# Retail Margin Management

The Game Changer: See the impact of future prices reflected fully at the Category and Group level on sales and margin taking account of cannibalisation and cross effects with the projected demand figures showing variances to your budget in real-time at your desktop over future weeks, in time to change and improve the outcomes.

Part of the Retail Express Merchandising suite provides the operational aspects of managing, recording and delivering advertising, marketing, pricing, promotions, assortment, and forecasts for merchandising and the wider supply chain in a single unified product.
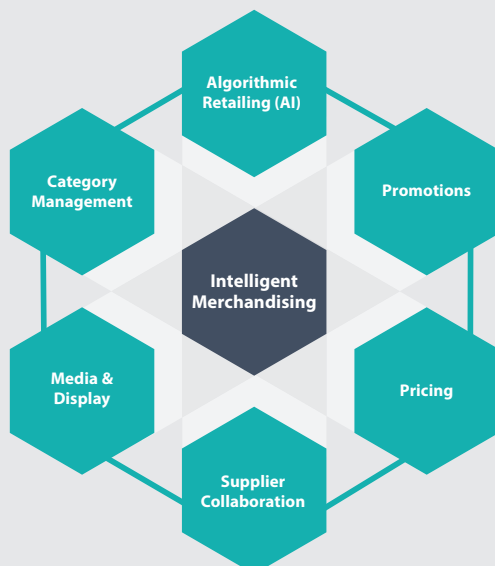
Historical Financial and Management Accounts are the Scorecard that a business must ultimately measure itself against, but lack of timeliness and forward vision means they are not suitable for making decisions about what margins you will achieve next week or the many weeks into the future for your go-to-market offer in terms of assortment, pricing and promotions. Additionally, media campaigns flyers, and Promotional Displays in the stores all combine to change from day to day what happens in your stores and online, and of course, it is the collision of all those pricing and marketing factors that makes this so important yet so hard to predict.

Retail Express has for some time provided tools with its Pricing, Promotion and Merchandising solutions to evaluate the impact of a price change, a promotion, an item in the Flyer, an End Aisle Display etc. We have provided the ability to see the combined impact through our Category P&L which can look at one or more future weeks combining all those factors at item and category level for a Store, Market or Banner; that's forward-looking, predicting the customer response to prices, promotions and marketing activity. It has become clear that whilst that capability is great, it isn't enough, you need to be able to see on-demand an updated picture of forecast sales (to the last transaction), Profits, volume and margin for not just a category but all categories together for a week or series of weeks into the future (typically promotions are being finalised 4 to 6 weeks out); predictive Margin Management needs to be provided at the banner, format and group level for all sales for all items for future weeks as well as the individual category and be available immediately on demand and fully up to date!

Algorithmic Retailing (AI)

Category Management

Promotions

Intelligent Merchandising

Media & Display

Pricing

Supplier Collaboration

Given that you could have that type of instantaneous report on future performance to help manage your overall sales, margin and cash profits, you immediately want it to be compared to last year's results and to this year's Plan. With our Reporting suite, you can now get a view of what Year to Date is going to look like up to and including week 10 when you are in week 6, with all the predictive analytics and forecasting tools applied to give a really accurate number, allowing inspection and investigation at any level to identify problems whilst there is time to address and rectify them.

Retail Express has significantly enhanced its Intelligent Merchandising solution such that all the above capabilities are available providing Trading Information on Sales, weeks Units, Profits, and Margin at any level of the location hierarchy and any level of the Product Hierarchy for Historical Week and for future weeks as far as your plans extend. Review and investigate prior week(s) issues as well as predicted future weeks. See the participation between Regular and Promotion Sales (and Profits) for future weeks versus plan and versus last year.

Now management has the tools to measure the future, not just the past and measure it in such a timely manner that your team can act on it to improve future outcomes for the weeks you are working on whether that is reducing the negative impact of a specific promotion on a category (cannibalisation) or increasing the power of a promotion by putting it on an End Aisle Display, changing the Ads in the Flyer or looking at your pricing strategy to help a category suddenly under pressure from competitor changes, Measure accurately the mix between Regular prices(Sales and Profits) and those for Promotions, check those against last year's results and this year's Plan.

This is not a Data Warehouse with BI, it is combining those types of capabilities within the platform real-time application processing (for up-to-the-minute projections/forecasts caused by changes in prices, promotions, ads etc) using new technology extending way beyond the capabilities of BI. Retail Express has a complete modelling, forecasting and analytics infrastructure, which has been harnessed here with new technology to bring together high-quality predictions at Banner/Format level to manage the overall business in trading and financial terms.

Integrated Margin Management
Scenario Analysis
Regular v Promotional Participation
Promotions vs Regular Prices
Historical vs Current plan Forecast
Actuals vs Plan
Actuals vs Forecast

Retail Express Core Modules:

Promotions
Work smarter, not harder. Use our AI-powered Promotion solution, to select the right product and offer at the right time, combining all aspects of this complex process with workflow and automation.
The solution provides Promotion Planning and Collaboration within your organisation across departmental silos and with your Suppliers and Distributors, with one version of the truth in a shared real-time solution, with AI-powered data insights and Offer Optimisation. Negotiate better deals with confidence and empower your team to make the most of Supplier Promotional funds.

Pricing
Pricing has always been essential, but today an AI-driven solution is key for sustained success in this competitive retail world; our solution is easy to use, yet strategic and analytical.
Deliver optimal prices through intelligent automated rules-based pricing and price management responding to changes in cost and competitor prices, with the insight that only a full merchandising solution can provide.
Push your competitiveness and improve the pricing of your KVI's/Key Lines whilst building sales and incremental margins.

Category Management
Category Management provides the overarching strategy and tactics for a Retailer's go-to-market activities. Providing the analysis, assessment and review of all the key elements that make up category management, allowing the plans to be set for the next year, quarter or month; so the AI-Powered functions drive the category management processes including Predicted P&Ls; AI directly supports the reporting and insight tools.
The solution also provides Assortment Planning providing insight into the historical, current and predicted future performance of items in the assortment.

Supplier Collaboration
Bringing together the Traders and Suppliers in one purpose-built solution to plan and negotiate promotions, deals, and supplier funds. Create digital contracts with full deal/contract negotiation and audit trails. Easily share data with Suppliers on their Product and Deal performance, extend the AI-driven forecasts and analytics into the heart of the negotiation and utilise powerful automation tools with trusted suppliers.
Increasing supplier collaboration getting better deals, and dramatically improving the collection of funds, whilst reducing the cost and timescale of collection.

Media & Display
The solution supports the planning of all media and promotional display activities. Using templates, the detailed creation of the content of each media vehicle, like a Flyer or Catalogue, with Sections and Spots, Product Pictures, can be fully controlled and managed, exporting the complete Media Vehicle Template to finishing tools like Adobe InDesign. With full Forecasting and Analytic support, you can quickly identify which is the best item on which page, in which spot and what the impact will be; AI works that out seamlessly.

Algorithmic Retailing
Traditional forecasts fail to take into account the subtle interactions within the categories and additional causal factors.
By utilising Algorithmic Retailing, you can address these traditional failures, effectively forecasting price and promotion impacts, and by leveraging the data generated within the Retail Express solution a level of forecast accuracy is achievable that would not be possible without a modern systemised approach.