

Client Challenge

The client is an international, high-end specialty retailer offering a wide assortment of men's and women's apparel and sportswear, as well as products for home and pets. With highly distinct channel organizations and heavy reliance on spreadsheets to perform merchandise planning, the client's focus was more on inventory management as opposed to strategic planning. As such, there was a lack of synchronization between the client's planning activities and merchandising strategy.

Further complicating this environment, the company managed a single pool of inventory with very limited visibility. Many of the merchandise buys were placed before the finalization of plans, obstructing planning influence on the process.

Parker Avery Solution

The Parker Avery Group guided the client through the development of a high-level future state business process for merchandise planning and led the system selection process for a new planning system.

Leveraging deep retail expertise and Parker Avery's proven system selection methodology, the team:

- Developed the future-state merchandise planning business process
- Documented high-level business requirements and scenarios needed to support the selection process
- Evaluated vendor scorecard and prioritized decision criteria

- Developed vendor demonstration scripts
- Organized on-site demonstrations and reference calls with comparable customers
- Analyzed vendor rankings and documented solution recommendation
- Developed a business case to support the new planning system implementation

Parker Avery also ensured that the new planning system selected will support additional longer-term business and IT goals such as core merchandising, assortment planning, and item planning.

RESULTS



NEW PLANNING SYSTEM SELECTED



INVENTORY CARRYING COSTS REDUCED*



MARGINS IMPROVED*

**Expected*

Upon completing the evaluation process and choosing a new planning system, the client immediately engaged with Parker Avery to move forward with the implementation activities.

After the new planning solution implementation, the client expects to see a \$1-\$2M net annual cash benefit from a reduction in inventory carrying costs, as well as substantial margin growth.