aptôs®

Aptos® Forecasting, Allocation and Replenishment

Aptos: Engaging Customers Differently

To succeed in today's demanding retail environments, you must be able to fully understand your customers; to profitably align your offerings with their traits and preferences in every channel and touchpoint; and to support rich, effortless, customer-centric shopping journeys.

Aptos delivers that advantage to apparel, footwear, specialty and general merchandise retailers. Our singular retail platform and innovative Cloud solutions unify complex omni-channel environments with the power of one product, one customer and one order, plus advanced analytics and data management, to enable seamless customer experiences and optimized management of your entire enterprise.

The Aptos retail suite includes:

- Store / Mobile Store
- Enterprise Order Management
- Digital Commerce
- Customer Relationship Management
- Retail Merchandising
- Merchandise Lifecycle Management
- Audit and Operations Management
- Analytics
- Professional Services and Support

Yet the Aptos advantage is about far more than just our solutions. We leverage more than 45 years of best practices; utilize the Cloud to drive efficiency, productivity and growth; support our clients through collaborative, long-term partnerships; and link our compensation directly to your satisfaction. In all these ways and more, we engage customers differently for superior results.

#1	**1300**	**1000+**
Vendor for Tier 1*	Retail Specialists	Retail Brands
130	**130K**	**$570B**
Websites	Stores	Annual Revenues Managed

*RIS Leaderboard

Aptos Forecasting, Allocation & Replenishment

What goes where? For your customers, that would seem to be the simplest of questions. But as a retailer, you know that the answer could not be more complex.

Determining the right products and quantities for each market and store cluster, then maintaining that merchandise in stock with just the right amount in reserve, is yet another critical operation that manual processes can never adequately support. You must allow for seasons, promotions and many other variables that can shift your requirements.

And as product nears delivery, conditions continue to change. To correct your course and optimize your outcomes, you'll need to routinely adjust your plan and distributions to accommodate shifting market dynamics.

Getting it right is one of the keys to optimizing loyalty, sales, profit and growth. Getting it wrong is one of quickest ways to undermine your customers' experiences and the efforts and goals of every part of your operation.

The right answers at the right time— every time

Aptos Forecasting, Allocation and Replenishment puts all of this firmly and clearly in your control to let you navigate correctly and precisely throughout the journey. Using all of the decisions and information made during the preseason planning processes, including statistical forecasts combined with product lifecycle curves, FAR lets you execute the assortment plan, use precise allocation to push floorsets to stores, and pull additional product to locations based on sales and forecasts.

Are sales not unfolding entirely as you expected? Simulate price and promotion activities to determine best sales and margin outcomes, then execute your revised strategies. Are your allocations misaligned with store types? Forecasting, Allocation and Replenishment enables advanced insights to get them back on track. Do your products require high in-stock positions? Use this solution to correctly replenish each store and distribution center. And if you're approaching end of season with stock levels off projections, you can determine and execute alternative clearance strategies that will leave you in the most profitable position.

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Aptos Forecasting, Allocation and Replenishment has enabled us to have the right products on shelf with optimal margins, and clearly demonstrated the value of centralized forecasting and replenishment processes to our store managers.

- Christian Fouasse, CIO, Nicolas

Aptos Forecasting, Allocation and Replenishment helps you:

‣ Increase sales by responding to daily sales and inventory patterns for each SKU

‣ Increase margins by avoiding the need for markdowns to clear redundant inventory

‣ Reduce store transfer costs by allocating products in their preferred size curve

‣ See clearly how the whole assortment is being distributed for better alignment with corporate brand strategies

Forecasting

This powerful tool equips you to generate accurate forecasts by store and product—to make confident merchandising decisions based on predictions of future performance, allowing for different purchase velocities and quantity variability. You can identify holiday events and promotions, smooth outliers, and build a library used to project future events at any level of the merchandise and location hierarchies to generate forward-looking forecasts.

The solution features an automated forecast algorithm selection and forecast self-adjustment. Based on the type of product selected, the best forecast method will be utilized. You'll have visibility to the analysis of previously calculated forecasts and variance to actuals so you can measure +/- based on time, to effectively manage anomalies in the business. And since clean data management is essential to accuracy, in conjunction with sophisticated forecast routines, Aptos offers a variety of productive data management utilities that support new store, new product and promotional adjustment capabilities as the first step to an accurate demand plan.

Allocation

This component allows you to create repeatable allocation processes easily and intuitively. The system automates critical functions to free allocators from manual, clerical-type functions, allowing them to concentrate on selecting the best parameters for building an allocation. This process supports integrated assortment plans, forecasts and routines to effectively manage allocations.

Allocations can be calculated separately or connected to the Assortment Plan distribution decisions, then prioritized and rationed with the available inventory as it is confirmed. The solution lets you create size-level distributions, adjust assortments for recent trends, and elect distribution strategies for hold backs for subsequent re-allocations. You can account for constraints and capacities prior to execution and create the optimal "push" to your stores and channels.

Replenishment

This component leverages forward-looking demand by store and product to help you maintain better in-stock positions, via optimized inventory flow through the distribution channel—from supplier to DC to regional DC to stores or fulfillment centers—without repeating work to create replenishment parameters.

Multi-echelon replenishment kicks off automatically when the allocation is complete, so the user's role is only to review and amend parameters as replenishment reacts to demand and life of line. Replenishment runs daily and defines the quantities to be shipped by SKU/store to restore the target inventory in the store. The system leverages all business decisions and strategies that have been set up throughout the plan.

Key features of Aptos Forecasting, Allocation and Replenishment include:

‣ Native multi-dimensional attribute-based planning

‣ Dynamic size split: Based on size curve libraries, work or forecast at manageable levels of detail while the system performs the low-level SKU/location break outs

‣ Advanced what-ifs with multiple scenarios, the ability to identify new opportunities around changes in product mix, potential cost reductions and effects on margins

‣ Workflow management with the possibility to design sequential, parallel, nested workflows

‣ Concurrent planning and performance management with KPIs

Proven in use

The Aptos Merchandise Lifecycle Management solution is used by more than 300 of the world's leading fashion, footwear, specialty and luxury retailers—from adidas, Bata and Columbia to REI, Sephora and TAGHeuer. They rely on us to take their critical merchandising functions to the next level and to elevate their results.

What about you?

REI

Outdoor products retailer REI uses Aptos Forecasting, Allocation and Replenishment to ensure the products their customers want are available whenever and wherever they choose to shop.

With 150 stores in 36 states, plus two online stores and an adventure travel company, REI is the largest consumer co-op and specialty outdoor retailer in the US. Their technology team partnered with Aptos to support our first deployment of Forecasting, Allocation and Replenishment in the AWS Cloud – with outstanding results!

Fast, accurate decisions

"Aptos supports our ongoing efforts to deliver optimal product selection that meets the needs of our customers at each and every location where we serve them. Their solution helps us make fast, accurate merchandising and allocation decisions while providing new levels of accessibility and scalability through in-memory computing and deployment on the cloud." – Vaidyanathan Seshan, divisional vice president of merchandising, business intelligence and analytics systems, REI.

The power of partnership

"We appreciated TXT Retail's partnership in achieving this important technology and business milestone for REI. The implementation of TXT Retail Allocation with AWS provides that unique combination of new business capability supported by advanced technology that ultimately supports REI's goals of innovation that directly supports our Shoppers."

Learn more about the REI allocation project **here**.

Nicolas

The largest wine merchant in France uses Aptos Forecasting, Allocation and Replenishment to improve on-shelf availability by 30% and overall profit margins by 1.2%

Nicolas operates ~500 wine stores in France, Belgium, the UK and Morocco. After suffering from a lack of visibility into consumer analysis and the absence of modern forecasting techniques and systems, imbalances between stocked SKUs and actual demand caused poor sales and margin performance in stores, plus inefficiencies in their DC and replenishment processes. The company needed to modernize forecasting and trend analysis capabilities, refine their range and reduce the number of SKUs, and shift to centralized management of store replenishment.

Using Aptos Forecasting, Allocation and Replenishment, Nicolas has been able to:

‣ Create accurate forecasts based on point of sale data, seasonality and other trends

‣ Calculate store replenishment at a SKU level accounting for product group forecasts, number of days stock and reserve stock considerations

‣ Automate order management with suppliers

‣ Improve on-shelf availability by 65 – 95%, margins by 1.2%, as well as profitability

‣ Optimize inventory levels with double-digit reductions

‣ Gain agility from alerts showing sell-through and deviations

"Nicolas is delighted with the partnership we have formed with Aptos. Their solution has enabled us to have the right products on shelf with optimal margins, and clearly demonstrated the value of centralized forecasting and replenishment processes to our store managers. The jump in on-shelf availability of our best-performing products, as well as our bottom line, have been fantastic results of the work done so far.

- Christian Fouasse, CIO, Nicolas

A Forrester Wave™ Leader

Aptos was named a Leader in "The Forrester Wave: Retail Planning, Q3 2017," receiving the highest score in the category of Current Offering, as well as the highest possible score for:

‣ Assortment Planning

‣ Global Vision

‣ Past Performance

‣ Market Approach

‣ Supporting products and services

‣ Tier-1 footprint

"TXT Retail [now Aptos] shines in assortment, merchandise, financial, and inventory planning," states the Forrester report. "In our evaluation, TXT [Retail] demonstrated best-in-class functionality in aggregate merchandise financial planning, assortment planning, inventory planning, campaign planning, simultaneous planning, and solution scalability. With a portfolio of international clients, it isn't surprising that TXT [Retail]'s global vision and supporting products and services are also best in class."

"Reference clients endorsed its merchandise, financial, and assortment planning prowess. TXT [Retail] is an attractive option for multinational retailers or brands that need to integrate assortment, inventory, and campaign planning across channels and national borders."

Extend your value

Aptos Forecasting, Allocation and Replenishment is one of five core components of Aptos Merchandise Lifecycle Management, our comprehensive solution that also delivers advanced functionality for:

‣ merchandise financial planning

‣ assortment planning and buying

‣ product lifecycle management

‣ supply chain management

Used individually or together as a complete solution, the applications within Aptos Merchandise Lifecycle Management enable you to align strategy with execution, synchronize accelerate and coordinate all activities within the merchandise lifecycle, and ensure that consumer demand is met consistently across all channels.

Added value is delivered through **Aptos Analytics**. Its powerful yet flexible and easy-to-use tools turn merchandising and inventory insights into ideal actions. The solution includes Advanced Store Grading with sophisticated algorithms to accurately cluster stores; Size Curve to align your size mix with demand in each store type and location; Size Pack Recommender to create optimal pack configurations and maximize size selling within packs; and Localized Assortment Planning to create balanced assortments with optimal breadth and depth.

And with the latest release of our Merchandise Lifecycle Management solution, Aptos delivers even greater usability and performance. It provides improved collaboration in assortment planning, stronger visualization and reporting functionality, and enhanced capabilities to support both retail and wholesale buying processes—giving you the ability to create, analyze and socialize plans ever faster and smarter.

aptos

About

Aptos: Engaging Customers Differently

Aptos is the largest provider of enterprise software focused exclusively on retail. Our cloud-based Singular Retail™ solutions are trusted by over 1,000 retail brands in 55 countries. With industry-leading omni-channel commerce and merchandise lifecycle management solutions, we help retailers develop dynamic and responsive assortments, streamline operations and deliver integrated, seamless experiences…wherever shoppers choose to engage. More than 1,300 colleagues share our collective passion for engaging customers differently, and we are committed to developing relationships built on trust and tangible value by partnering with our clients to create agile retail enterprises that are built to thrive in an era of constant change. Learn more: www.aptos.com.

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