



Improved Margin and Inventory Results from New Merchandising and Planning Capabilities

Client Challenge

The client is a \$1.5 billion international, multi-channel, multi-banner retailer of upscale housewares, furniture, and home accessories. The company was amid a complete transformation of its systems infrastructure to provide more complete functionality and to seamlessly integrate its multi-channel, multi-country, and multi-banner business model.

The company had selected a merchandising system that included merchandise planning, assortment planning, forecasting, replenishment, and markdown optimization modules. However, the client discovered that they did not possess the in-house expertise to develop best practices for such diverse capabilities or to manage such a complex implementation in the context of the broader transformation.

Parker Avery Solution

The client's successful transformation called for coordination with parallel work streams, including the replacement of the core merchandising system. To ensure this cohesion, The Parker Avery Group assumed program management responsibility for the planning, replenishment, and markdown portion of the system implementation.

In addition, Parker Avery performed process design, developed test plans, coordinated testing activities, participated in solution and data validation, developed training materials, and supported change management and project communications efforts.

Key Parker Avery activities included:

- Creation and management of the program plan for the entire implementation
- Coordination with the IT organization and software vendor to deliver all modules within specified budgets and timelines
- Process design leveraging deep expertise for assortment planning, item planning, forecasting, markdown optimization, and replenishment modules
- Organization and support of all testing activities before implementation

RESULTS



MERCHANDISING PROCESSES DESIGNED



MERCHANDISING SYSTEM TESTED & IMPLEMENTED



MARGINS AND PROFITABILITY INCREASED *

** Expected.*

As a result of the merchandising system implementation project, the client expects to have better forecast accuracy, enhanced markdown productivity, and improved replenishment performance. All budgets and plans are expected to include a reduction in inventory and overall higher margins, leading to better profitability.

