



Global Shoe Retailing Solutions

OMNI RETAIL INVENTORY SOLUTIONS FOR SHOE RETAILERS

"With 4R we have improved our in-stocks, maximized sales, boosted profits and, most importantly, improved our customer service."

—Director, Retail Marketing



MEETING LOW VELOCITY, SPACE RESTRICTIVE INVENTORY MANAGEMENT CHALLENGES

Shoes, while seen as a major fashion accessory, actually present long life, low velocity inventory management challenges.

Space constraints and inventory carrying costs compete with the need to stock the full range of sizes and styles throughout the season to meet localized customer profiles.

Long time frames for resupply of imported goods can vie with instant omnichannel demands. This presents major inventory balance headaches. Improving profit margins in this increasingly competitive market requires maximizing sales while minimizing write-offs. This must be the goal of any progressive business.

GETTING THE INVENTORY BALANCE RIGHT FOR MAXIMUM PROFITABILITY

4R provides Profit Optimized Inventory solutions and brings the new science of retailing to the global shoe retailing arena. Utilizing predictive analytics, 4R can accurately forecast demand down to item level and manage long life replenishment. This minimizes lost sales, optimizes stock levels across the retail network and builds incremental profitability.

The 4R solution also avoids wide fluctuations of inventory across the omnichannel network, providing stability, far greater control and more accurate strategic planning. It incorporates agile read and react capabilities that quickly adjust to reflect ever changing consumer demands.

SOLUTION CAPABILITIES

Profit Optimization

Despite the tendency to just stock popular mid-sizes, 4R's predictive algorithms seek the best profit-optimal levels across fringe sizes as well, down to item level by location.

Display & Space Optimization

Costs of display and excess storage at space-constrained locations are built into profit optimization logic for accurate performance and profit evaluations. Display minimums are incorporated to promote greatest sales.

Assortment & Demand Patterns

The solution positions inventory against regional, store-specific and style/size selling patterns with fringe sizes selectively stocked against accurate local Demand. This avoids out-of-stocks and significantly boosts sales.

Short Term & Seasonal Stock

Accurate pre-season allocation minimizes stranded inventory while markdown algorithms extract maximum profit against short term and seasonal demand.

Minimizing Write-offs

The solution provides accurate forecasting for long-term replenishment. It incorporates finely tuned reorder points for smooth run down, ensures minimal end-of-life stock and write-offs, and maintains a steady flow through the supply chain.

Store & DC Inventory Planning

4R provides a multi-echelon view of stock across the store, warehouse or distribution center for an accurate inventory Read. It avoids over stocks and handles long lead times for imported goods.

Minimizing carry costs & recapturing lost margins

The 4R solution takes weekly Point of Sale (POS) data feeds to tweak inventory levels and pinpoint reorder Points. This ensures the right stock mix and volume across the retail network, to minimize carry costs and recapture lost margins.

FOR ONE RETAILER, COVERING OVER 16K SKUS, 4R INCREASED PROFIT MARGINS BY OVER \$1.5M IN THE FIRST YEAR ALONE.



STREAMLINING SUPPLY CHAIN EFFICIENCY WITH ACCURATE FORWARD PLANNING

4R's accurate demand forecasting stabilizes the supply chain and provides managers with very forward looking vendor order forecasts. These projections generate vendor confidence, enabling them to establish domestic reserves to overcome import delays and Stock-outs. This smooths any supply chain congestion or shortfalls.

Automating the replenishment cycle with finely tuned reorder points also allows buyers to refocus efforts on predicting the next seasonal trends and on building effective joint marketing strategies with vendors to boost sales.

Low risk Software-as-a Service (SaaS) ensures speedy ROI

Success in retail is tough. Today's retailers are challenged with increasing competition, eroding margins and emerging channels. Any investment needs to work hard and fast. Winning retailers are increasingly turning to SaaS to deliver profitable return with minimal outlay.

4R's agile SaaS solutions provides fast return on investment and requires no upfront technology fees or additional headcount. More than just a Platform-as-a-Service, 4R solutions incorporate consultancy and extra manpower. This enables you to maximize profit from your inventory and release staff for higher value tasks.

Weekly reorder points automate of the bulk of the supply chain reorder process, while exception reporting enables detailed investigation of any outliers for optimal use of your stock across the retail network.

Delivering core benefits to boost growth

From highly accurate demand forecasting down to item-level replenishment, 4R's sole focus is on driving profit that optimizes inventory availability and increases sales revenues. With seamless extraction of data from any POS, ERP system or data warehouse, 4R helps companies grow.

- Increased revenue & profit
- Recaptured lost margins
- In stocks reflect local demand
- Increased inventory turns
- Improved customer satisfaction
- Reduced carry costs
- More productive vendor relationships
- Streamlined supply chain efficiency

Cloud-Based

Hub & Spoke
Models

Multi-Echelon
Planning

Seasonal
Allocation &
Buying

Full Omni
Retail
Capability

Forecast &
Demand
Planning

Replenishment

Assortment

Stores & DC

Wholesale
& Stores

Allocation

Markdown

eCommerce &
Catalogue

Promotions

Profit Optimized
Inventory

Value-Add
Analytics

4R's *inventory as an investment* approach is designed to maximize the profit opportunity of your number one asset: inventory!

4R Systems
801 Cassatt Road, Suite 202
Berwyn, PA 19312 USA

US: +1 610-644-1234
UK: +44 (0)1558 668582
info@4rsystems.com

The logo consists of a dark blue diamond shape containing the letters '4R' in a white, bold, sans-serif font. The '4' and 'R' are positioned side-by-side, with the '4' being slightly larger and more prominent.

www.4rsystems.com