



4R Systems Unveils Action Manager



Marsha Shapiro
Senior Vice President, Product Management

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REPLENISHMENT ACTION MANAGER

ALLOWS 4R CLIENTS TO TAKE MORE OF A HANDS-ON APPROACH IN MANAGING DAY-TO-DAY INVENTORY REPLENISHMENT.

4R Systems is unmatched in tying inventory optimization results to net profit targets and hitting or exceeding financial goals. The company is now expanding its expertise to assortment optimization, and to enabling retailers to self-manage inventory replenishment.

4R Systems is renowned in the industry for its exceptional hands-on support and for predicting inventory optimization results and consistently achieving net-profit financial goals.

Based on the company's machine learning and predictive analytics model and widespread success with its Store and Distribution Center Replenishment solutions, 4R is now rolling out two new innovative products: Replenishment Action Manager and Assortment Optimization.

Replenishment Action Manager allows 4R clients to take more of a hands-on approach in managing day-to-day inventory replenishment. The program empowers clients to test a wide range of "what-if" scenarios, such as higher or lower inventory levels, prices and discounting, promotional offers, and more.

"The goal is to provide greater visibility to retailers that want to take a more in-house approach with our

replenishment solution. We are known for providing an exceptional level of service. This allows clients to be more involved," said Marsha Shapiro, Senior Vice President, Product Management, 4R Systems.

"We are empowering customers who want to manage more of the process to leverage our tools to understand inventory and business trends and then make changes to improve results," Shapiro said.

Replenishment Action Manager enables retailers also to set precise "action-alerts" to flag activities or situations requiring attention.

Clients can quickly take steps to address emerging issues and then drill down to understand the root causes of the situation.

"Using this program, customers can do the analyses on their own or in conjunction with 4R's client delivery team, as they feel is best. We'll be giving a sort of sandbox for retailers to test various scenarios and predict the impact of taking different actions," Shapiro said.

The solution goes further. It provides retailers with a recommendation they can send to associates in other departments in the organization whose support may be crucial for making a change.



"Maybe I want to create a promotion but do not have the budget authority to take action alone. Now I can send over the detailed analysis to the category manager to help move the project forward," Shapiro noted.

Replenishment Action Manager is more of an automated service for retailers that want to manipulate scenarios and understand the impact of potential changes without having to contact 4R. The program is specifically designed for clients using 4R's Store or DC Replenishment solutions.

4R Systems is also launching Assortment Optimization, a critical solution to fill the gap in science-based programs for determining which products and adjacencies will deliver the greatest sale and profit results. It also can recommend improved store-clustering strategies.

"Assortment Optimization is extremely important for merchandising. What should a retailer carry in the stores? What are the best adjacencies? It is all about the mix of products and understanding which attributes are selling, demand by attribute," Shapiro said.

Assortment Optimization, built on 4R's extensive scientific methodology, analyzes a wide range of factors, including promotional strategy, product

sales history, pricing, and myriad other variables. The solution identifies the most critical product attributes driving sales. It then suggests new items to carry as well as existing items to extend to locations based on how similar stores have performed.

By defining demand by attribute, versus stock-keeping unit, the system precisely determines which types of products sell well, and why, and optimizes product assortment. Equally important, it makes new product recommendations based on scientific data that retailers can share with suppliers or designers to improve assortment and profitability.

The system optimizes assortments in whatever manner the retailer views its business. Most retailers use a Store A, Store B, Store C, Store D model. The solution, though, can also be used at the individual store level.

In all cases, both solutions follow 4R Systems' core discipline based exclusively on defining, predicting and achieving net profit financial goals to add value to the retail bottom-line.

"The goal is to provide greater visibility to retailers that want to take a more in-house approach with our replenishment solution."

—Marsha Shapiro, Senior Vice President, Product Management

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