

# 4R

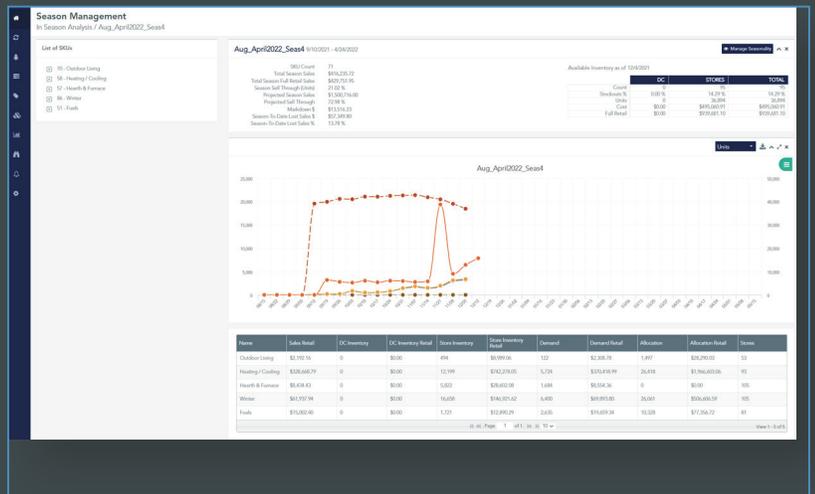


**Intelligent Inventory Optimization**

# ALLOCATION PLANNING

Maximize the selling potential  
of your seasonal merchandise.

The product lifecycle for seasonal items is much shorter than for long-term products. The lifecycle is measured in weeks, if not days, instead of months and quarters. Planning for seasons happens well in advance, sometimes with products with no sales history. As a result, allocating these short-term items to stores can be a gamble.



During the season, having insufficient stock and little time to react to higher-demand results in lost sales. Placing products in the wrong places creates lost sales in some locations and stranded inventory in others.



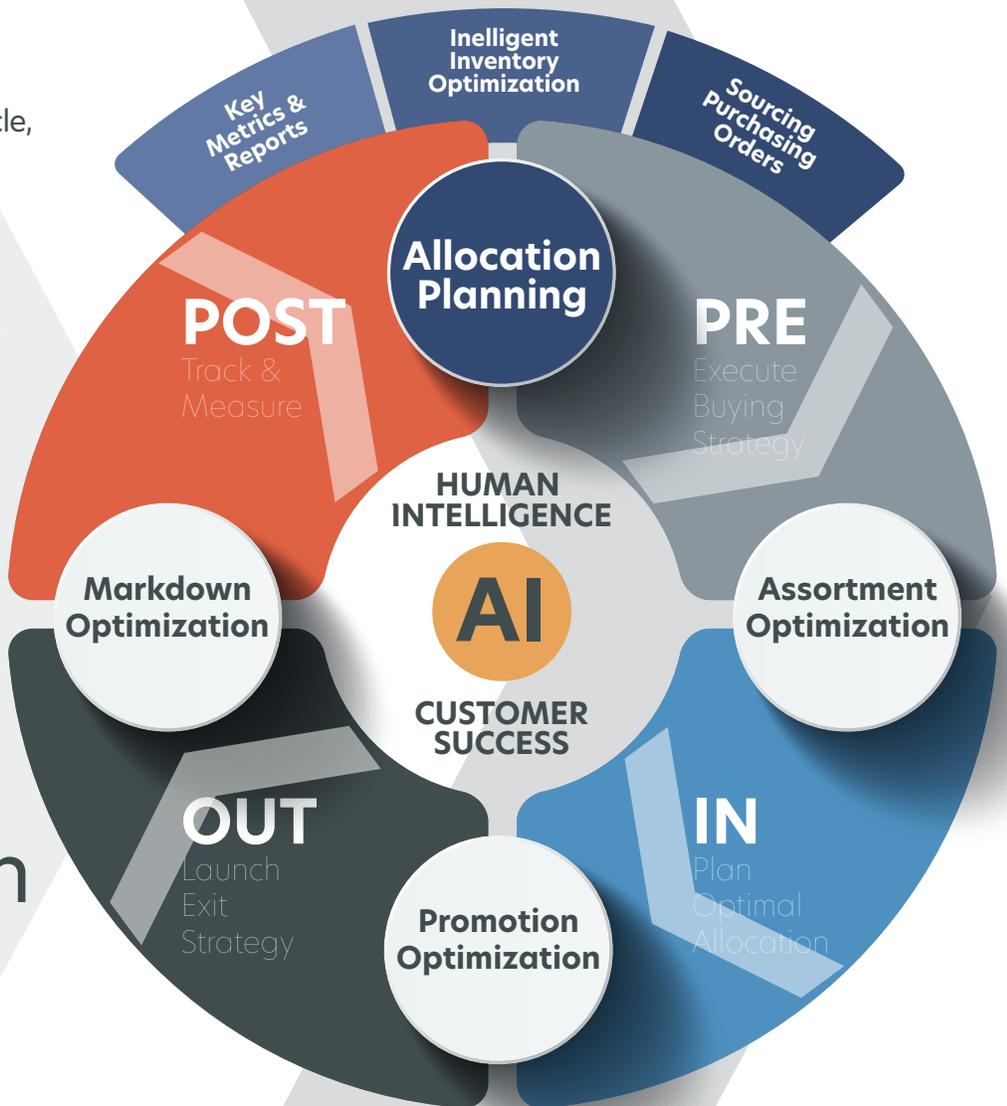
By the end of the season, excess stock can lead to waste, ties up investment in slow-moving items and ultimately leads to costly markdowns.

Retailers need more intelligent forecasting and sophisticated allocation management to plan their seasonal assortments to maximize revenue.

4R Allocation Planning Solution enables planners to manage the allocation of short-term seasonal products through their entire lifecycle, from initial pre-season allocation through to post-season analysis. Planners can define and configure seasons, customize the demand profile for each SKU, manage initial and weekly store allocations, and review season performance during and after the season.

# SKU Lifecycle Optimization

**See higher levels of both revenue and profit in your fashion and short seasonal products**



Calculate accurate seasonal profiles used to generate allocations, manage exceptions, and make real-time adjustments. Leverage expert planners at 4R, as needed.

# The 4R Allocation Planning Solutions At-A-Glance

AI Powered Forecasting & Proprietary Methodology	Robust Read-and-React Prediction Engine	Complete Seasonal Item Lifecycle Management	Planner Collaboration Interface	Early Warning System
Adapt to changing conditions over the course of the season	Blend initial season forecast with recent in-season sales to capture trends and localized demand	Integrate pre-season buys with initial allocation, automatic in-season allocation, targeted end-of-season allocations and optimized markdowns	Leverage expertise of planners to generate accurate seasonal profiles for initial assignments, spot exceptions and make real time adjustments	Detect mismatches between expected and actual performance, driving proactive decisions and avoid stock-outs or excess inventory

## 5 Reasons 4R Allocation Planning is for You:

- 1** Make dynamic profit-optimized allocation decisions over the course of the season balancing lost sales and potential overstock inventory while reducing early stockout risks at distribution centers and stranded inventory risks at stores
- 2** Forecast accurate full-season predications at the most granular level, integrated with markdown optimization to explore the impact of different markdowns and timing strategies to achieve highest potential sell-through
- 3** Adjust plans to forecasts that are not tracking to seasonal demand patterns and reduce markdowns caused by overstocks
- 4** Shift staff time spent allocating to focusing on more high-value work, including exception management and strategic improvements
- 5** Identify the optimal amount of inventory held back at the distribution center for future weeks to optimally position for future demand requirements



# Why Choose 4R?



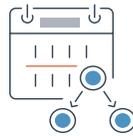
## Predictive Demand Planning

Machine learning forecasting solution identifies pure demand with our proprietary approach to demand decomposition and lost sales estimation.



## Replenishment Planning

Delivers true multi-echelon recommendations for every SKU at every location within.



## Allocation Planning

Allocates the next unit of product to the best store that maximizes in-season sales and minimizes stranded end-of-season inventory.



## Assortment Optimization

Identifies the most profitable assortment of products for each location.



## Markdown Optimization

Maximizes full sales price while at the same time exiting the seasonal cycle as profitably as possible.

- › Highly experienced SCM and analytics team that can help guide you towards a fast ramp-up and quick results.
- › Harness the power of Big Data and Machine Learning to drive insights.
- › Monitoring and measurement of critical events in your supply chain that require attention and real-time adjustment.
- › Proven algorithms that reduce complexity and optimize inventory performance.

- › Integration of customer data, ERP, marketing, distribution and CRM data to provide analysis and insights on critical forecast & profitability variables and promotion effectiveness.
- › Scalable solutions that grow with your business, so you pay only for what you need.
- › Quarterly health reports that include a wide array of performance data.

**“We are always looking for ways to enhance the in-store experience for our team members and guests. The 4R solution will build on our existing inventory management processes to simplify store operations and dramatically improve our in-stock position. As we look to optimize inventory across the board, 4R is delivering a solution with robust insights and data to drive sales and make it easier for our team members to provide the items our guests need while on the road.”**

*~ Brian Ferguson, Chief Merchant  
Pilot Company*



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