events – Best Practices

When creating price events (price change, clearance, or promotions) for a group of items, it is recommended to enter the item data at the highest level possible: Merchandise Hierarchy (department, class, or subclass), Parent Item, Parent Diff Item, or using an Item List. This is also true for the selection of locations at zone level versus store level. This provides the following advantages:

1. The future retail tables will have the ability to store data at the highest level possible which, in turn, will ensure that RPM will run as efficiently as possible, including response time for processing and screen flow. This means that if you can create price events at parent, parent/DIFF-1, or item list level versus transaction item level, data will be stored at the higher level. The same is true when selecting locations for your price event, if you create the price events at zone level and use the primary price zone, data will be stored at that level instead of having a record at each store location within a zone. See more information in [Primary Price Zone Benefits](#) section.
2. Creating price events at parent differential level can also impact how data is stored on the RPM future retail tables. RPM will store DIFF-1 level data at higher than transaction level. However, RPM will not store at the higher level if you create your price event at DIFF-2 level.
 - Example: Parent item t-shirt with two differentiators: color and size. If you know that most of the time you are going to set the same price for items with the same color, you should make sure that when setting up your items in RMS, color is selected as your DIFF-1. If you create your price event using your DIFF-1, RPM

will store data on the future retail tables at DIFF-1 level instead of transaction item (one row for each color).

- Another example: Parent item yogurt with two differentiators: flavor and size. If pricing by size is most important, you would set the item up in RMS with your DIFF-1 = size. You would also create your price events using DIFF-1 = size.
- 3. Creating price events at higher than transaction item level will allow the system generated exclusion (SGE) process to kick in during approval processing. See more details in System Generated Exclusion section. Creating price events at the lowest level: transaction item or exploding an item list, will still identify conflicts, but will not automatically create exclusions, and your price event will remain in worksheet status until all conflicts are resolved.

More examples:

- If you are setting up a clearance for an entire style, create the data at parent item, or item list level. Do not explode down to transaction item detail.
- When creating item lists, include parent items when you can instead of transaction level items.
- If you need to create price events at transaction item level, keep in mind the number of items you are selecting, such as the more items = slower response times.

Creating Price Events – Data Integrity

Data integrity is a critical component when using RPM. The system is data sensitive and it is important that you verify data integrity often, especially after a “go live” or an “upgrade”. There is an existing batch job that can help with data validation. It is the status page batch program (statusPageCommandLineApplication.sh). This job, when ran, will perform data checks to verify that some of the assumptions that the application makes about the data are not violated. The checks are done with SQL counts and each check should return zero rows.

These are the data checks that are performed:

- **Missing department aggregations**—When departments are created in RMS, a row should be inserted into the RPM_DEPT_AGGREGATION table.
- **Missing primary zone groups**—Each merchandise hierarchy (department or lower) should have a row in the RPM_MERCH_RETAIL_DEF table.
- **Missing item/locations from future retail**—When an item is ranged to a location in RMS, a row should be inserted into the RPM_FUTURE_RETAIL table.
- **Duplicate future retail**—There should only be one row in the RPM_FUTURE_RETAIL table per item, location, and action date.

Note: For information see, *Oracle Retail Price Management Operations Guide*.

Viewing Full Column Detail for a Price Event

RPM was not designed to work as a reporting tool. Therefore, when customers use the “full column detail” feature to view details such as current cost or margin information, it is recommended that only one or two rows be selected before clicking the full column detail button.

This functionality should be used as a convenience to quickly see a snapshot of item data. Selection of more than a handful of rows will have an impact to system response times.

System Generated Exclusions

When approving a price event, the conflict check process might automatically create system generated item and/or location exclusions based on a system option tolerance percent.

Price event types included in automatic exclusion process:

- **Price Change**—Regular and vendor funded (link code is not supported with this functionality).
- **Clearance Events**—Regular and vendor funded.
- **Promotions (Simple or Threshold)**—Customer segment and vendor funded (multi-buy promotions are not supported with this functionality).

Note: Price injector will support automatic exclusion create for the valid price event types that are currently supported by the injector.

The price event creation process remains unchanged until you reach the approval process. When Approve is selected, the conflict checking is enhanced to automatically create exclusions based on a tolerance percent.

Price events must be created at higher than transaction-item level to be eligible for automatic exclusion creation.

Price events created at the following levels are eligible for automatic exclusion creation:

- Price changes and Clearance Events
 - Parent, Parent Diff/Location, or Zone
 - Item List/Location or Zone
- Promotions– Simple or Threshold
 - Department, Class, Subclass/Location, or Zone
 - Parent, Parent Diff/Location, or Zone
 - Item List/Location or Zone
 - PEIL/Location or Zone levels

To support and manage automatic creation of exclusions for price events, RPM will automatically create price event lists that will group exclusion details together into one detail row for display. The new system-created price event list is used only during the creation of the price event and will not be used with any other functionality.

System Generated Exclusions Tolerance %

A system option, System Generated Exclusions Tolerance % determines the percentage of transaction items on a price event that are allowed to error during conflict checking and still move forward with the approval of the price event. The system option will initially be set to default to 0% with a maximum tolerance value of 25%. The value can be updated in RPM.

The same tolerance percent value will be used for promotions, price changes, and clearances. If tolerance levels are exceeded, the price event approval will fail conflict checking, and the status of the price event will be set to Worksheet.

Tolerance values for conflict checking are based off of the number of transaction items that are processed. The number of locations does not impact whether or not the tolerance is met.

Maintain Approved System Generated Exclusions

System-generated exclusions will display in the multi-record block with one line representing all item exclusions. Users will review the auto-created exclusions to determine the next steps:

- **Option 1**—Fix data to eliminate the exclusion and re-process the data.
- **Option 2**—Leave the exclusions as created and no further action is required. When the price event becomes active, changes to the created exclusions are no longer allowed.

Upload a Price Event Item List

To support the process for creating price events at higher than transaction level, users have the ability to create 'ad hoc' price event item lists for one time use as they are keying a price event. This is done by uploading a spreadsheet during the item selection process of price event creation. The spreadsheet should be saved as a comma delimited file.

Price event item lists can be created for the following price event types: price change, clearance events, and promotions types: simple, threshold, multi-buy, finance, and transaction promotions, including customer segment and vendor funded promotions.

When a price event item list is selected as the option for "item type", a new button named Upload Spreadsheet is enabled. This provides the ability to upload a previously created spreadsheet with the items that should be included in the price event item list. When the upload spreadsheet button is clicked, a pop up window will appear allowing the user to select a computer file using a browse feature or by manually keying in a spreadsheet file name for upload.

The price event item lists will be created for single use only at the time the price event is created or when a new component detail is added to an existing promotion. Users do not have the ability to re-use a price event item list in RPM. They do, however; have the ability to upload the same list multiple times.

The price event item lists are created in RPM based on the data from the uploaded spreadsheet. Users do not have the ability to make changes to the items associated to the item list once uploaded into RPM. If after uploading and prior to approving the promotion, users can remove the added list and re-upload the revised item list spreadsheet to create a new price event item list. If the price event has been approved, users will need to set the price event back to worksheet status and make necessary changes (remove old list and upload new list) or cancel the price event and create a new price event.

RPM will create price event item lists by validating the item numbers on the spreadsheet. For spreadsheets to be uploaded into RPM successfully you must ensure that no matter what information resides on the spreadsheet, RPM will only require valid item numbers in the first column. If the spreadsheet contains any other data in any other columns, they will be ignored. Valid item numbers require that the items are in an approved status in RMS.

The item number value can reflect parent items, transaction items, or a combination of both. Parent items with differentiators (for example, color/style) are not valid for price event item lists. In the event that a child item for a parent is included in the list along with the parent item, the child item will be removed from the list to ensure that there is no duplication of data. Price event item lists supports having multiple levels of the hierarchy represented in a single list. For example, users can create a file that has item numbers from more than one department, class, or subclass.

Note: Merchandise hierarchy levels (department, class, and subclass) are not valid values for the spreadsheet. Options are parent items or transaction items.

When the price event item list is uploaded, RPM will validate that all of the items included in the spreadsheet are valid RMS item numbers. If items are not found in RMS, or duplicate items are found on the spreadsheet during processing, they will be removed from the creation of the price event item list. RPM will also validate user security. If a user does not have valid security for any items on the spreadsheet they will be removed from the creation of the price event item list. Users will receive a message informing them that some of the items from the upload spreadsheet have been removed.

Warning: Not all items uploaded— duplicate or invalid items found.

Note: Items in error will not be displayed. Users are responsible for spreadsheet content and ensuring data accuracy.

Price event item lists in RPM do not need to exist as item lists in RMS. RPM will not send price event item list information to RMS.

Users will be able to search for price events (for price changes, clearances, and promotions) using an existing price event item list ID.

Price Event List Clean Up:

- **Unused price event item lists**—New batch logic will be introduced that will search existing price event item list IDs and find any that are not tied to a price event. These price event item lists will be removed from the system.
- **Purging price events**—Batch logic that purges old price events will also purge any price event item lists that are connected to the price event being purged.

Note: For more information on the price event item list batch jobs, see the *Oracle Retail Price Management Operations Guide*.

Price Changes

Price changes are the pricing events in RPM that affect the regular retail price. When a price change is created, the following information is specified:

- The item receiving the price change
- Where the price change is occurring
- How the price is changing
- When the price change will take effect
- Why the price change is occurring

When price changes are approved in RPM, they are made available to multiple systems for ticketing and inventory valuation purposes; ORPOS (or other POS if not ORPOS), SIM, and RMS.

There are multiple options for creating price changes in RPM:

- **Regular Price Change**—Used to change the price of an item/location on a specified date.
- **Vendor Funded Markdown**—Deals created in RMS can be associated to price changes (including vendor funded promotions) in RPM.

- **Link Code Price Change**—Link codes should be used for identical items that will always share the same retail price (for example, a retailer wants all 8 oz. packages of frozen vegetables to carry the same price regardless of type). They are used for ease of data entry and considered a point in time price event. See more details in section Link Codes Functional Overview.
- **Multi-unit Price Change**—Multi-unit pricing allows you to manage prices that vary based on the number of units purchased by the customer. Retailers may give customers the option to purchase a single unit of an item at one price, and a case of the same item at a lower price than the single item price times the number of units. For example: Fireplace logs— sold individually for \$5.00 each, and case of 6 logs sold for \$22.00 (versus \$25.00).

Note: This functionality is not the same as promotional pricing based on price reductions due to purchase quantity.

- **Emergency or Same Day Price Changes**—There is a system option called price change processing days that is set to designate the number of days required between the create date and the effective date of a price change. This rule ensures that price changes are created with enough advance timing that stores and other process areas can react accordingly. A separate security level has been created to give some users the ability to skip this rule and create a price change that is effective immediately. This is usually done as an emergency measure to update the price of an item that is incorrect. Users without the special security will receive an error message if the effective date of a new price change falls before the number of price change processing days. For example, the price change processing days is set to “3” days. A price change cannot be created less than three days out unless user has emergency security.

Note: See more details on application security in the *Oracle Retail Price Management Operations Guide*.

RPM provides flexibility on item and location selection when creating price changes. Users have the option to create a price changes at the following levels:

- Item Selection
 - Parent Item
 - Parent Diff Item
 - Transaction Item
 - Item List
 - Price Event Item List
- Location Selection
 - Zone
 - Location (warehouse or store)

When multiple regular prices are passed for an item, the last regular price passed is the regular price that is used. Only one price change is allowed via the user interface in RPM for an item location on the same day with one exception. There could be multiple regular prices for an item on the same day if an “emergency” price change has been executed by an authorized emergency user. There can be more than one regular retail price for an item location on the same day only when an “emergency” retail price change is entered. At POS the latest price received (emergency price) is the only “regular” price.

If a price change is created and approved for an item/location that is on an active clearance event, the new price change will not take effect until the clearance event is reset

(on reset date). If the item/location that received the price change has a subsequent clearance event that falls after the price change is approved, the clearance event will be recalculated based on the new item regular retail.

If a price change is created and approved for an item/location that is on an active promotion, the new price change may impact the selling retail of the promotion. Updates to the promotion selling retail will be based on the type of promotion and the defined discount and applied on the effective date of the price change.

For example:

- Simple Promo – 10% off defined item
Regular Retail = \$10.00 – Promotional Retail = \$9.00

If a price change is entered for the defined item, raising the price to \$12.00, the promotion selling retail will also change to \$10.80 on the effective date of the price change.

Clearances

Clearances in RPM are defined as a markdown or a series of markdowns designed to increase demand and therefore move inventory out of a store. When a clearance is created, the retailer is specifying the items and locations where the clearance is in effect and the discount or set price for the markdown. Subsequent clearances always result in the price of an item decreasing.

There are multiple options for creating clearance events in RPM:

- **Regular Clearance Event**–Used to markdown the price of an item/location on a specified date, such as end of season holiday merchandise or swimsuits at the end of summer season. Clearance is also used to phase out a color or pattern for an item.
- **Vendor Funded Markdown**–Deals created in RMS can be associated to clearance events (including vendor funded promotions) in RPM.

RPM provides flexibility on item and location selection when creating clearance events. Users have the option to create a clearance at the following levels:

- Item Selection
 - Parent Item
 - Parent Diff Item
 - Transaction Item
 - Item List
 - Price Event Item List
- Location Selection
 - Zone
 - Location (warehouse or store)

Ending a Clearance Event

When a clearance event is created, setting the clearance reset date is optional. Clearance reset is used if you want to have the item returned to a regular retail price when the clearance event has ended. If an item is being discontinued and will no longer be in stock after the clearance, a reset date is not needed. The item will remain at the last clearance retail as long as it exists in the system. Users have two options for managing the end of a clearance if they have not entered a reset date during the create process:

- **Maintain Clearances**– Access the existing clearance via “maintain clearances” screens, search for the clearance event you want to update and enter the necessary reset date information.
- **Create Clearance Resets**–Access “create clearance resets” and add/update the reset date by item(s)/location(s) independent of the clearance event. RPM provides flexibility on item and location selection when creating clearance resets. Users have the option to create a clearance reset at the following levels:
 - Item Selection
 - Parent Item
 - Parent Diff Item
 - Transaction Item
 - Item List
 - Price Event Item List
 - Location Selection
 - Zone
 - Location (warehouse or store)

If a reset date already exists for an item/location on clearance event, this function can also be used to update or remove an existing reset date. This is done by entering a new reset date or leaving the reset date field blank, entering item and location data and applying the change.

- The functionality of adding, updating, or removing a clearance reset for an item location will be validated upon approval/apply via the user interface. The system will ensure that the reset date is not less than or equal to the last approved clearance’s effective date for the item/location. All clearance events set up for the item/location will be validated.
- When entering/editing a reset date on an existing transaction/location level item, on apply the system will validate that the reset date for the item/location is not less than or equal to the last approved clearance’s effective date for the item/location.
- When entering/editing the reset date for any level above item/location (for example, parent item, item list, subclass, zone) on apply, the system will ensure that the reset date is valid for every transaction level item/location combination represented by the higher level being updated. For each item/location the reset date must not be less than or equal to the last approved clearance’s effective date for that item/location.

The reset date must be greater than the current system date (vdate) + the price change processing day’s system option defined in RPM. This system option is set to designate the number of days required between the create date and the effective date of a price change. Since setting a clearance reset date sets the item location back to the last selling retail it is the same as a “price change” and must follow the system option rule. This rule ensures that price changes are created with enough advance timing that stores and other process areas can react accordingly. A separate security level has been created to give some users the ability to skip this rule and create a price change or end a clearance event effective immediately or same day. Users without the special security will receive an error message if the effective date of a clearance reset date before the number of price change processing days.

If a clearance event does not have a reset date associated with the items/locations, it will not be purged from the system. Any RPM_FUTURE_RETAIL records associated with a clearance will remain on the table and not be purged until the clearance is reset.

When a clearance reset date is met the item/location will be set back to the regular retail on the reset date. If an updated regular retail is required a price change will need to be

entered in RPM to reflect the updated retail. If a price change for an item/location that is already on clearance is approved while the clearance event is active, the new price change will take effect when the clearance is reset back up to regular retail (on reset date). If the item/location that received the price change has a subsequent clearance event that falls after the price change is approved, the clearance event will be recalculated based on the new item regular retail. When the clearance is executed, the retail of the clearance cannot be recalculated.

Promotions

Promotions are events in RPM that discount the price of an item for a defined amount of time. Promotions are set up to apply to the regular retail price, the clearance retail price, or both, and when the promotion ends, the price reverts back to the retail price or clearance retail if the item/location is on clearance. When a promotion is entered in RPM, the retailer specifies the duration of the promotional price, what kind of promotion takes effect, and to which items/locations the promotional price applies.

Note: “Apply To” details assigned to a promotion will result in a filtered list of items that is sent to the downstream systems. This applies to all promotion types with an exception of Finance Promotions. Finance Promotions has the Apply To value of a regular retail, clearance retail or both, the item details are not filtered based on the setting. Systems that consume this promotion type needs to filter promotion details based on the Apply To settings.

RPM supports multiple types of promotion component creation options which are grouped in categories of “simple” and “complex”. Of the promotion component types available, only simple falls under the simple category. All other promotion component types; threshold, multi-buy, finance, and transaction are treated as complex. See more details on each promotion type in the following sections.

An additional feature when creating a promotion is the ability to attach a customer segment identifier to the promotion component. Customer segment set up is done in the RMS system. Customer segments can be used for multiple purposes; defining customer profiles such as soccer moms, college students, employee discount perks. When creating a promotion in RPM, you have the option to attach a customer segment type to the promotion. RPM will display a list of valid values via the LOV button or customer segment ID can be keyed on the user interface. This information is sent downstream to the POS system, so that when a customer has proper identification for the customer segment, they will receive the promotion discount.

Note: There is a conflict check rule that only allows an item to exist on one promotion that has a customer segment identifier associated to the promotion.

For simple promotions, RPM will calculate the promotional retail and update the data on the RPM tables along with sending the information to RMS, SIM, and ORPOS. RPM does not calculate the promotional retail for complex promotions because the discount amount is determined by what is included in the transaction at point of sale. RPM tables are updated with complex promotion details including the items/locations on promotion; however, no promotional retail is stored. Promotion details for complex promotions are also sent on to RMS, SIM, and ORPOS.

Note: Because RPM does not calculate the promotional retail based on complex promotions, it is possible to create a complex promotion that results in a negative retail. The must review the data being created to ensure the promotion does not result in a negative retail.

RPM provides flexibility on item and location selection when creating promotions. All of the following promotion types allow the following levels for item/location selection. See each promotion type for more details.

- Item Selection
 - Merchandise Hierarchy (Dept, Class, Subclass)
 - Parent Item
 - Parent Diff Item
 - Transaction Item
 - Item List
 - Price Even Item List
- Location Selection
 - Zone
 - Store (warehouse not valid for promotions)

Simple Promotion Component

A simple promotion component consists of an item, item group, or merchandise level that receives a discount at a specific location or group of locations when the customer purchases an item. The discount can be defined as; amount off, percent off or by setting a fixed price.

- **Amount Off**–Buy Flat Screen TV @ \$10.00 off.
- **Percent Off**–Buy Flat Screen TV @ 10% off.
- **Fixed Price**–Buy Flat Screen TV (regular retail = \$500.00) for \$450.00.

Threshold Promotion Component

A threshold promotion component consists of an item, item group, or merchandise level that receives a discount at a location or group of locations when the customer purchases a quantity or an amount of an item. Users must define the threshold levels before they can create the threshold component. See the *Oracle Retail Price Management User Guide* on details for setting up a promotion threshold.

It is important to understand that RPM will create a row in the item selection table for each item entered during the item selection process. The promotion component detail will be sent to consuming systems as individual promotions, one for each detail row.

For example:

When creating at transaction item level:

During item selection three transaction items are selected/entered with threshold parameters defined as buy a quantity of three, get 10% off each item.

- If a customer purchases three transaction items (one of each item) the promotion discount will not be applied.
- If a customer purchases three transaction items, (three of one of the transaction items) the discount of 10% is applied.

When creating at parent Item level:

During item selection three parent items are selected/entered with threshold parameters defined as buy a Quantity of six, get 20% off each item.

- If a customer purchases six child items (two under each parent item) the promotion discount will not be applied.
- If a customer purchases six child items (all under the same parent item) the discount of 20% is applied.

In the examples above, the threshold parameter quantity must be met for each item or in other terms, for each detail row on the item selection table. To create a threshold promotion component for a group of items, enter them in the UI using an item list or a price event item list. This will create one row of item selection detail on the table which will create one promotion for all selected items.

Threshold level can be defined as a single threshold where a customer must purchase an amount or quantity to get a discount. Threshold promotions can also be created with multiple threshold levels where based on the amount or quantity purchased by the customer the discount increases based on threshold details, see the following example of a multiple threshold example.

- Imagine a regular price item of \$10, buy 3 pay \$7.50 each
If the items selected for the promotion are Items A, B, and C;

Qualification Type = Threshold Level	Qualification Type = Item Level Threshold
The promotion is applied if I purchase; AAA, AAB, AAC, ABB, ABC, ACC, BBB, BBC, BCC, or CCC	The promotion is applied <i>only</i> if I purchase; AAA, BBB, or CCC

- Single threshold, qualifier = threshold level.
 - Buy six pairs of jeans; get 10% off each pair of jeans.
 - Any combination of designated items will qualify to receive the reward (discount) as long as a total of six units are purchased. The rules will work the same for single or multiple threshold promotions.
- Single threshold, qualifier = item level.
 - Spend \$100 on jeans; get 10% off each pair of jeans.
 - Customer must purchase six pairs of jeans of at least one of the designated items, they cannot mix and match items to meet the threshold. The rules will work the same for single or multiple threshold promotions.
- Multiple threshold, qualifier = threshold level.
 - Buy four t-shirts; get 10% off each t-shirt.
 - Buy eight t-shirts; get 20% off each t-shirt.
 - Buy twelve t-shirts; get 30% off each t-shirt.

Multi-buy Promotion Component

A multi-buy promotion allows you to define the quantity of items or amount of purchase required for the customer to receive a discount or reward. For example, a promotion might include a reward of a third pair of shoes free with the purchase of any two pair of shoes from selected items or item groups. Another promotion might allow purchase of any five items from selected item groups at a fixed price or discount. All multi-buy promotion components share common characteristics, and the user creates them in RPM using the same screen flow. Any multi-buy component can be considered as one of the

following general types. See the *Oracle Retail Price Management User Guide* for more details on each of the following types:

- **Multi-buy "meal deal"**—Buy one hamburger sandwich, an order of French fries, and a soda for a fixed price of \$5.00.
- **Multi-buy link saver**—Buy a cap and a pair of gloves; get \$2.00 off of a winter scarf.
- **Multi-buy "cheapest free"**— Buy three pairs of shoes, get the cheapest pair free.
- **Multi-buy with multiple buy or reward (get) lists**—When you buy one jacket and one pair of slacks, you can get one shirt or two ties at a fixed price of \$5.00.
- **Multi-buy with AND or OR conditions for buy and reward lists**— This example works the same as the example above: buy a hamburger or a chicken sandwich and an order of French fries, get a soft drink or ice cream free.

The following are some examples of multi-buy promotions that can be created using the “and/or” conditions, such as use the “and/or” qualifier between buy lists and/or reward lists. And/or conditions are required when creating more than one buy list or more than one reward list.

- Buy 1 or more items in item list A **or** item list B.
Get discount on item list X **or** item list Z.
- Buy 1 or more items in item list A **and** item list B.
Get discount on item list X **and** item list Z.
- Buy 1 or more items in item list A **or** item list B.
Get discount of item list X **and** item list Z.
- Buy 1 or more items in item list A **or** item list B **and** item list C.
Get discount on item list X **or** Z.

RPM will allow the setup of all options above, however, ORPOS will not be able to support the condition of mixing “and/or” statements between multiple buy and/or reward lists, as shown in option 4 above.

Multi-buy promotions will also support the following features:

- **Price Ranges**—This feature is optional and is available when creating multi-buy promotion component types with a single buy list and/or a single reward list. Price range is not valid if promotion has more than one buy list and/or reward list.
The user interface allows entry of a minimum limit and/or a maximum limit for items associated to a buy list and/or reward list.
 - If min/max values are entered for a buy list, customers need to purchase either the amount or quantity specified on items that fall within the min/max price range in order to receive the reward.
 - If min/max values are entered for a reward list, customers will receive the reward if they select an item from the designated reward items that fall within the min/max value.

The price range is defined based on the purchase of a single item; the reward or discount will not be applied on the sum total value of multiple items. For example, if the price range defined for the buy list items is \$45-\$100, and the reward discount is 10%, the reward is valid if the price of the units purchased fall within the defined price range. The reward will not be given if the purchase of combining two units of an item falls within the price range.

RPM will not perform any additional validation between the item selection and the price ranges entered in the user interface. For example, RPM will not validate that the items in the selected list fall within the entered price ranges.

- Buy one pair of jeans at regular price: price range = \$45.00 - \$100.00;
Get one t-shirt free: price range = \$0.00 - \$25.00.

- **Promotion Limits**—This feature is optional and will be available when creating multi-buy promotion component types. The discount limit field will be a user entered number value to indicate the number of times a promotion is applied to a customer's purchase. For example:
 - Purchase a newly released DVD; get \$5.00 off, limit one discount per customer. If customer purchases two of the same DVD, they will still only get \$5.00 off one of them.
 - Buy two pairs of jeans and get one belt free. For this example, the customer is only allowed one free belt no matter how many pairs of jeans are purchased (and as long as two pairs are purchased).

Finance Promotion Component

This type of promotion provides users the ability to create promotions that use credit details along with threshold rules that would give the customers an option to pay back the credit card company without any interest (0%) in a defined timeframe. Customers would not be charged interest if paid in full within the defined duration.

Finance details are set up prior to creating the promotion including:

- Credit card type.
- **Bank Name**— For the credit card issuing bank.
- **BIN**— Bank index numbers.

During promotion create users will add threshold details which is the total amount that the customer has to spend in order to qualify for the finance promotion.

- Spend \$1000 using VISA; receive 0% interest, duration = 18 months.

Note:

- RPM supports the creation of this promotion type, but the ORPOS does not currently support Finance Promotions in the base product.
 - A Finance Promotion provides the ability to set Apply To value of Regular Retail, Clearance Retail or both (regular and clearance). But the item details tied to the promotion are not filtered based on the settings; all designated items are attached to the promotion. Customization is required if downstream systems that consume this promotion type require the promotion data to be filtered based on the Apply to setting.
-

Transaction Promotion Component

A transaction promotion component will have a discount type of “dollar off” or “percent off” that will be taken off the entire purchase (shopping basket) versus specific items in a transaction. This promotion has the same look and feel as setting up a multi-buy promotion; the main difference is that the reward given to the customer is a discount on

their entire purchase amount. This type of promotion can be set up at storewide level or by designating specific items to purchase to receive the discount.

- **Storewide**– Spend \$200 on any merchandise in store, get \$20.00 off entire purchase or order \$200.00, get 20% off entire purchase.
- **Merchandise Hierarchy**– Spend \$100 on Jeans **or** Khakis, get 10% off entire purchase.

Both options above refer to purchasing an amount to receive the reward or discount.

Users will also have the option to designate a “quantity” to purchase, such as, buy 10 items in the store, get 10% off entire purchase. This option is available for both storewide or by designating a lower level of item selection.

Time-Based Promotions

Retailers need the ability to set up time-based promotions, such as Happy Hour and Door-Buster promotions. Users can enter start and end times, in hours:minutes, when entering start and end dates while setting up or maintaining promotions. Adding this data at the component-level detail allows for business validations, such as conflict checking. When a promotion is approved, the information is sent to SIM and ORPOS. Start and end times can be added to the following promotions types, including customer segment and non-customer segment promotions:

- Simple promotions
- Threshold promotions
- Multi-buy promotions
- Transaction Promotions

You can also load time-based promotions using the price event injector batch. This functionality is supported for simple promotions only.

When creating promotions, the start and end times shown at header level will now be protected and defaulted to a start time of 12:00 A.M. and end time of 11:59 P.M. Time-based elements are only added at the component level. This allows users to create multiple components for a promotion with varying start and end times. There will be a new column that indicates time-based promotion in the multi-records blocks for promotion search results, promotion component header, and the promotion component detail maintenance. The indicator will be checked if the promotion has any components that are set up as time based.

Time-based elements for a promotion will be based on the time zone for the store location. A promotion that starts at 8:00 A.M. in New York will also start at 8:00 A.M. in California.

Users are also able to enter start and end times when creating emergency promotions. However, RPM is not designed to recognize time as it does for selecting promotion dates (based on business rules), making it possible that the start time for an emergency promotion could be in the past; there are no validation checks to prevent this scenario.

For example, user creates an emergency promotion to start at 8:00 A.M., ending at 1:00 P.M., but don't enter the data into RPM until 9:30 A.M. The system will reflect the entered time values of 8:00 A.M. - 1:00 P.M., sending the data downstream to SIM and ORPOS.

Start and end times will default at the component detail level to 12:00 A.M. start and 11:59 P.M. end if user does not enter time values.

Price history in RMS only has the ability to reflect one price value for an item location and date. If multiple overlapping promotions exist for the same item location RMS will reflect the promotion with the latest start time. Because of these rules, it is possible that RMS and RPM current retail could be out of sync.

Example 1: An item location has two overlapping promotions:

- Early Bird promotion starting at 6:00 A.M. until 10:00 A.M.
- All day promotion starting at 8:00 A.M. until 10:00 P.M.

RMS will reflect the retails for the all day sale because it starts later than the Early Bird sale.

Example 2: An item location has two overlapping promotions; only one is time based:

- Early Bird promotion starting at 6:00 A.M. until 10:00 A.M.
- Week long promotion, non-time-based 12:00 A.M. - 11:59 P.M.

RMS will reflect the retails for the Early Bird promotion (during the overlap day), because it starts later than the week-long promotion.

The only discrepancy to this rule is when an emergency promotion is created. The emergency promotion will override any other existing promotions.

Note: Emergency promotions that are processed through bulk will follow this rule. If they are processed through chunk batch the updates are not applied until next day.

Canceling a Time-Based Promotion

Users will have the ability to cancel a time-based promotion. When an active promotion is canceled in RPM, the system will end the promotion at 11:59 P.M. on the current date (Vdate) regardless of what time of the day the promotion was canceled. This process

works the same as canceling a non-time-based promotion. It is not realistic for store locations to support real-time promotion cancels as they would have to be able to react and update promotion signage in-store.

Overlapping Promotions

Overlapping promotions are two or more promotions where the same item/location is on promotion on the same date/time. The following are details on each combination of overlap based on the promotion type.

Overlapping Simple Promotions

RPM provides the ability to select how simple overlapping promotions are handled through the system option Simple Promotion Overlap Rule. This system option will determine the rules for handling two or more overlapping simple promotions.

If value is set to compounding, the selling price is calculated by compounding each (two or more) simple promotion for the overlapping period.

RPM will download the start date and end date for each promotion for the overlapping period so that RMS, SIM, and ORPOS will be updated with the compounded selling retail for the overlapping period. This rule is true for all simple promotions created either with the on line screens, price injector, or new item location processing.

The start date and end date of the promotions overlapping period should be separately downloaded to RMS, SIM, and ORPOS systems so that when the overlapping period is complete, the selling retail reflects the active promotion post the overlapping period.

It is important to note that if RPM is integrating with ORPOS, best deal will always be taken, even if the system option is set to compounding. Other POS systems will receive data based on the system option and can determine how to handle based on capabilities.

Note: Apply Promo Change Type 1st—This system option will only be used when selling retail calculations are compounded. It will not be used when the system option for overlapping simple promotions is set to non-compounding best deal.

If value is set to Non-compounding Best Deal, the selling price is calculated for each (two or more) promotion separately. For the overlapping period, the selling retail with the best deal for the customer should be available in the RPM tables. This same value should be downloaded to SIM, RMS, and ORPOS. This rule is true for all simple promotions created either with the on line screens, price injector, or new item location processing.

RPM will extract the appropriate start and end dates for the selling retail based on the overlapping period of the promotions such that the best deal is available as the selling retail for the overlapping period. When the overlapping period is complete, the selling retail based on the active promotion for that period should be available in RPM. The same should be downloaded to RMS, SIM, and ORPOS.

Note: Having more than one fixed price simple promotion for an item location will be valid if overlap rule is set to non-compounding best deal.

The following is a business example:

Simple Promotion 1	Simple Promotion 2
Start Date = 1/15/2013	Start Date = 2/1/2013

End Date = 2/15/2013	End Date = 2/28/2013
Discount = 10 % Off	Discount = 15 % Off

Overlapping period: 2/1/2013 to 2/15/2013

- Non-compounding Best Deal:
 - 1/15/2013 to 1/31/2013 – Discount 10%
 - 2/1/2013 to 2/15/2013 – Discount 15%
 - 2/16/2013 to 2/28/2013 – Discount 15%
- Compounding
 - 1/15/2013 to 1/31/2013 – Discount 10%
 - 2/1/2013 to 2/15/2013 – Discount 10% + 15%
 - 2/16/2013 to 2/28/2013 – Discount 15%
- Complex promotion with a simple promotion:

In this scenario, both RPM and ORPOS assume these promotions will be compounded. RPM does not calculate the promotional retail for complex promotions, so it will send the retail for the simple promotion and promotion details for the complex promotion without the retail to SIM and ORPOS. ORPOS will apply the complex promotion reward (discount rule) after the simple promotion is applied. This means if there is a complex promotion and a simple promotion applicable for an item, the system will apply both.

In cases where a retailer's POS system is in place other than ORPOS, complex promotions will be applied based on retailer's implementation rules and what their POS system supports.
- Overlapping a complex promotion with a complex promotion:

Two or more overlapping complex promotions will be handled as non-compounding best deal by ORPOS. RPM does not calculate the promotional retail for complex promotions so the overlap rules do not apply for this condition. In cases where a retailer's POS system is in place other than ORPOS, complex promotions will be applied based on retailer's implementation rules and what their POS system supports.

Promotion Maintenance Functionality

Based on the status of a promotion, some maintenance functions are available. If a promotion has not reached active status, users will have the option to set the promotion status back to worksheet, make any necessary changes to the promotion and request approval of the promotion.

If a promotion status is active; meaning the start date is in the past and the end date has yet been reached, the following changes are allowed:

- Update promotion end date:
 - RPM provides the option to change the end date at header level; however, changing the header level will not automatically change the component detail level. It is recommended to make end date changes at the component detail level; this level also allows changes to time elements if the promotion is time based or users want to add time elements.
 - SIM can also send an update for an end date on an approved promotion; RPM will unapprove, add the end date change and reapprove the promotion. If there is a conflict an error message will be sent from RPM to SIM through RSL.

- Cancel promotion:
 - RPM allows users to cancel one or more component details from an active promotion. Cancel can also be done at the header level, which will cancel the entire promotion including all components attached to the promotion. If a user wants to cancel a subset of items and/or locations from a component detail, they will use the following option.
- Cancel items and/or locations:
 - RPM provides users the ability to cancel items and/or locations off of an active promotion component detail for the following price event types: Simple Promotion or Threshold Promotion.
 - Canceling items and/or locations can be done at varying levels based on the original promotion setup. The item/location window will only allow entry/selection of items based on the original promote component detail. For example, promotion created at Department/Zone level; cancel allowed at the following levels:
 - **Department/Store**—Stores within a zone can be canceled for the entire department.
 - **Class/Zone or Store**—An entire class of items can be canceled either at zone level or by store.
 - **Subclass/Zone or Store**—An entire subclass of items can be canceled either at zone level or by store.
 - **Parent/Zone or Store**—Parent items can be canceled either at zone level or by store.
 - **Parent Diff/Zone or Store**—Parent diff items can be canceled either at zone level or by store.
 - **Transaction Item/Zone or Store**—Transaction items can be canceled either at zone level or by store.
 - For example, promotion created at Parent Item/Zone level; cancel is allowed at the following levels:
 - **Parent/Store**—Stores within a zone can be canceled for the parent item.
 - **Parent Diff/Zone or Store**—Parent diff item(s) can be canceled either at zone level or by store.
 - **Transaction Item/Zone or Store**—Transaction item(s) can be canceled either at zone level or by store.
 - For example, promotion created with Item List at location level; cancel is allowed at the following levels:
 - **Parent Item/Store**—Parent items can be canceled at store level.
 - **Parent Diff/Store**—Parent diff items can be canceled at store level.
 - **Transaction Item/Store**—Transaction items can be canceled at store level.

Note: This feature is only applicable to active promotion price events created as simple or threshold including vendor funded and customer segment. The rules for multi-buy promotions are not valid as changes could compromise the integrity of the scenario. For example, buy sandwich and bag of chips, get drink free. Canceling an item from this type of promotion would make the buy/get rule invalid.

- Add a new promotion component detail:

- RPM allows users to add a new promotion component to an existing active promotion.
- In the scenario where there is an approved promotion that has system created exclusions and the user is adding a new component, the system will process the new component data the same as if it was a new promotion. If during the approval of the new component conflicts are found, exclusions may be automatically created based on the defined tolerance level. The status of the added component or component detail will be approved if tolerance is not exceeded.

Note: Tolerance checking will not take into account the previous exclusions it will start counting from zero.

Price Injector

This feature provides the ability to generate price events via a bulk process that can be loaded into RPM. Price events generated by an external system other than RPM can be staged on tables and processed through batch jobs where conflict check and validation rules are processed as data is passed to RPM. Price events can be created in RPM, in either worksheet or approved status.

Current functionality, supported by the price injector, includes the following features:

- **Price Changes**– Change by amount, change by percent, or fixed price change and link codes. System generated exclusions may be created during approval process if conflict check is run and finds errors.
 - Not supported—Vendor-funded, manual exceptions, or exclusions.
- **Clearance Events**– Change by amount, change by percent, or fixed price change. System generated exclusions may be created during approval process if conflict check is run and finds errors.
 - Not supported—Vendor-funded, manual exceptions, or exclusions
- **Simple Promotion Components** – Before loading simple promotion component details to the price injector stage tables a promotion header must be created in RPM. The promotion ID is one of the key fields required for loading data to the price injector promotion stage tables.

Only simple promotions are currently supported by price injector with the following change values: change by amount, change by percent, fixed price change, exclude, or no change. System generated exclusions may be created during approval process if conflict check is run and finds errors.

Other functionality supported:

- **Time Based Promotions**–Promotions created with specific start and/or end time elements defined
- **Ignore Constraints**–Defines whether or not promotion constraints are taken into account when conflict checking is performed
- **Price Guides**–Used to maintain consistent price points i.e. rounded in the same manner or all end in the same digits.

Note: If system generated exclusions are created during the batch processing of a price event, the only way to see the data is to view the price event through the user interface.

See the *Oracle Retail Price Management Operations Guide* for more information on running the price injector batch jobs.

Promotion Constraints

Users are stopped if they are creating a price change within a set number of days of the start of an approved promotion or vice versa. Conflict checking will stop the user from approving the price change or promotion. The number of days is determined by a promotion constraint variable that is stored at the subclass/location level.

When the user runs conflict checking on a price change record, promotion record, or worksheet status record, promotion constraint checks are run. If a promotion constraint is violated, the user will see a conflict in either the price change or promotion dialog and the price event will not be approved. The user is able to optionally select to ignore promotion constraints on individual price change, promotion or worksheet detail records so promotion constraint checks are not performed when conflict checking is run.

Pricing Strategies

The pricing strategies front end allows a retailer to define how item retails are proposed when pricing worksheets are generated. The strategies are defined at department, class, or subclass in order to represent which items are affected.

RPM offers six types of pricing strategies:

- **Area Differential Pricing** allows clients to set prices for items at a particular zone or zone group differently than another zone or zone group. The price differential is based on the rules a retailer defines. Area differentials are used when a retailer creates a price change to ensure consistent pricing. Differential pricing cannot be applied to other pricing events, such as clearances or promotions.
- **Clearance Pricing** allows clients to define the method used to clear merchandise by creating markdowns or a series of markdowns.
- **Competitive Pricing** allows a client to define a pricing strategy for their items based on their primary competitor's prices. All locations in a competitive pricing strategy must use the same currency.
- **Clearance Default** allows the user to specify clearance defaults as low as the subclass level and apply the subsequent markdowns in the manual clearance dialog. Pricing worksheets are not generated for this pricing strategy.
- **Margin Pricing** allows a client to define a pricing strategy for items based on margin targets.
- **Maintain Margin Pricing** allows a client to define the pricing strategy for items based on future cost changes. The proposed retails can be based on current or market basket margin percentages.

Future Retail

The future retail tables are the most important tables within RPM. All price event activities need to access and update the future retail tables. Most retailers do their pricing above the item/location level (parent level, zone level, or parent/zone level). The structure of these tables in previous releases might result in retailers having unnecessarily large future retail tables and longer conflict checking processing time.

The data in the future retail tables are held at higher levels whenever possible, which can enhance application performance:

- Retains future retail information at levels above transaction item and location, so that this information can be leveraged by the retailer when creating price events at higher

levels. Users can still create price events at the same merchandise hierarchy and location hierarchy levels as they have previously.

- The Conflict Review List window displays the price event at the level of the timeline where the conflict occurred, that is, potentially higher than transaction item and location level.
- A roll-up batch ensures the system holds future retail data at the highest level possible. This batch looks at lower-level timelines and attempts to roll up to a higher level where timelines match exactly between lower levels and higher levels.
- A batch is used to handle a change to a merchandise hierarchy's primary zone group (PZG) definition. This batch explodes all existing timelines in the future retail tables to the transaction item and location level, and then uses conversion logic, followed by roll-up logic described in the preceding.

Future retail logic includes:

- Parent-zone timelines for an item with parent and location, which is part of the primary zone group for the associated merchandise hierarchy.
- Item-zone timelines where the item does not have a parent and the location is parent of the primary zone group for the associated merchandise hierarchy.
- Parent-location timelines where the item has a parent. These timelines are generated regardless of whether the location belongs to the primary zone group for the associated merchandise hierarchy.
- Parent/Diff-zone timelines where the item is parent of diff_1 of the parent item and the location is part of the primary zone group for the associated merchandise hierarchy.
- Parent/Diff-location timelines where the item is parent of diff_1 of the parent item. These timelines are generated regardless of whether the location belongs to the primary zone group for the associated merchandise hierarchy.

Price Inquiry

Price inquiry is designed to allow retailers to retrieve the price of an item at an exact point in time. This price might be the current price of a particular item or the future price. Users can search for prices based on the following search criteria:

- Merchandise hierarchy
- Item
- Zone group
- Zone
- Location
- Location (warehouse or store)
- Date/Time

Coupon Handling

RPM does not currently support the setup or handling of coupons. Coupon setup and maintenance is done in RMS and the data is passed downstream to ORPOS. See the *Oracle Retail Merchandising System User Guide* for more details on coupons.

Worksheet

The RPM worksheet functionality is designed to allow for the maintenance of automatically generated price change and clearance proposals resulting from the RPM

merchandise extract batch program. These proposed price changes/clearances are the product of existing strategies, calendars and item/location information.

Location Moves

Location moves in RPM allow you to select a location that exists in a zone and move to a different zone within a zone group on a scheduled date. The user will choose to approve the location move. A batch will process all approved location move records, run them for conflict checking and update them to scheduled status. The batch will run immediately before the Location Move Execution batch.

After conflict checking is complete, the process also allows the location to persist most valid pricing events through the move and to smoothly transition out of their old zone pricing strategies into the new zones' pricing strategies. System options provide the user the flexibility to configure location moves.

Integration with Other Applications

RPM uses a Java architecture built on a layering model. Layers of the application communicate with one another through an established hierarchy and are only able to communicate with neighboring layers. The application is divided into a presentation layer, a middle tier consisting of services and business objects, and a database access/driver layer.

RPM and RMS/RTM/ReSA

RPM and RMS provide a client with flexible options for how to implement both solutions. RPM exists on the same database schema as RMS which allows information to be shared between applications from direct database reads, package calls, and batch processes. RPM also interacts with RMS by using the RIB. RPM offers the flexibility to forgo using the RIB for RMS and RPM installations through the use of a system setting. If RIB functionality is disabled, RPM uses APIs to facilitate the exchange of information with RMS that would otherwise be conducted through the RIB. It is the client's responsibility to disable existing database triggers that support the RIB functionality should they choose not to implement it.

RPM provides the following to RMS (for RIB implementation):

- **Regular Price Change Approval/Modification/Deletion**—If using the RIB implementation, RPM publishes regular price change messages when a regular price change is created, modified, or deleted (for approved price changes). RMS subscribes to this message to generate (or remove if deleting) ticket request information for the regular price change request.
- **Promotional Price Change Approval/Modification/Deletion**—If using the RIB implementation RPM publishes promotional price change messages when a promotional price change is created, modified, or deleted (for approved promotions). RMS subscribes to this message to generate (or remove if deleting) ticket request information for the promotional price change request.
- **Clearance Price Change Approval/Modification/Deletion**—If using the RIB implementation RPM publishes clearance price change messages when a clearance price change is created, modified, or deleted (for approved promotions). RMS subscribes to this message to generate (or remove if deleting) ticket request information for the clearance price change request.
- **Price Change Execution**—For regular, promotional, or clearance price changes are set to end or go into effect, the PriceEventExecutionBatch owns the process. When

the pricing event is processed by the batch program it updates pricing in RMS by interfacing with the RMSSUB_PRICECHANGE API in RMS.

- **Initial Pricing**—Initial pricing for items in RMS is dependent upon the primary zone group for the item defined in RPM and characteristics of that zone group. These characteristics include markup percent, markup percent type, and pricing guides. RPM provides this information to RMS through an API (MERCH_RETAIL_API_SQL).
- **Deal Creation**—RPM creates and associates Deals with regular, promotional, and clearance price changes. When this occurs RPM uses an RMS API (PM_DEALS_API_SQL) to create the deal in RMS.

RPM provides the following to RMS (for non-RIB implementation):

- **Regular Price Change Approval/Modification/Deletion**—When a client is performing a non-RIB implementation, regular price change creation, modification, or deletion triggers a call to an RMS API to generate (or remove if deleting) the ticket request information.
- **Promotional Price Change Approval/Modification/Deletion**—When a client is performing a non-RIB implementation, promotional price change creation, modification, or deletion triggers a call to an RMS API to generate (or remove if deleting) the ticket request information.
- **Clearance Price Change Approval/Modification/Deletion**—When a client is performing a non-RIB implementation, clearance price change creation, modification, or deletion triggers a call to an RMS API to generate (or remove if deleting) the ticket request information.
- **Price Change Execution**—For regular, promotional, or clearance price changes are set to end or go into effect, the PriceEventExecutionBatch owns the process. When the pricing event is processed by the batch program it updates pricing in RMS by interfacing with the RMSSUB_PRICECHANGE API in RMS.
- **Initial Pricing**
Initial pricing for items in RMS is dependent upon the primary zone group for the item defined in RPM and characteristics of that zone group. These characteristics include markup percent, markup percent type, and pricing guides. RPM provides this information to RMS through an API (MERCH_RETAIL_API_SQL).
- **Deal Creation**—RPM creates and associates Deals with regular, promotional, and clearance price changes. When this occurs RPM uses an RMS API (PM_DEALS_API_SQL) to create the deal in RMS.
- **Wholesale/Franchise Item Pricing**—RPM generates recommended retails for wholesale/franchise partners based on the wholesale/franchise pricing generated by RMS for these stores. This information is used by the Wholesale/Franchise Item Catalog in RMS. This information is maintained on the future retail table and is directly accessed by RMS.

RMS provides the following to RPM:

- **Foundation Data**—Foundation information is essential to RPM functionality. To successfully set up price changes RPM needs to know the merchandise hierarchy, the organizational hierarchy, suppliers, and more. RPM is able to access this information through the RMS database.
- **Item**—Price changes created in RPM ultimately relate to an item/location. RPM needs to know all approved items currently in the merchandising system, the active, discontinued, or inactive item/location relationships for those items, suppliers with which the items are associated, and more. RPM is able to access this information through the RMS database.

- **Competitive Pricing Information**—RPM has the ability to create price changes based off competitive activity in the marketplace. RPM is able to access this information through the RMS database.
- **Deals**—Deals can be associated to price changes (including vendor funded promotions) in RPM. To associate price changes to an existing deal RPM needs visibility to the deals currently available in the system. RPM is able to access this information through the RMS database.
- **Wholesale/Franchise Item Pricing**—RMS is responsible for determining wholesale/franchise item pricing which is maintained on the future cost table. RPM uses this information to generate recommended retails for wholesale/franchise business partners.
- **Event Notification**—To ensure appropriate processing, RPM must be notified of certain events (the following outlines) that occur in RMS.
- **Apply Promo Change Type 1st**—Indicates which type of promotion change should be applied first, however, the processing uses this option only after fixed price and non-secondary promotions are processed. The ranking is applied to the Promotion Header first, before looking at the Promotion Components. The promotions are applied to an item/location based on ranking order. These rules apply to all promotions, including those created using the Injector Price Event Batch.
 - Ranking Order:
 1. Fixed price promotions.
 2. Non secondary (versus secondary flagged promotions).
 3. System Option: Promo apply order (either amount off or percent off).
 4. Secondary flagged promotions (promo header check box).
 - Example scenario:
 - Promo 1 - Has one component; P1C1 created as Amount Off.
 - Promo 2 - Has two components; P2C1 created as Percent Off and P2C2 created as Fixed Price.
 - Both Promotions are NON Secondary and the system option: Apply Promo Change Type 1st is set to Amount Off.
 - The system will first rank at the Promotion Level:
 - Since Promo 2 has the Fixed Price Component in it, it will rank higher than Promo 1. All components under Promo 2 will be applied first, and then component under Promo 1 will be applied.
 - When applying Promo2, component P2C2 will be applied first, since it is a Fixed Price and then P2C1. After applying all components under Promo 2, then component under Promo 1 will be applied.
 - For this example the order of application is:
 - Promo 2, Component 2 (P2C2)
 - Promo 2, Component 1 (P2C1)
 - Promo 1, Component 1 (P1C1)

Note: This system option will only be used when selling retail calculations are compounded. The rules will not be used when the system option for overlapping simple promotions is set to non-compounding best deal.

RMS provides the following to RPM (for RIB implementation):

- **Store/Warehouse Creation**—New stores and virtual warehouses created in RMS must be added to a zone structure in RPM. To do this RMS provides RPM with the store and/or virtual warehouse being added, its pricing location, and its currency (to ensure it is the same as the zone it is being added to). When a client is using the RIB for an implementation, this notification process is handled through message publication and subsequent RPM subscription.
- **Item/Location Creation**—When new item/location relationships are established RPM needs to verify that no future retail records currently exist, create an initial future retail record (for sellable items), and determine if there are any existing price changes that affect the item resulting in a future retail record for the price change as well. When a client is using the RIB for an implementation, this notification process is handled through message publication and subsequent RPM subscription.
- **Item Modification** is used to notify RPM when an item has been reclassified. The details of the reclassification are written to an item modification table in RPM for the next batch processing run. When a client is using the RIB for an implementation, this notification process is handled through message publication and subsequent RPM subscription.
- **Department Creation** is used to notify RPM when new departments are created in RMS. RPM creates aggregation level information for the new department using predefined system defaults. When a client is using the RIB for an implementation, this notification process is handled through message publication and subsequent RPM subscription.

RMS provides the following to RPM (for non-RIB implementation):

- **Store/Warehouse Creation**—New stores and virtual warehouses created in RMS must be added to a zone structure in RPM. To do this RMS provides RPM with the store and/or virtual warehouse being added, its pricing location, and its currency (to ensure it is the same as the zone it is being added to). When a client is using a non-RIB implementation a store/warehouse creation event in RMS triggers an API call to RPM to implement the necessary processing through a batch process.
- **Item/Location Creation**—New item/location relationships must be verified by RPM to ensure no future retail records currently exist, create an initial future retail record (for sellable items), and determine if there are existing price changes that affect the item resulting in a future retail record for the price change as well. When a client uses a non-RIB implementation, an item/location creation event in RMS triggers an API call to RPM to implement the necessary processing through a batch process.
- **Item Modification** is used to notify RPM when an item has been reclassified. The details of the reclassification are written to an item modification table in RPM for the next batch processing run. When a client is using a non-RIB implementation, an item modification creation event in RMS triggers an API call to RPM to implement the necessary processing through a batch process.
- **Department Creation** is used to notify RPM when new departments are created in RMS. RPM creates aggregation level information for the new department using predefined system defaults. When a client is using a non-RIB implementation a department creation event in RMS triggers an API call to RPM to implement the necessary processing through a batch process.

RPM and RTM

No information is exchanged.

RPM and ReSA

RPM provides ReSA with Promotion Information—RPM needs to provide ReSA with promotion information. This information is provided through a RETL extract program and is used by ReSA to validate promotional sales transactions.

Note: ReSA provides no information for RPM.

RPM and ReIM

No information is exchanged.

RPM and OOC

RPM publishes information to an on-line order capture system (OOC)/order management system (OMS) to support customer ordering and communicate the status of price changes, clearance, and promotions within the application. The messages are published at a transaction item/location level.

The following assumptions are in place:

- Promotions may be created and maintained in OOC/OMS to support online only promotions (for example, free shipping), the promotions will not be passed back to RPM; RPM will not have visibility to these promotions.

RPM and ARI

ARI is a monitoring system that interacts with any applications database (including RPM). As such, it does not use any information from RPM; rather, it monitors the RPM database for events defined by a client and notifies the client when said events occur.

RPM Users and Security

RPM has its security managed through an internal system, RSM. RSM is the part of the RPM application that provides a centralized method of authenticating and authorizing system users.

RSM uses a directory service that complies with Light Directory Access Protocol (LDAP) to maintain and authenticate valid users. It is the system administrator's responsibility to ensure all users are set up in LDAP. If a client has an existing LDAP server where users are currently managed, RSM can be pointed to that server to eliminate the redundancy of maintaining multiple user names/passwords for the same user across a clients applications.

RSM provides a two-tier security structure that consists of application and data level security. RSM provides centralized administration screens for system administrators to create application and data level permissions.

Application Level Security

Application level security allows applications to limit the business functionality users can access in the system and how they can interact with those functions. To determine the business functionality a user can access, RSM uses named permissions.

Named permissions are pieces of business functionality around which the application has security. For example, if RPM has Promotions functionality surrounded by security, RPM creates a promotions named permission. Named permissions data is sent to the RSM database during installation.

To determine what actions a user can perform for the named permissions, each named permission has defined actions.

Actions define how the user interacts with the functionality contained by the named permission. The types of actions attached to a named permission are as follows:

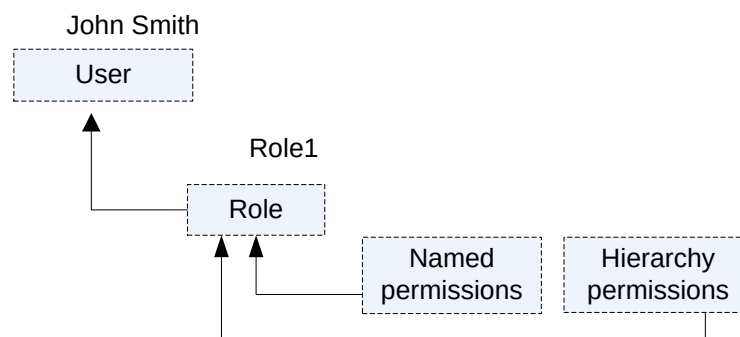
- **None**—Users associated to the role have access to the permission but no actions.
- **Edit**—Users associated with the role are allowed to see all secured information in a workflow.
- **View**—Users associated with the role are allowed to see all secured information in a workflow, but not make any changes to the data in the workflow.
- **Approve**—Users associated with the role are allowed to change the status of a workflow to Approved.
- **Submit**—Users associated with the role are allowed to change the status of a workflow from Worksheet to Submitted.
- **Emergency**—Users associated with the role are granted special access that goes beyond normal day-to-day access functionality. They can thus bypass normal delays in processing.

Using named permissions and actions, RSM provides a requesting application (RPM in this case) with the application access information it needs to determine what security is enforced for each functional area within the application.

Data Level Security

This allows applications to limit users' access to information based on hierarchy (merchandise and location) permissions. Applications either provide the details of these types up front with SQL scripts or dynamically by implementing an RSM interface and exposing it to the RSM service. RSM does not understand application-specific data (for example, RSM does not know the difference between departments and locations). To RSM, the data is a tag (for example, department) and a specific value (for example, 1000). This information is passed back to calling applications, and it is the applications responsibility to apply the data level permissions appropriately.

When application and data level security parameters are defined in RSM, they still need to be associated to users based upon their business roles. To facilitate this process RSM allows a system administrator to create security roles which application and data level security can be associated with. These roles can then be associated with users which causes the users to inherit the security permissions associated with their security role. When a user logs onto RPM, the user is authorized to use the business functionality and data associated with their role. The following diagram illustrates this concept.



Users are Associated with Functionality

System Options

All of the following system options are listed and can be viewed and edited through RPM user interface.

Allow Complex Promotions

System Option name: RPM_SYSTEM_OPTIONS.COMPLEX_PROMO_ALLOWED_IND

When checked, this field is restricted/disabled in the user interface. This system option defines whether complex promotions can be created and maintained. If the indicator is checked or set to Yes, then all promotion types are available. If the indicator is set to unchecked or set to No, then only simple item and simple hierarchy type promotions can be defined, and threshold and multi-buy should not appear in the promotions dialog.

Business Example

This system option would be beneficial for those clients who choose to utilize only simple promotions. When indicator is unchecked, only promotion component type simple will appear to the user. If checked all promotion component types will exist.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 1 - Yes (checked)

Allow ItemList Explode

This system option gives the user the option to select whether the item list should be exploded to the item level or left at item list level.

Valid values are:

Y – Yes/Checked. Two options are provided in the Item Level field: Item List and Item (when Item Type = Item List).

N – No/Unchecked. Item Level could only be Item List (when Item Type = Item List)

The default value is N/unchecked.

Apply Promo Change Type 1st

System Option name: RPM_SYSTEM_OPTIONS.PROMO_APPLY_ORDER

When RPM is installed and system options are saved, this field is restricted/disabled.

This system-level indicator is used to assist in the determination of appropriate application order for promotions and components. It is used when higher-level rules and indicators cannot determine which promotion or component should be applied before another and only used for the following scenarios:

- None of the components involved have a Fixed Price change type.
- Both of the components or promotions have the same ordering indicator setting (either primary or both secondary) and one component has a change type of % Off and one has a change type of Amount Off. The system level indicator will determine, across the company, whether promotion components with a Change Type of % Off or Amount Off should be applied first in relation to the other Change Type. This indicator will only be used for determining application order between components with these two change types, as components with other change types will be governed by other rules.

Business Example

If two promotions each have two components, and one of the promotions has two components with the preferred change type of amount off and the other promotion only

has one component with the preferred change type of amount off, the promotion with two components with the preferred type of amount off is applied first.

The user will make a setting at the system level to specify whether percent off components will be applied before Amount Off components or vice versa. This is a setting that can be changed over time, and will be applied to situations at the time of component approval. However, it can only be updated when there are not any approved or active promotions in the system. If there are any approved or active promotions, this indicator is disabled. In the event a change is made to this system option setting, the change in ordering will not be applied to existing situations where multiple components are already approved. It will only be applied when new components are approved.

Valid values: % off; Amount off

Default value: Amount off

Note: This system option will only be used when selling retail calculations are compounded. The rules will not be used when the system option for overlapping simple promotions is set to non-compounding best deal.

Clear/Promotion Overlaps

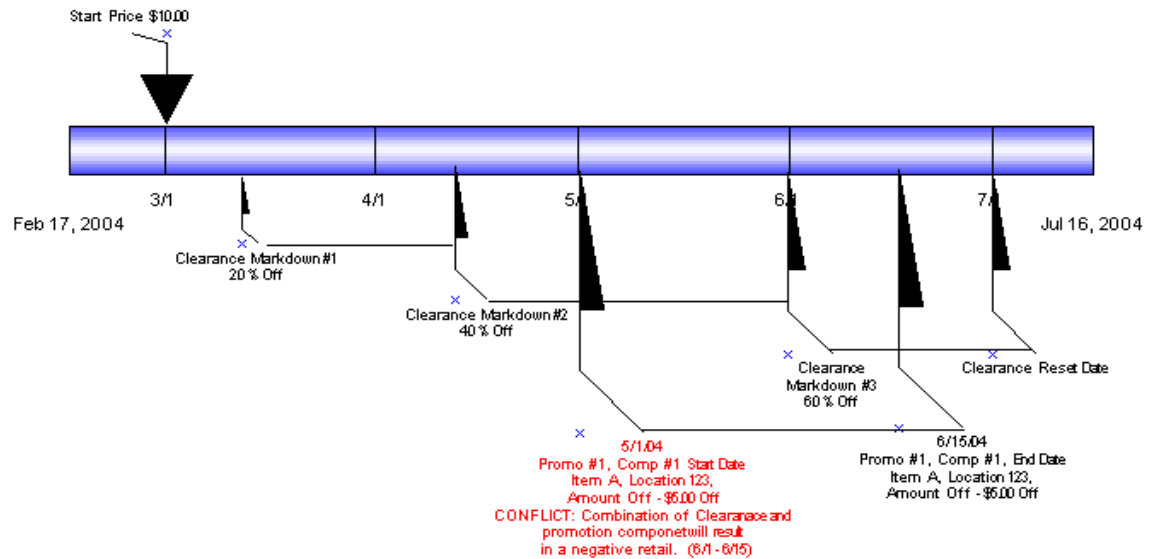
System Option name:

RPM_SYSTEM_OPTIONS.CLEARANCE_PROMO_OVERLAP_IND

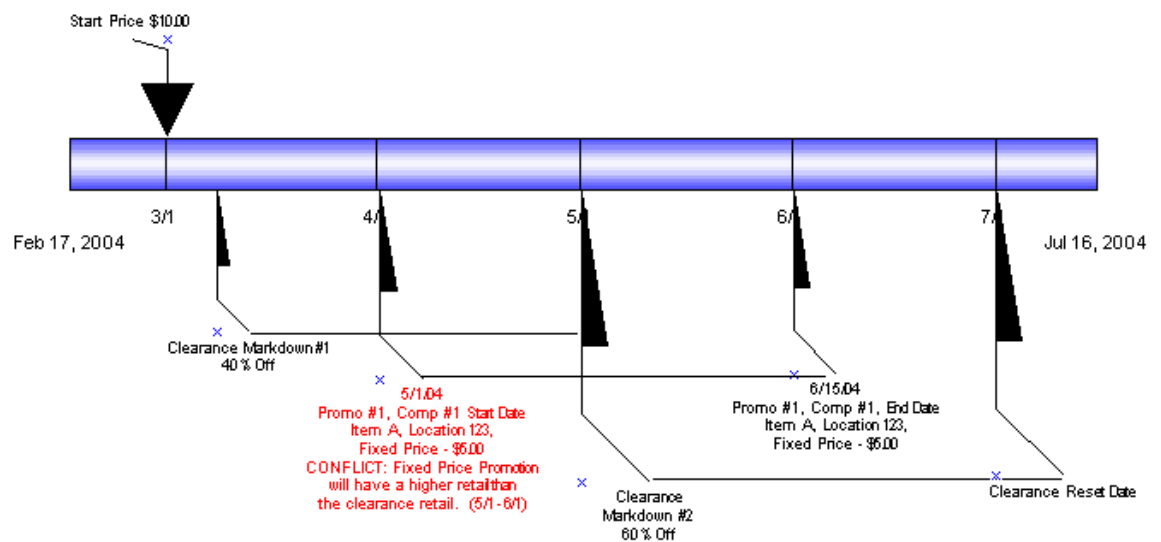
When checked, this field is restricted/disabled in the user interface. This system option defines whether or not an item/location can be on clearance and promotion at the same time. If the clearance/promotion overlap indicator is checked or Yes, the items that are on clearance will have the discount of the promotion applied to their clearance retail, not the regular price. If the promotion change type is set to Fixed Price, the item can only have the fixed price assigned that is lower than the clearance retail. If the clearance change takes place during the promotion then the promotional markdown will decrease when the clearance goes into effect. If the clearance/promotion overlap indicator is unchecked or No, clearance price changes cannot be submitted or approved where the effective date of the first markdown will fall on or after the start date or on or before the end date of an approved promotion, hence the clearance items cannot be promoted until the clearance resets. When this indicator is set to No, promotions cannot be submitted or approved where the item/locations currently exist on an active clearance or if the promotion start and end dates conflict with a pending approved clearance.

Business Examples

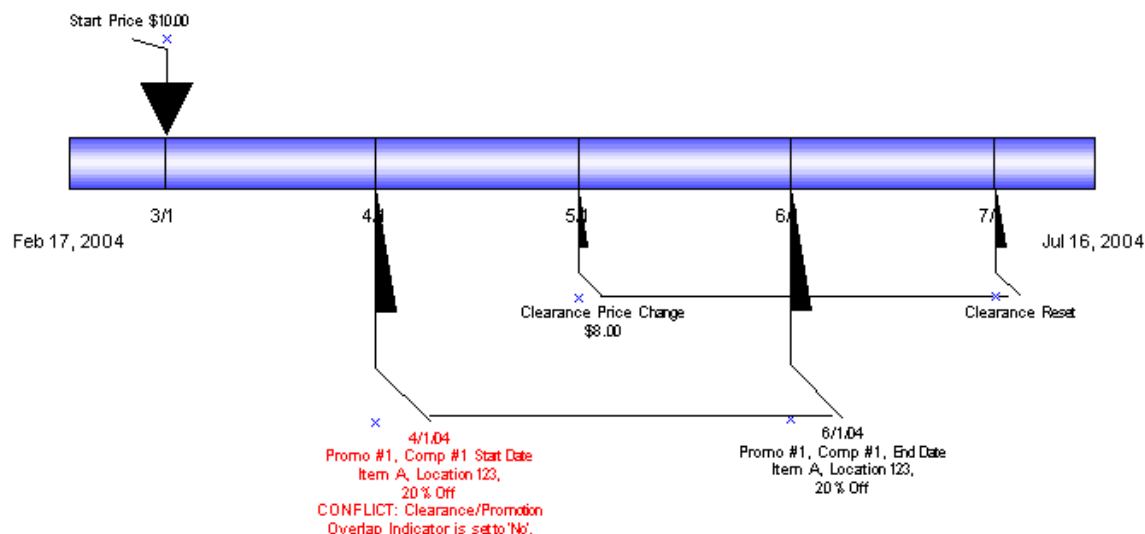
The Clearance/Promo Overlap Indicator is set to Yes. The user attempts to submit a promotion component that will result in the retail being negative, this will fail conflict checking processes. The approved Clearance exists for the same item/location as the promotion, therefore when both the clearance and the promotion component being submitted are applied; the retail will be less than \$0.00 at some date and cause a conflict. This example illustrates that even with clearance/promotion overlap system capabilities, conflicts can be encountered.



Clearance/Promo Overlap Indicator is set to Yes. The user attempts to submit a Fixed Price promotion component with an Apply to Type of Clearance and Regular that will result in the promotional retail being higher than the Clearance retail at some date. Approved Clearance exists for the same item/location that has a lower Clearance retail than the Fixed Price Promotional retail of the component being submitted.



Clearance/Promo Overlap Indicator is set to No. User attempts to submit a promotion component with an Apply To Type of Clearance and Regular that will overlap dates with an existing approved Clearance for the same item/location fails Conflict Checking.



Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 1 - Yes (checked)

Clearance Reset Inquiry Max

System option name: RPM_SYSTEMS_OPTIONS.CLEARANCE_RESET_INQUIRY_MAX

This system option limits the data that is displayed in the clearance reset inquiry list.

Business Example

The Maximum Search Results—Clearances reset inquiry system option is set to 20. A user searches for clearance resets within five departments and returns 80 clearance resets. RPM returns records only up to that established value and displays the following message:

“The number of records that matched your search criteria is greater than the allowed maximum and therefore not all records have been returned. Refine your search criteria to narrow the search so that all valid records can be presented.”

The user can then narrow the search criteria down further to one or two departments to show all clearances.

Valid values: 1-999

Default value: 100

Conflict History Days After

System option name: RPM_SYSTEM_OPTIONS.CONFLICT_HISTORY_DAYS_AFTER.

This system option defines the number of days after the vdate (current system date) that a pricing event is displayed to the user in the conflict review check screen.

Valid values: 1-99

Default value: 30

Conflict History Days Before

System option name: RPM_SYSTEM_OPTIONS.CONFLICT_HISTORY_DAYS_BEFORE.

This system option defines the number of days before the vdate (current system date) that a pricing event is displayed.

Valid values: 1-99

Default value: 30

Cost Calculation Method

System Option name: RPM_SYSTEM_OPTIONS .COST_CALCULATION_METHOD

The cost calculation indicator contains a drop down with the options: Average Location Cost and Highest Location Cost. When zones are represented in a price event. This value is used to determine the cost for a zone. The cost is held at location level; therefore, either the highest cost across the locations in the zone or the average (non-zero) cost should be used.

Business Example

In RPM, the cost calculation method system option is set to Average Location Cost.

A price change is created at the zone level; there are five locations at a cost of 10.00 for four locations and 12.00 for the remaining fifth location. The cost in the price change apply block user interface is illustrated as an average cost or an average of the five locations and is totaled from the FUTURE_COST table in RPM.

Valid values: 0 - Average Location Cost; 1 - Highest Location Cost

Default value: 0 - Average Location Cost

Default Out of Stock Days

System Option name: RPM_SYSTEM_OPTIONS .DEFAULT_OUT_OF_STOCK_DAYS

This system option defines the number of days that should be added to an item clearance effective date in order to calculate the out of stock date. This default is only applied to generate the out of stock date when the clearance is first created. Existing out of stock values will be used for subsequent markdowns.

Business Example

The default out of stock system option is set to 30. A user creates a department zone level clearance. The VDATE is 1/1/09; the effective date is 1/3/09. The out of stock field will default with the date of 2/2/09.

Valid values: 1-999

Default value: 120

Default Reset Date

System Option name: RPM_SYSTEM_OPTIONS .DEFAULT_RESET_DATE

This system option defines whether a reset date should be defaulted when a clearance is created. When system option is set to No or unchecked, the reset date will appear NULL or blank in the create clearance dialog. However, the user can still manually enter a reset date. When the system option is set to Yes or checked, the reset date is defaulted to one day greater than the out of stock date, the user can edit or delete the defaulted date. Reset date will default one date per item/location.

Business Example

The default out of stock system option is set to 30 and default reset date system option is checked. A user creates a department zone level clearance. The VDATE is 1/1/09; the effective date is 1/3/09. The reset will default with the date to one day greater than the out of stock date, 2/1/09.

Valid value: 1

Default value: NULL

Display And/Or Condition

System Option name: RPM_SYSTEM_OPTIONS.DISPLAY_OR_CONDITION

In the multi-buy promotion type, the user will be able to use both And/Or selections in both the buy and get lists. Example: Buy a sandwich or a wrap and chips and get a pop for 50 cents off or a cookie for \$1.00 off. The option to select the OR condition is controlled by the DISPLAY_OR_CONDITION system option. If system option is checked, the system will display the AND and OR conditions in the user interface. The system will default to AND. If system option is unchecked, it will display only the AND condition in the multi-buy promotions user interface.

Business Example

A multi-buy promotion is set up for the following scenario. In order to allow the OR condition the Display AND/OR Condition system option should be checked or Yes to add the OR condition to the multi-buy conjunction dropdown.

Buy a sandwich or a wrap and chips and get a pop for 50 cents off or a cookie for \$1.00 off. The user would set up the above example in the following manner:

- Buy List 1(sandwich) OR Buy List 2(wrap) AND Buy List 3(chips) for ->
- Reward 1 (.50 cents off) OR Reward 2(cookie 1.00 off)

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: NULL

Display Conflicts Only

When the system option is set for display conflicts only (the system option is checked), the record that caused the conflict is displayed in the lower portion of the Conflict Review List window, and no others.

When the system option for display conflicts only is unchecked and the days before/after are provided, RPM looks for all records, using the price event's effective date as the point to look forward and back. This returns all records within the window of time calculated.

Multiple records are displayed in the top portion of the Conflict Review List window so that, if one rule returns conflicts for multiple item/locations in a price event, all those conflicts are displayed. This is limited to 100 records maximum.

Days Event Displayed Before VDATE

System Option name:

RPM_SYSTEM_OPTIONS.CONFLICT_HISTORY_DAYS_BEFORE

This option defines the number of days before an effective date that a pricing event appears in the conflict review window. It enables only when the Display Conflicts Only indicator is not checked.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: NULL

Days Event Displayed After VDATE

System Option: RPM_SYSTEM_OPTIONS.CONFLICT_HISTORY_DAYS_AFTER

This option defines the number of days after an effective date that a pricing event appears in the conflict review window. It enables only when the Display Conflicts Only indicator is not checked.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: NULL

Display Full Price Change/Clearance Column Detail

System Option name: RPM_SYSTEM_OPTIONS.FULL_PC_COL_DETAIL

This option limits the data that is displayed in the price change/clearance detail maintenance form. When the user applies item/loc discount detail to a price change/clearance the system populates the price change/clearance maintenance tables. Now when the user populates the detail maintenance screen from an Apply action, only a portion of the columns in the table are populated. If the user wants to review the details for the remaining columns, which tend to be the performance intense fields, the user can do so by selecting rows and requesting the additional data.

Business Example

The display full price change/clearance column detail indicator is checked. The user will create a price change and apply the record.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 0 - No (unchecked)

Display Full Promotion Column Detail

System Option name: RPM_SYSTEM_OPTIONS.FULL_PROMO_COL_DETAIL

This option limits the data that is displayed in the promotion component detail maintenance form. When the user applies item/loc discount detail to a promotion component the system populates the Promotion Component Detail Maintenance table. Now when the user populates the detail maintenance screen from an Apply action, only a portion of the columns in the table are populated. If the user wants to review the details for the remaining columns, which tend to be the performance intense fields, the user can do so by selecting rows and requesting the additional data.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 0 - No (unchecked)

Dynamic Area Differentials

System Option name: RPM_SYSTEM_OPTIONS.DYNAMIC_AREA_DIFF_IND

Within the Area differential pricing strategy, this system option controls the ability to modify a secondary zone retail price after a primary zone has been approved. If the checkbox is checked (Y), the batch program Merchandise Extract will create all records, both primary and secondary areas, in New status. If a proposed retail is not available for the primary area, the secondary records should be calculated using the basis retail of the primary area or competitor retail (whichever is lowest). The worksheet will dynamically update the secondary locations based on changes to the primary location and the user will be allowed to edit the secondary areas regardless of the status of the primary records. If the checkbox is not checked (N), the batch program Merchandise Extract will

create secondary locations in pending status and the user will not be allowed to edit the secondary locations in the worksheet until the primary area has been approved.

This system option is also responsible for controlling the ability to layer competitive strategies onto an Area Differential Strategy. If the option is checked (Y) then a competitor can be added to the area differential strategy for the secondary zones and the suggested retail price will be the lower price of the two strategies Area Differential and Competitive. The competitor information setup will not be applied in the Price Change dialog when calculating the proposed retail for a secondary area. The competitor information will only be used in the Merchandise Extract batch job and worksheet functionality.

Note the proposed retails are displayed based on the percent higher or lower for the secondary locations.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 0 - No (unchecked)

Ends in Digits for Zero Decimal Currencies

System Option name: RPM_SYSTEM_OPTIONS.ZERO_CURR_ENDS_IN_DECS

When RPM is installed and system options are saved, this field is restricted/disabled.

This value will be used in the Price Guides dialog when a currency is specified that does not contain digits following the decimal in the format. The number selected determines the number of digit fields that should be available in the Ends In definition area.

Valid value: 0-4

Default value: 0

Event ID Required

System Option name: RPM_SYSTEM_OPTIONS.EVENT_ID_REQUIRED

When unchecked, this field is restricted/disabled in the user interface, since the restriction cannot be added after promotions have been created. If this value is set to Yes (checked), then when a promotion is created an Event ID MUST be assigned to the promotion and validation will occur in the promotions definition dialog. If the value is set to No (unchecked), then promotions can be created without tying them to Events.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 0 - No (unchecked)

Exact Deal/Funded Promotion Dates

System Option name: RPM_SYSTEM_OPTIONS.EXACT_DEAL_DATES

When checked, this field name restricted/disabled in the user interface. This option defines whether or not the dates of a deal associated with a vendor funded promotion must match exactly. If the indicator is set to Y, then only deals with the same begin and end dates as the promotion component being created will appear in the deal LOV in the vendor funded promotions dialog. In the event the indicator becomes selected or checked, it becomes disabled and cannot be modified or unchecked since the restriction cannot be added after promotions and deals have been associated.

Business Example

If the Exact Deal/Funded Promotion Dates indicator is checked, the user creates a promotion with components start and end dates from 4/1/09 to 4/15/09. Any funding

that is created for the component must fall within the promotion component start and end dates.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 0 - No (unchecked)

Filter Price Change/Clearance Results

System Option name: RPM_SYSTEM_OPTIONS.FILTER_PRICE_CHANGE_RESULTS

This system option will determine whether the Maintain Price Change/Clearance screen should go to the intermediate result screens or go directly to the Price Change/Clearance Editor screen.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: Yes (checked)

Inherit New Zone's Regular Retail

System Option name: RPM_SYSTEM_OPTIONS.LOC_MOVE_PRICE_CHANGES

When a location move occurs, users can determine whether or not the moving location should inherit the new zone's retail based on the setting of this system option. When checked, the location will inherit the new zones retails, else if unchecked the zone will keep the existing retail as base is today. When the system option specifies that the location will automatically get the new zones regular retail, the following will happen for the execution of the location move:

- A location level price change will be created with a unique reason code that will identify that the price change was created because of a location move being scheduled. The retail price on this price change will be equal to the items basis zone level retail of the new zone, if there is one. If the zone is not part of the primary zone group, there will be no zone level retail for the item and a price change will not be created. When a price change cannot be created because there is no zone level retail, it will be reported to the user. If the current locations retail already equals the zone level retail of the new zone, a price change will still need to be created in case location or zone level retail changes during the execution of the location move (see Execution notes).
- This price change will have an effective date equal to the execution move date.
- The price change will be created, and will go through conflict checking. If it passes conflict checking, it will be set to approved status. If it fails conflict checking, the price change will still be created but left in worksheet status and reported to the user that it could not be approved.
- When a price change is created in approved status, it will be reported to the store through the existing RIB message structure only if the new zones retail is different than the locations previous retail.
- The price change will be editable through the user interface after the move is implemented.
- Price change will have a system generated reason code.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: No (unchecked)

Location Move Lead Time

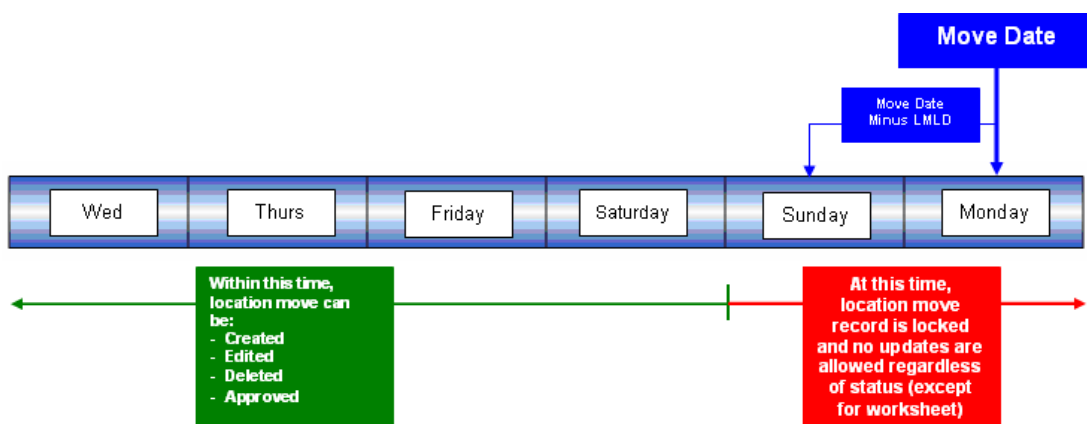
System Option name:

RPM_SYSTEM_OPTIONS.LOCATION_MOVE_PROCESSING_DAYS

This field is used to control the number of days from the current date the user is allowed to enter a location move effective date. The minimum value allowed is 1. The earliest effective date that can be selected as the effective date is VDATE + LMLD (Location Move Lead Days). For example, if Location Move Lead Days is set to 2 days, then the earliest location move effective date that can be set up is 2 days from today.

Business Example

If a location move in failed or approved status has a move date that has already passed the VDATE + LMLD (Location Move Lead Days), then the location move record is locked and no updates are allowed. When users try to update an expired location move record, error message appears, "Effective date of scheduled move cannot be less than today plus Location Move Lead Time." Updates to an expired location move record in any status is not allowed. The following is the illustration of the timeline:



If a location move in worksheet status has a move date that has passed the lockout period (VDATE + LMLD), users get a warning message when trying to edit this record. The warning message displayed is "Date is out of range." Users are still able to make changes to this record but a valid new effective date needs to be re-entered before the batch can process it.

Valid values: 1-999

Default value: 1

Location Move Purge Days

System Option name: RPM_SYSTEM_OPTIONS.LOCATION_MOVE_PURGE_DAYS

This system option defines the number of days to wait when purging location move requests. The PurgeLocationMovesBatch program deletes location moves based on their effective date. Location moves are purged regardless of whether they have been run. Location moves are purged when their effective date is LOCATION_MOVE_PURGE_DAYS days in the past.

Business Example

If a Location Move Purge Days is set to 2 days, then the earliest location move effective date that can be deleted is 2 days in the past from today/VDATE.

Valid values: 1-999

Default value: 1

Maximum Number of Buy Lists

System Option name: RPM_SYSTEM_OPTIONS.MAX_BUY_LISTS

This system option gives the user the flexibility within the multi-buy promotion functionality to control the number of buy or reward lists within 1 promotion component.

Business Example

The maximum number of buy lists system option is set to 4. Therefore, a multi-buy/meal deal promotion can be set up for 1 component.

- Buy List 1 – Sandwiches
- Buy List 2 – Soda
- Buy List 3 – Chips
- Buy List 4 – Cookies

The addition of Buy list 5- Candy would trigger this message to the user: “The maximum number of Buy lists has been exceeded for a single promotion component. A new list can not be added.”

Valid Value: 1-999

Default value: 4

Maximum Number of Promotion Component Details

This system option can restrict the promotion component detail user interface to a predetermined limit. The option is named Maximum Number of Promotion Component Details per Promotion Component. Limitations on the number of promotion component details affect any possible way in which a user can create promotion component details. Item lists, parent, parent diff, or transaction-level item/location combinations that are exploded to the item/location level are controlled through the value set for this system option.

The default setting is 500.

Maximum Number of Overlapping Promotion Component Details

System Option name: RPM_SYSTEM_OPTIONS.MAX_OVRLP_PROM_COMP_DETAIL.

The maximum number of promotions that can be created per item/location is controlled by a system option. If this existing system option is enabled, Maximum number of overlapping promotion component details is enabled—and the number of promotions will not pertain to exclusions, only inclusive promotions. The number of exclusions will not be restricted.

Business Example

If Maximum number of overlapping promotion component details is set to six per item/location, the user will be able to create six promotion components under one promotion header. Exclusions will not count toward this maximum number of allowed promotions.

Valid values: 1-999

Default value: 4

Maximum Number of Reward Lists

System Option name: RPM_SYSTEM_OPTIONS.MAX_REWARD_LISTS

This system option allows the user to control the number of buy or get lists in the promotion component.

Business Example

The maximum number of buy lists system option is set to 4. Therefore a multi-buy/meal deal promotion can be set up for 1 component.

- Reward List 1 – Shoes
- Reward List 2 – Shirts
- Reward List 3 – Hats
- Reward List 4 – Gloves

The addition of Reward list 5- Socks would trigger this message to the user: “The maximum number of Reward lists has been exceeded for a single promotion component. A new list can not be added.”

Valid values: 1-999

Default value: 4

Maximum Search Results – Clearances

System Option name: RPM_SYSTEM_OPTIONS.CLEARANCE_SEARCH_MAX

The following business example explains what happens if the number of rows for the search criteria exceeds the value entered in the new options.

Business Example

The Maximum Search Results - Clearances system option is set to 20. A user searches for approved clearances within five departments and returns 80 clearances. RPM returns records only up to that established value and displays the following message:

“The number of records that matched your search criteria is greater than the allowed maximum and therefore not all records have been returned. Refine your search criteria to narrow the search so that all valid records can be presented.”

The user can then narrow the search criteria down further to one or two departments to show all clearances.

Valid values: 1-999

Default value: 300

Maximum Search Results – Price Changes

System Option name: RPM_SYSTEM_OPTIONS.PRICE_CHANGE_SEARCH_MAX

This option limits the data that is displayed in the price change list. When the user applies item/loc discount detail to a price change or clearance the system populates the detail table for that price event. If the user applies large item/loc volumes this process had suffered performance issues in the past. Now when the user populates the detail maintenance screen from an Apply action, only a portion of the columns in the table are populated. If the user wants to review the details for the remaining columns, which tend to be the performance intense fields, the user can do so by selecting rows and requesting the additional data. RPM returns records only up to that established value and displays the following message:

Business Example

The Maximum Search Results – Price Changes system option is set to 20. A user searches for approved price changes within 5 departments and returns 80 price changes. RPM returns records only up to that established value and displays the following message:

“The number of records that matched your search criteria is greater than the allowed maximum and therefore not all records have been returned. Refine your search criteria to narrow the search so that all valid records can be presented.”

The user can then narrow the search criteria down further to one or two departments to show all price changes.

Valid values: 1-999

Default value: 300

Maximum Search Results – Price Inquiry

System Option name: RPM_SYSTEM_OPTIONS.PRICEINQUIRY_SEARCH_MAX

In the Price Inquiry screen, the user can search for a price of an item using the following criteria:

- Merchandise Hierarchy
- Item
- Zone Group
- Zone
- Location – warehouse or store
- Date/Time

Based on the criteria entered by the user, a listing of item/locations together with the specified prices at a given date are displayed. The resulting information will be available to the user for export. The system option will limit the data that is displayed in the price inquiry search results list. When the Price Inquiry is populated, only a portion of the results are displayed determined by the value set in the Maximum Search Results –

Price Inquiry system option. If the user wants to review the details for the remaining columns, which tend to be the performance intense fields, the user can do so by selecting rows and requesting the additional data.

Valid values: 1-999

Default value: 300

Maximum Worksheet Search Result

System Option name:

RPM_SYSTEM_OPTIONS.WORKSHEET_FILTER_SEARCH_MAX

When the user enables the Minimize Worksheet Data Filter screen system option, this system option will also be enabled and required. Maximum Worksheet Search result is the maximum number of rows that will be displayed based on the respective search criteria.

Based on the criteria entered by the user, the user will be limited to how many item/zone rows are returned when the user performs a search for the worksheet filter functionality.

If the user attempts to bring back too many rows, they will be stopped and given an error message.

Valid values: 1-999

Default value: null

Minimize Worksheet Data Filter Screen

System Option name: RPM_SYSTEM_OPTIONS.WORKSHEET_FILTER_SCREEN

When this system option is enabled, the user is given an optional workflow that includes worksheet data filtering. The user can enter the following search criteria to filter out the items to review.

- Clearance Indicator
- Primary competitor retail change indicator
- Primary competitor alert
- Comp A Alert
- Cost Changes during review period
- New Item Location Ind
- Item ID
- Parent ID
- Link Code
- New Retail
- Price Change Indicator
- Reviewed (new column)

The user also can choose the skip filter option from the worksheet status screen to bypass the filtering. If this system option is disabled, the worksheet filter screen is not accessible.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: 0 - No (unchecked)

Multiple Item/Loc Promotions

System Option name: RPM_SYSTEM_OPTIONS .MULTI_ITEM_LOC_PROMO_IND

When checked, this field is restricted/disabled in the user interface. This system option defines whether an item/location can exist on more than one promotion and more than one component within the promotion. If the indicator is set to Yes (checked), an item can have its retail price affected by more than one promotion at a single time in a given location. If the indicator is set to No (unchecked), only one promotion or promotion component can exist at the same time for a given item/location.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: No (unchecked)

Number (#) of Days Rejects Held (PC Clear)

System Option name: RPM_SYSTEM_OPTIONS REJECT_HOLD_DAYS_PC_CLEAR

This field defines the number of days after the effective date of a rejected price change or clearance when it should be purged from the system.

Valid values: 1- 999

Default values: 30

Number (#) of Days Rejects Held (Promo)

System Option name: RPM_SYSTEM_OPTIONS REJECT_HOLD_DAYS_PROMO

This field defines the number of days after the end date (or start date for promotions with no end date) of a rejected promotion when it should be purged from the system.

Valid value: 1

Default value: 30

Open Zone Use

System Option name: RPM_SYSTEM_OPTIONS .OPEN_ZONE_USE

When checked, this field is restricted/disabled in the UI when checked. It defines whether different Zone Group types can be used in all the pricing dialogs or if the type of the Zone Group will limit where it can be used. For example, if set to No (unchecked), then Promotion Zone Groups cannot be used in the clearance and price change dialogs or in the pricing strategies definition. If this option is set to yes, it cannot be changed. Open Zone enables total flexibility in the use of Zone Groups. Default Value. When the indicator is set to Yes, all zone group types can be used throughout the system's functionality. When the indicator is set to No, a Promotion Zone Group cannot be used in the clearance and price change dialogs or in the pricing strategies definition. In addition, clearance zone groups cannot be used to define the pricing strategies of Margin, Competitive, Relationship, and Area Differential.

Business Example

Creating a margin strategy with a zone group defined as promotion or clearance would require the open zone use system option to be checked or set to Yes.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: No (unchecked)

Past Markup Events Display Count

System Option name:

RPM_SYSTEM_OPTIONS.PAST_MARKUP_EVENTS_DISPLAY_CNT

This system option defines the number of past markup impact events displayed for margin visibility.

Valid values: 1-10

Default value: 1

Price Change Processing Days

System Option name:

RPM_SYSTEM_OPTIONS.PRICE_CHANGE_PROCESSING_DAYS

This value represents the number of days required between the create date and the effective date. It does not determine the communication processes or timing but simply allows the retailer to ensure that price changes are created with enough advance timing that stores and other process areas can react accordingly. This value will be used in the price change and pricing worksheet dialogs. Security will permit certain users to violate this timeframe and create same day price changes or emergency price events. Therefore, zero is not permitted at the system level.

Business Example

A user creates a price change effective tomorrow. The Effective Date is the date when the price change will go into effect at the point of sale. This date must be greater than VDATE + the PRICE_CHANGE_PROCESSING_DAYS system option.

Valid values: 1-999

Default value: 1 (day)

Price Change/Promotion Overlaps

System Option name:

RPM_SYSTEM_OPTIONS.PRICE_CHANGE_PROMO_OVERLAP_IND

When checked, this field is restricted/disabled in the user interface. The field value indicates whether an item/location can have a price change occur during the middle of an active location. If the indicator is set to Yes (checked), then a price change can take effect during a promotion. If the indicator is set to no (unchecked), then a price change cannot be approved that would take effect during an approved promotion--and a promotion cannot be approved if its dates will overlap an approved price change. If this option is checked, it is recommended that promotion constraints be used to take advantage of the suggested new date functionality. If this functionality is not used, overlaps will be highlighted in conflict checking and changes would have to be entered again using the correct effective dates.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: No (unchecked)

Pricing Strategy Default Effective Day

System Option name: RPM_SYSTEM_OPTIONS.DEFAULT_EFFECTIVE_DATE

This system options allows the user to select the default day of the week for prices to be effective in the worksheet detail dialog for the clearance, pricing strategies. When a specified weekday is selected during price strategy create, it will default the effective date in the worksheet detail to the specified day after the review period (plus price change processing days)—ultimately causing the effective date in worksheets to default to the desired day of the week.

Business Example

Consider the following clearance strategy example.

A client creates a clearance strategy with calendar starting on a Tuesday with a 2-day review period and 26 days between. In this example, it is assumed the batch is run Monday night. The batch will find calendars that have a review period that starts the next day.

Then the client creates a regular calendar starting on a Thursday with a two-day review period and five days between. The intention is to have all price events effective on the following Saturday after the review period. In this example it is assumed the batch is run Wednesday night. The batch will find calendars that have a review period that starts the next day.

Users review the clearance worksheet on Tuesday and Wednesday, and the margin worksheet on Thursday and Friday.

The default effective date functionality will allow the user to default the effective date to the Saturday after the review for both the clearance and margin strategies. When calculating the effective date for the worksheet detail dialog, this new functionality works as base does today in that effective date considers price change processing time when calculating a proper default effective date. In this example price change processing days is set to 1, and thus effective date would fall on the next day (Saturday).

Business Example Rules

The following business rules apply.

- The user can select only one day of the week as a default per strategy.
- Pricing Strategy Default Effective Day functionality applies to margin, clearance and competitive strategies only.
- The resulting effective date appearing in the worksheet detail defaults to day of the week after the current review period plus price change processing days.
- When the system option for the Pricing Strategy Default Effective Day is checked, it is not modifiable.
- If two pricing strategies for the same item/location default to the same effective date, conflicts will occur.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: NULL

Pricing Strategy Review Period Overlap

System Option name: RPM_SYSTEM_OPTIONS.LOC_MOVE_PS_REVIEW_OVERLAP

This field indicates if a location move will overlap the review period of a pricing strategy. When this system option is checked, it allows pricing strategies with review periods to overlap a location move date. The validation of any worksheet review period will be bypassed and a location move can be scheduled else if unchecked validation will not be bypassed.

- If the system option indicates that a move cannot be scheduled if there will be a worksheet review period that overlaps the move date, and a pricing strategy exists with a calendar that will have a review period that overlaps the move date, the move will fail.
- If the system option indicates that a move can be scheduled regardless of any worksheet review period, the validation for worksheet review period overlaps will be bypassed.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: No (unchecked)

Promotion End Date Required

System Option name: RPM_SYSTEM_OPTIONS.PROMO_END_DATE_REQUIRED

When checked, this field is restricted/disabled. If integration with ORPOS is required, this system option requires that an end date be assigned to promotions. It must be checked when integrating with ORPOS.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default values: 0 - No (unchecked)

Promotion History Months

System Option name: RPM_SYSTEM_OPTIONS.PROMOTION_HIST_MONTHS

This system option defines the number of months after a promotion is completed that is should be purged. This parameter is also used to purge cancelled promotions.

Valid values: 1- 999

Default value: 6

Promotion Overlap

System Option name: RPM_SYSTEM_OPTIONS.LOC_MOVE_PROM_OVERLAP

This field indicates if a promotion will overlap a location move. If checked, the LOC_MOVE_PROM_OVERLAP_BEHAVIOR system option will enable and allow the user to control how the promotion should overlap the location move during scheduling and execution.

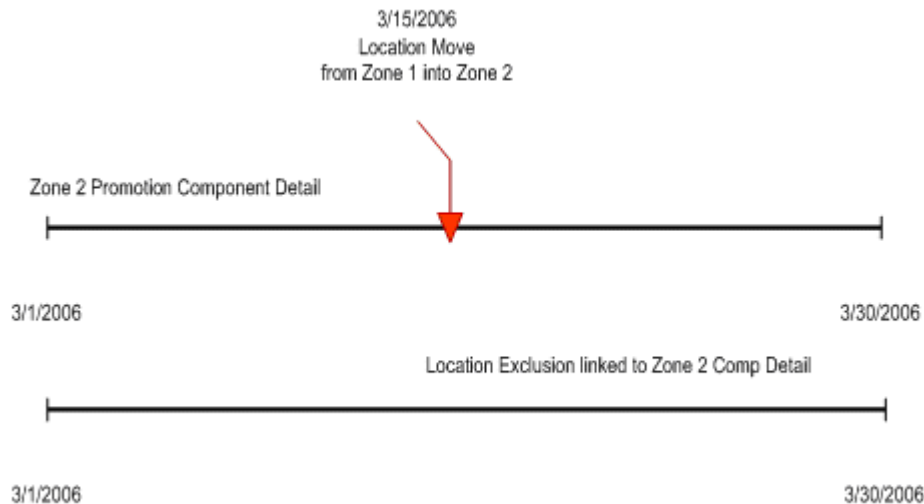
RPM_SYSTEM_OPTIONS.LOC_MOVE_PROM_OVERLAP_BEHAVIOR

This option is within a dropdown box. If selected, it will have the following combinations enabled as options for the user to choose in a combination dropdown list. Only one of the following three options can be selected:

Extend Old Zone's Promotion and Do Not Inherit New Zones Overlapping Promotions

Location will keep running the old zones promotion. Location will not inherit any zone level promotion for the new zone if it overlaps the move date. Zone level promotions for

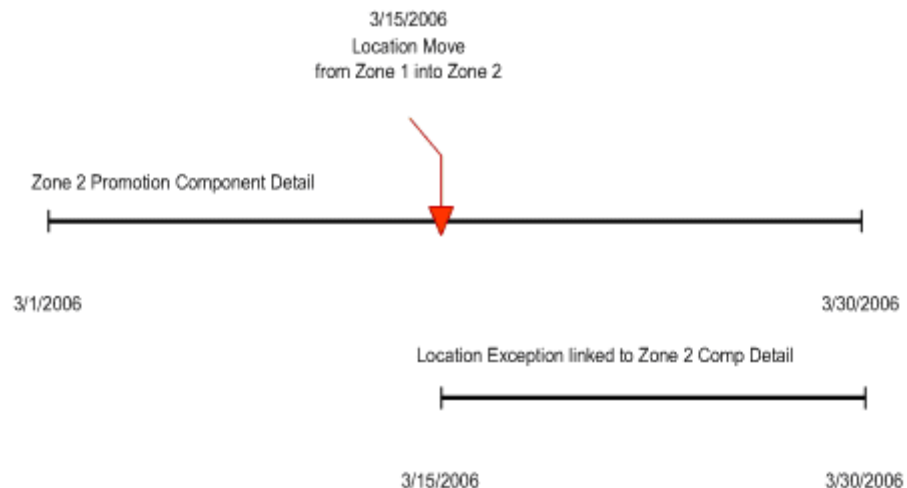
the new zone that start before or on the location move date and end after or on the location move date and the promotion is currently pending, will have an exclusion created for the location that is being moved with a start date equal to the zone promotions start date and an end date equal to the zone promotions end date.



Zone level promotions for the new zone that start before the location move date and end after or on the location move date and the promotion is currently active, will have an exclusion created for the location that is being moved with a start date equal to the current date + 1 and an end date equal to the zone promotions end date.

End Old Zone's Promotion and Inherit New Zones Overlapping Promotions

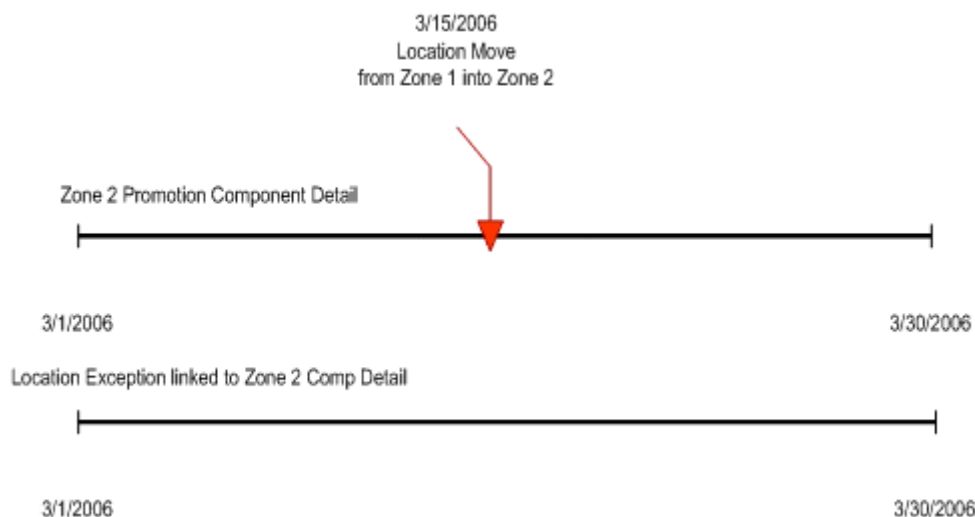
Promotion will end at the location the evening before the location move date. Location inherits the new zones promotion that overlaps the move date, but the promotion will only start on the location move date. Zone level promotions for the new zone that start before or on the location move date and end after or on the location move date will have an exception created for the location that is being moved with a start date equal to the move date and an end date equal to the zone promotions components end date.



Do Not Start Old Zone's Overlapping Promotions and Inherit New Zones Overlapping Promotions

Location will not start the promotion if the zone promotion overlaps the move date. Location will inherit the new zones promotion that overlaps the move date and will start

the same day the zone level promotion starts or will start the day the move is scheduled if the zone level promotion is already active. Zone level promotions for the new zone that start before or on the location move date and end on or after the location move date will have an exception created for the location that is being moved with a start date equal to the zone promotions start date or current date if the promotion is already active and an end date equal to the zone promotions components end date.



Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: No (unchecked)

Promotion Search Maximum

System Option name:

RPM_SYSTEM_OPTIONS.PROMOTION_SEARCH_MAX

This system option limits the data that is displayed when searching at promotion header level.

Business Example

The Maximum Search Results—Promotion search max system option is set to 20. A user searches for promotions within five departments and returns 80 promotions. RPM returns records only up to that established value and displays the following message:

“The number of records that matched your search criteria is greater than the allowed maximum and therefore not all records have been returned. Refine your search criteria to narrow the search so that all valid records can be presented.”

The user can then narrow the search criteria down further to one or two departments to show all clearances.

Valid values: 1-999

Default value: 300

Purge Reset Clearance Months

System Option name: RPM_SYSTEM_OPTIONS.CLEARANCE_HIST_MONTHS

Expired clearance records must be purged from the system in order to manage the size of the database. The field holds the number of months past a clearance reset date that should be purged. If a clearance is never reset it cannot be purged, as the item/location

still exists as a clearance. In addition, any RPM_FUTURE_RETAIL records associated with a clearance will not be purged until the clearance is reset.

Business Example

A clearance created prior to the VDATE is completed and now reset. This clearance would be purged with the execution of the clearance purge batch jobs.

A clearance is a candidate for purging if it has:

- Completed all markdowns and has been reset.
- Been cancelled.
- Been deleted.

Two clearance purge programs are run together:

- PurgeExpiredExecutedOrApprovedClearancesBatch purges expired executed and/or approved clearances.
- PurgeUnusedAndAbandonedClearancesBatch purges unused and/or abandoned clearances.

Valid values: 1-999

Default value: 1 (month)

Recognize WH as Locations

System Option name: RPM_SYSTEM_OPTIONS RECOGNIZE_WH_AS_LOCATIONS

When checked, this field is restricted/disabled. This system option controls whether warehouses will exist in RPM zones and assigned to regular and clearance price zones. They cannot be assigned to promotion price zones. When the system options is set to Yes, warehouses can be assigned to price zones, pricing strategies, calendars and if they will appear in the Location LOVs. In addition, warehouse inventory will be taken into consideration when creating vendor funded markdowns and allows for the revaluation of inventory at a specific warehouse location. When the system option is set to No, warehouses are not available in RPM and will not appear in the location LOVs. Stock on hand values will be zero and will not be calculated for warehouse locations when set to No.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: Yes (checked)

Sales Calculation Method

System Option name: RPM_SYSTEM_OPTIONS SALES_CALCULATION_METHOD

The value specified is used by the merchandise extract to determine how to populate the Projected Sales column on the worksheet used together with Pricing Strategies. The Smoothed Average Calculation, which populates a table in RMS and is used by RPM to show the projected sales of an item for a time period representing a week. The intent of the smoothed average sales calculation is to represent on a weekly sales basis the number sales units sold at regular price and therefore not affected by a promotion or some sales anomaly.

Business Example

If a pricing manager in RPM wants to see the sales impact of changing the retail price of table salt by .20 per container, then the unit sales should simply be those that occurred when the item was sold at its regular price and will assume that the change will not slow

demand but simply increase sales dollars by .20 per unit. The smoothed average value serves to provide this information in lieu of a more accurate forecast.

Clients using RPM who do not have access to an accurate sales forecast or are not able to accurately represent the regular (non-promotional, non-seasonal) sales of an item but need to use the value in RPM to calculate the sales values in the application, can use the value provided by a program that runs in RMS and calculates a representative value for unit sales of an item per week. If the RPM_IND on SYSTEM_OPTIONS is set to Y, meaning the client is using RPM with RMS, the IF_RPM_SMOOTHED_AVG table will be populated with a sales value in units and a counter value for each item/location combination. The program looks at sales data from Sales Audit and pulls the unit sales values for days when only regular price sales were recorded. If promotional sales were found during the day we assume the unit sales for that day do not represent the typical regular price sales needed in the calculation. The goal is to represent only those sales that occurred at regular price and only on days when no other factors were involved. The sales unit's values for days when only regular price sales were recorded are pulled into the calculation.

Components of the Calculation

- **Average Tolerance Percent** is a value used to determine if a sales amount received falls within a reasonable range to be considered in the calculation. Values that fall outside the range would be considered outliers and are capped at the high or low of the range.
- **Max Counter Value** provides a way to weight the existing sales value on the table against new values received. If the item has a relatively minimal seasonal swing this value can be set higher so the value will remain stable and takes many anomalies to move the value. If the item has a relatively strong seasonal swing the counter should be set to a lower number so that the value is more easily moved to reflect a trend or seasonal shift.

These values are defined in RMS on the Department Maintenance (dept) screen in the Max._Average Counter and Average Tolerance % fields. The values set by the user are store on the DEPS table in RMS and held in the following columns:

AVG_TOLERANCE_PCT, MAX_AVG_COUNTER

Valid value: 1

Default value: 1

SIM Indicator

System Option name: RPM_SYSTEM_OPTIONS. SIM_IND

This field Indicates whether RPM is interfacing with SIM.

Note: The UI system option name is External Prices Allowed.

Valid values: 0-4

Default value: 0

Simple Promo Overlap Rule

System Option name: RPM_SYSTEM_OPTIONS. SIMPLE_PROMO_OVERLAP_RULE

This system option will determine the rules for handling two or more overlapping simple promotions. When the value is set in the system it will become restricted/disabled. DBA assistance will be required if the system option needs to be changed. Changing the value

will impact new promotions or promotions that are unapproved maintained and reapproved. Changes to the value will not impact approved promotions.

If value is set to compounding:

The selling price is calculated by compounding each (two or more) simple promotions for the overlapping period.

RPM will download the start date and end date for each promotion for the overlapping period so that RMS, SIM, and ORPOS will be updated with the compounded selling retail for the overlapping period and should be updated with the active promotions post the overlapping period. This rule is true for all simple promotions created either with the on line screens, price injector, or new item location processing.

The start date and end date of the promotions overlapping period should be separately downloaded to ORPOS system so that when the overlapping period is complete, the selling retail reflects the active promotion post the overlapping period.

It is important to note that if RPM is integrating with ORPOS best deal will always be taken, even if the system option is set to compounding. Other POS systems will receive data based on the system option and can determine how to handle based on capabilities.

Note: Apply Promo Change Type 1*—This system option will only be used when selling retail calculations are compounded. It will not be used when the system option for overlapping simple promotions is set to non-compounding best deal.

If value is set to Non-compounding Best Deal:

The selling price is calculated for each (two or more) promotions separately. For the overlapping period, the selling retail with the best deal for the customer should be available in the RPM tables. This same value should be downloaded to SIM, RMS, and ORPOS. This rule is true for all simple promotions created either with the on line screens, price injector or new item location processing.

RPM will extract the appropriate start and end dates for the selling retail based on the overlapping period of the promotions such that the best deal is available as the selling retail for the overlapping period. When the overlapping period is complete, the selling retail based on the active promotion for that period should be available in RPM. The same should be downloaded to RMS, SIM, and ORPOS.

Note: Having more than one fixed price simple promotion for an item location will be valid if overlap rule is set to non-compounding best deal. Fixed price rule:
RPM_CC_PROMO_FIXED_PRICE.VALIDATE

See the *Oracle Retail Price Management Operations Guide* for more details on these rules.

The following is a business example:

Simple Promotion 1	Simple Promotion 2
Start Date = 1/15/2013	Start Date = 2/1/2013
End Date = 2/15/2013	End Date = 2/28/2013
Discount = 10 % Off	Discount = 15 % Off

- Overlapping period—2/1/2013 to 2/15/2013
- Non-compounding best deal:
 - 1/15/2013 to 1/31/2013—Discount 10%

- 2/1/2013 to 2/15/2013–Discount 15%
- 2/16/2013 to 2/28/2013–Discount 15%
- Compounding:
 - 1/15/2013 to 1/31/2013–Discount 10%
 - 2/1/2013 to 2/15/2013–Discount 10% + 15%
 - 2/16/2013 to 2/28/2013–Discount 15%
- Valid Values: Compounding or Non-compounding best deal
- Default Value: Compounding

Skip Conflict Checking During Submit

This option allows the user to skip the conflict checking process during the price event Submit action. If this system option is checked, RPM does not perform the conflict checking process (and does not show conflicts, if there are any) when the user performs a price event Submit action.

The price event status is switched to Submit immediately. If this system option is unchecked, RPM runs the conflict checking process (and shows conflicts found) when the user performs the price event Submit action.

Skip Conflict Checking During Complex Promotion Approval

This option allows the user to skip the conflict checking process during complex promotion (multi-buy and threshold) approval and disapproval. When the user approves or disapproves a multi-buy or threshold promotion, RPM does not update the future retail table and does not perform conflict validation. RPM populates the payload tables, however, so that RPM can communicate the complex promotion to other systems (through RIB or the ORPOS extract, for example).

If this system option is selected, RPM does not perform conflict checking, and does not show any conflicts, when the user approves or disapproves a complex promotion. If this system option is not selected, RPM runs a complete conflict checking process, and shows conflicts found, when the user approves or disapproves a complex promotion.

Choosing this option can dramatically improve the performance of an approval of a large multi-buy or threshold promotion (for example, at department/zone level). You should consider the use of this option carefully, because some functionality is lost with this option. For example:

- For overlapping promotions, an item/location in a complex promotion is not considered when validating overlapping promotion counts.
- For price change promotion overlaps or clearance promotion overlaps, an item/location in a complex promotion is not considered when validating these types of overlapping.
- Complex promotion information is not available in the future retail tables.

Although this system option can be changed from one status to the other in the System Options Edit screen, changing this system option could produce unpredictable results when there are active or pending complex promotions.

System Generated Exclusions Tolerance %

System Option name: RPM_SYSTEM_OPTIONS.SYS_GEN_EXCLUSION_TOLERANCE

This system option will determine the percentage of transaction items on a price event that are allowed to error during conflict checking and still move forward with the

approval process of the price event. The option can be found on the general tab under System Options; System-Generated Exclusions Tolerance %.

The tolerance setting will result in the percentage of transaction item exclusions created that the users will need to review and/or fix. The tolerance percent value will be set up as a system option that will be maintained by the retailer and can be updated as necessary. The default tolerance value will be set to 0%. The maximum tolerance value will be 25%.

If the tolerance percent value is exceeded during conflict checking the price event status will be set to worksheet and error details will be displayed for review by the users. The conflict check process verifies errors by item location; however, the tolerance will be measured based on transaction item only.

Business Examples

- Tolerance quantity set to 10%, price event has 200 items, if conflict checking finds an error with a five transaction items at 100 locations the tolerance rule counts as five items against the 200—this scenario passes the tolerance rules resulting in an approved price event.
- User creates promotion using an item list with 300 items; the system tolerance is set at 5%. If more than 15 transaction items return errors during conflict check the entire event remains in worksheet status and errors are displayed for review. If less than 15 transaction items return errors the approval process will move forward with exclusions automatically created for any items not passing conflict check.

Unique Unit of Measure

This option provides the ability to inform RPM that there is only one unit of measure (UOM) to be used throughout RPM. This is particularly useful to improve performance when a fixed-price price event is created. Previously, when the user created a fixed-price price event without entering a new UOM, RPM validated that all item/locations affected by the price event had a unique UOM. For a very large price event (for example, a promotion at department/zone level), this validation process could cause performance degradation.

For this functionality, there are two system options:

- Unique UOM is used for all items
- Unique UOM to be used for all items

The Unique UOM is used for all items system option informs RPM that there is only one UOM in RPM. When this system option is selected, RPM does not perform UOM validation when the user creates a fixed-price price event. If this system option is selected, the user must provide a valid unique UOM to be used throughout RPM as the value of the Unique UOM to be used for all items system option. These two system options are set during the RPM installation. For an existing RPM environment, these system options should be updated from the back end by the database administrator.

Update Item Attributes

System Option name: RPM_SYSTEM_OPTIONS_UPDATE_ITEM_ATTRIBUTES

This value is used by the merchandise extract to determine if the attributes the following should be updated during each extract that occurs during a worksheet review period. If the Update Item Attributes indicator on System Options is set to Yes, then for every existing worksheet that is in New or Update status and is not ending today, the merchandise extract will update the following information on the worksheet. When this

option is set to yes, worksheets will become dynamic and update daily for the entire review period. If this option is set to no, worksheets are static.

- **Primary Competitor Retail** stores the retail price at the primary competitor's store. This value is stored in the COMP_PRICE_HIST table in RMS.
- **Primary Competitor Store** is the Competitor Store associated with the Primary Competitor. This value is stored on the COMP_STORE table in RMS.
- **Primary Competitor Retail Selling UOM**—Primary competitor's retail selling UOM for the item/primary competitor store.
- **Primary Competitor Retail Standard UOM**—Primary competitor's retail UOM or the item/primary competitor store.
- **Primary Competitor Multi-Units**—Multi-unit value at the primary competitor's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Primary Competitor Multi-Unit Retail**—Multi-unit retail at the primary competitor's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Primary Competitor Multi-Unit Selling UOM**—Primary competitor's retail multi-unit UOM for the item/primary competitor store.
- **Primary Competitor Boolean**
- **Competitor A Retail**—Competitor Store associated to Competitor A. This value is stored on the COMP_STORE table in RMS.
- **Competitor B Retail**—Competitor Store associated to Competitor B. This value is stored on the COMP_STORE table in RMS.
- **Competitor C Retail**—Competitor Store associated to Competitor C. This value is stored on the COMP_STORE table in RMS.
- **Competitor D Retail**—Competitor Store associated to Competitor D. This value is stored on the COMP_STORE table in RMS.
- **Competitor E Retail**—Competitor Store associated to Competitor E. This value is stored on the COMP_STORE table in RMS.
- **Competitor A Store**—Retail price at Competitors A's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Competitor B Store**—Retail price at Competitors B's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Competitor C Store**—Retail price at Competitors C's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Competitor D Store**—Retail price at Competitors D's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Competitor E Store**—Retail price at Competitors E's store. This value is stored on the COMP_PRICE_HIST table in RMS.
- **Pending Cost Change Indicator**—Indicates whether there is a pending cost change at any of the locations within the zone on today's date or after. The information on the FUTURE_COST table in RMS will be used to determine the value of this indicator.
- **Cost Change Alert**—Alerts the user if there is a cost change in the x number of days that is set in the aggregation level details.
- **Current Cost**—Current cost of the item/location (value stored on the FUTURE_COST table in RMS). If the location is a zone the cost calculation method from the System Configurations table will be used.
- **Basis Base Cost**—Base cost of the item/supplier/country at the given location. This value is stored on the FUTURE_COST table in RMS.

- **Reference Warehouse Stock on Hand**—Summary of the current stock on hand for the item from the reference warehouses on the strategy (or in the zone). This value is stored on the ITEM_LOC_SOH table in RMS.
- **Reference Warehouse on Order**—Summary of the current on order for the item from the reference warehouses on the strategy (or in the zone). This value is stored on the ORDLOC table in RMS.
- **Location on Order**—Summary of the current on order for the item from the reference stores on the strategy (or in the zone). This value is stored on the ORDLOC table in RMS.
- **Location Inventory**—Summary of the current stock on hand for the item from the stores on the strategy (or in the zone). This value is stored on the ITEM_LOC_SOH table in RMS.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: Yes (checked)

Zone/Parent Ranging

System Option name: RPM_SYSTEM_OPTIONS .ZONE_RANGING

If a user creates a price change/clearance/promotion at a level higher than transaction/location (tran/zone, parent/zone, parent/loc), RPM will ensure there is at least one item/location ranged underneath the event. If there is not at least one, then the system will not allow the user to create the event. If this system option is not checked, then ranging will only be performed on price changes/clearances/promotions created at the transaction/location level.

Ranging checks will not be performed on events created at any other higher level.

Used when setting up promotions at zone and parent level, it checks that locations and parent items are ranged to zones and locations respectively so that promotions are not set up on items where they are not sold.

Valid Value – 0 - No (unchecked), 1 - Yes (checked)

Default value: 1 - Yes (checked)

System Defaults

Unless otherwise noted, the following system defaults can be viewed and edited through RPM user interface.

Currency

System Default name: RPM_SYSTEM_OPTIONS_DEF.DEF_CURRENCY

This system default defines the currency code that should appear in each of the dialogs in the system where the user is required to enter a currency. This is used in the pricing guides and price zone dialogs. The values are selected from RMS CURRENCIES table.

Valid values: Currency value extracted from the CURRENCIES table located in RMS

Default value: USD

Diff Type

System Default name:

RPM_SYSTEM_OPTIONS_DEF.DEF_PRICE_CHANGE_DIFF_TYPE

This field holds a value for the desired default item level in the pricing event dialogs.

Valid values and default value are dependent on the Diff Values set up in RMS.

Ignore Constraints

System Default name:

RPM_SYSTEM_OPTIONS_DEF.DEF_WKSHT_PROMO_CONST_IND

This system default determines whether constraint checking is defaulted as checked in the worksheet dialog.

Valid values: 0 - No (unchecked); 1 - Yes (checked)

Default value: Yes (checked)

Item Level

System Default name:

RPM_SYSTEM_OPTIONS_DEF.DEF_PRICE_CHANGE_ITEM_LEVEL

This is the default indicator to define the item level that will be displayed when the user enters the price change and clearance dialogs.

Valid values: 0 - Parent; 1- Parent/Diff; 2 – Single Item

Default value: 2 – Single Item.

Maintain Margin Strategy Method

RPM_SYSTEM_OPTIONS_DEF.DEF_MAINT_MARGIN_METHOD

This field stores the default method type for the Maintain Margin price strategy.

Valid values: M - Market Basket Margin; C - Current Margin

Default value: NULL

MarkupType

System Default name: RPM_SYSTEM_OPTIONS_DEF.DEF_MARKUP_TYPE

The user cannot update this default through RPM; it is owned by the database. The purpose of this default value is to keep ownership of the markup functionality in RPM and not look to RMS for the default values.

If a user navigates to the Zone Structure >Maintain Primary Zone Group, in the Zone Retail Definition user interface a user can delete, edit or add department/primary zone record. If by chance the user deletes a record, the markup type along with the rest of the data is deleted for that dept/primary zone group relationship. The markup type is used to determine the accounting method and proper calculation for the markup percent information in the price change/promotions and clearance dialog for a specified dept/zone relationship. The calculations use either the cost (retail-cost/cost) or retail (retail-cost/retail) method of accounting. This system options defines a default value for what the method of accounting should be in order to complete the markup calculations if a dept/primary zone record is deleted from the maintain primary zone group user interface and not reinstated.

Valid values: 0 – cost; 1 - retail accounting method

Default Value: 1 - retail accounting method

Pricing Strategy

System Default name: RPM_SYSTEM_OPTIONS_DEF_DEF_PRICING_STRATEGY

This field holds a value for the default pricing strategy type that displays when the user creates new pricing strategies.

Valid values: 0 - Area Differential; 1 - Clearance; 2 - Competitive; 3 -Margin

Default value: 2 – Clearance

Protect Setting

System Default name: RPM_SYSTEM_OPTIONS_DEF_DEF_PROTECT_SETTING

This setting is not available in the RPM user interface. It is the default indicator to define if the protect option on pricing strategies is defaulted on or off.

Valid values: Protected; Not Protected

Default value: Protected

System Default name:

Type

System Default name: RPM_SYSTEM_OPTIONS_DEF_DEF_PRICE_CHANGE_TYPE

This field holds a value for the default price change type that will be displayed when the user is creating either a price change or a promotion.

Valid values: 0 - Change by Percent; 1 - Change by Amount; 2 - Fixed Price

Default value: 1 – Change by Amount

Implementation Considerations

Carefully consider system options setup and system rules.

Conversion/Configuration Business Processes

The following are business processes.

- The rationale for determining the Zone Group, Zone and Location groupings might be based on any factors of the retailer's choosing.
- No promotions or pricing events should exist for a Zone prior to deletion.
- If a location is not included in a member of the merchandise hierarchies' Primary Zone Groups, zone price is driven from the merchandise hierarchy member's Primary Zone Group's base zone.
- A Primary Zone Group can be defined for members of each level of the merchandise hierarchy.
- A new store is assigned to a zone in RPM through designation of its Pricing Store at the time of the location's creation.
- An item should never be unique compared to the rest of its merchandise hierarchy level in terms of price zones. A category of items should follow the same zone group, ensuring manageability and accountability within the process.
- It is an assumption that all locations are assigned to a zone group for regular pricing.
- Security control should be considered around zonal maintenance to ensure that restrictions are put in place where necessary.

- Security control around Emergency Price Change functionality should be limited.
- The more granular level chosen to manage retail prices (for example, location traits, competitive pricing, demographics) the more complicated it can be. Managing numerous Zones can affect overall profit objectives.

Internationalization

For details on the language supported information see, Oracle Retail Merchandising System documentation for the current release.

Oracle Retail Active Retail Intelligence

This chapter is an overview of Oracle Retail Active Retail Intelligence (ARI).

Exception Reporting

ARI takes business rules that users are applying to reports in their daily tasks and applies them directly to the retail systems. This allows the correct people within the retail organization to be alerted when the business rule conditions have been met and informs them of what the appropriate actions might be to resolve it. This enables a retailer to apply the best practice to their entire organization by tying actions to information in an intelligent way.

A business example of an exception reporting rule is a rule that looks for orders that are past their ship date but have not been shipped yet. Rather than having an analyst scan a report to identify which orders have been shipped late a rule could be created in ARI to identify these orders for the analyst and the recommended steps to take to resolve the late shipping issue with the vendor.

Workflow Management

ARI maps out a retailer's business processes and notifies the users responsible for those processes whenever new tasks require attention. ARI also lists the appropriate actions that might be taken to complete these tasks and allows users to take action directly from the screen where they receive the alert.

If the alert is not acted on within an acceptable timeframe, ARI can define an automated action that needs to take place. This can be to raise the priority of the alert or send it to a supervisor or take an automated system action to ensure that single users do not become a bottleneck.

A business example of a workflow management rule is a rule that notifies an inventory manager when orders are ready for approval. This gives the manager instant visibility to all orders that need to be approved for the day rather than requiring the manager to search for orders meeting this requirement. Additional logic can also be added to notify the manager's supervisor when orders awaiting approval are not approved after a pre-determined timeframe.

Enterprise Process Modification

ARI allows a retailer to modify process within Oracle Retail to more closely match their business processes. This is achieved in most cases without modifying the underlying retail system.

A business example of an Enterprise Process Modification is a client changing its transfer approval process from analysts being able to approve transfers to only managers being able to approve transfers. Rules could be developed in ARI to send alerts to both the analyst and manager when transfers are submitted to educate them on the new business process to help ensure a smooth transition.

Integration with Other Applications

ARI is a monitoring system that interacts with any applications database. As such it does not use any information from other retailing applications; rather, it monitors the retailing application databases for events defined by a client and notifies the client when said events occur.

The only complication that can result is when a client is making database changes that affect the data mapping for rules already defined in ARI. In this case the rule needs to be changed to reflect the new data mapping.

ARI Security

Active Retail Intelligence provides no special security features or safeguards. Addressing any site-specific security issues involving Active Retail Intelligence is the customer's responsibility. Security settings in other applications with which Active Retail Intelligence interacts are not overridden or circumvented by Active Retail Intelligence. Whereas this is generally desirable, it is a consideration when determining to whom to route Active Retail Intelligence alerts. Sending an alert to a user who does not have the privileges to take the actions necessary to resolve the event might prove frustrating and counter-productive. Users should be educated about this issue so that they avoid forward events that have actions with limited access as well.

At a data level, Active Retail Intelligence detection is necessarily done with full access privileges to all data. Individual users with data level security might see different values for some parameters (in particular those involving sums) than the values seen by Active Retail Intelligence. This might cause adverse effects such as a user looking at an event automatically causing it to close because the user's limited data access causes the event to see values that make Active Retail Intelligence think the exception is no longer an issue when in fact it still is. For this reason, Oracle urges extreme caution when designing Active Retail Intelligence processes that involve users with limited data access. The consequences of missing alerts are great in an exception driven enterprise, so extra care is needed in the technical analysis of how such Active Retail Intelligence processes behave.