

UNDERSTAND. ANTICIPATE. INSPIRE.

DELIVERING A DIFFERENTIATED SHOPPER EXPERIENCE

Retailers all share the same problems – but midsize companies have fewer resources to deal with them than their larger competitors. SAP for Retail solutions, implemented by SAP® Consulting or a qualified partner, help you use resources wisely to maintain profitability while growing your businesses.

Today's "typical" shopper is anything but. Informed consumers expect choice, convenience, and a retailer who understands their preferences – which vary greatly by neighborhood and lifestyle. Busy consumers expect retailers to connect with them when they want and how they want.

In an era characterized by seemingly infinite choices and increasingly demanding, savvy, and time-strapped consumers, how can you stand out? How can you offer a shopping experience that convinces customers to make your store their destination of choice, while managing your bottom line and growing profitability?

The SAP for Retail solution portfolio is the answer. SAP for Retail helps midsize retailers deliver differentiated shopping experiences that inform and delight customers. How? By helping you understand what products to offer, when, and at what price. It gives you visibility into customer demand so you can delight them with an experience that will inspire them to return again and again. At the same time, SAP for Retail helps cut waste, improve internal efficiencies, and support your profitability. In short, SAP for Retail helps you offer your discerning customers the right products at the right time and price, in concert with superior customer service.

Offer Customers What They Want to Buy

You understand the importance of managing a profitable assortment and fine-tuning your merchandise to stay current with local micromarket trends. By identifying and capitalizing on the distinct preferences and needs of varied demographics and neighborhoods, you can add significantly to your overall profitability. But any midsize retailer can figure out what customers bought in the past. What if you could understand, predict, and respond to their current preferences? After all, when customers enter your store, they hope to find the product assortment that appeals to them – it's part of the convenience they expect you to offer. Whether that means the best price, brand, variety, quality, or quantity and package size, they want you to deliver.

With SAP for Retail, you gain visibility into your customer purchases – down to the SKU level and store location. You can better understand the decisions your customers make in terms of trade-offs between SKUs. And you have the knowledge needed to personalize product mix and pricing, allowing you to offer microassortments that reflect the tastes of local consumers. The result? You can dedicate your shelves and aisle displays – and valuable space in ad circulars – to relevant and compelling products.





SAP for Retail Core Focus Areas

Manage the Supply Network

Just as important, SAP for Retail enables a demand-driven supply chain that helps match supply to demand. This means that you can automatically use point-of-sale purchase information to update your store systems with inventory and price data. Your systems in turn can distribute this information throughout your supply chain – at frequencies you determine. The result? You can replenish your warehouse and store inventories to meet projected customer needs while still maintaining a level of overhead that satisfies your budget requirements.

Deliver Superior Customer Service

From the minute shoppers enter your store, you want them to have a positive experience – and the people element is just as important as the products. SAP for Retail helps you ensure that customers receive the service they expect by aligning customer demand with store staffing.

SAP® solutions help you calculate workload based on historical information about average customer visits and average number of transactions on any given day of the week. You can even estimate the time required to serve customers in particular departments such as the deli or customer service desk.

Based on this information, SAP for Retail presents a graphical dashboard to help you understand the needed resources. Based on worker experience, expertise, and availability – including planned vacations or other absences – SAP for Retail recommends assignments for each employee to satisfy the calculated demand. And it does all this while taking into account your store budget. This allows you to ensure service continuity and maximize staff productivity through effective scheduling in each store while balancing financial implications. And by aligning staffing needs with employee skill sets and scheduling preferences, you'll have happier employees who in turn are inspired to better serve your customers.

Control Your Costs

At the end of the day, controlling costs sometimes leads in relative importance in your list of objectives. You need integrated tools that readily eliminate duplication, reduce waste, and provide at-a-glance views of business performance. Efficiency is at the heart of your operational goals – efficient operations, customer interactions, financial transactions, and HR support. If your company is operating efficiently, you make faster, smarter decisions; respond

quickly to market changes; reduce costs; and consistently meet performance objectives.

With a single, unified platform, SAP solutions help midsize companies improve operational efficiencies. You can automate processes, unify systems, and streamline operations to gain greater visibility into your business. Best of all, you can flexibly adapt, extend, or scale your solutions as business requirements change, enabling you to maintain operational excellence even as your business grows.

Don't Just Grow – Grow Smarter

Some midsize retailers court growth; others simply seek to manage it. Whatever your priorities for growth, accomplishing them requires business solutions that are both flexible and adaptable.

Growth enables you to invest and innovate, allowing you to effectively block the competition, expand into new markets, differentiate your offerings, recruit and retain the best talent, and increase capacity to meet demand. SAP solutions provide midsize retailers with the flexibility to adjust business processes to

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support innovation. You need flexible processes and scalable systems to respond quickly and efficiently to both opportunities and challenges.

Only SAP delivers an end-to-end retail solution on a single, integrated platform that can be implemented within four months and that can support multiple store locations and sales channels. As your needs change, you can leverage SAP's extensive partner ecosystem to help you expand functionality through customized and industry-specific solutions.

Uniquely Suited to the Midsize Retailer

SAP for Retail is ideal for midsize organizations seeking world-class software and services – with fast implementation at low risk. You take advantage of SAP's depth of knowledge and experience in retail, as well as a breadth of software that covers you from merchandising to financials and accounting. Best of all, the solutions free you to do the work you're best suited for – managing, building, and succeeding with your retail business.

The solutions build on the industry knowledge that SAP has gained over 35 years working with thousands of retail customers. This state-of-the-art software includes the SAP ERP application and the SAP NetWeaver® technology platform. When combined with SAP Best Practices packages, consulting and implementation services, and SAP Business All-in-One solutions from SAP and our partners, you have all the tools you need to manage your business processes efficiently and profitably.

SAP Best Practices

Apart from the progressive technology that enables rapid implementation of software, midsize retailers need solutions that address their requirements and specific perspective. SAP Best Practices helps you deal with this reality by delivering business content that reflects the industry best practices you need to maintain a competitive advantage. Our consulting and implementation services help you configure the SAP software to perform these best practices, speeding up the implementation and scoping it properly to meet your needs.

SAP Best Practices includes the following specific elements:

- **Complete preconfiguration settings** that let you run retail processes out of the box with minimal installation effort
- **Extensive reusable documentation** that you can use for self-study, evaluation, and project team and end-user training
- **A clear methodology** based on a logical step-by-step process

SAP Business All-in-One for Retail

The SAP Business All-in-One for Retail solution is proven to provide broad business process coverage and deep retail-specific functionality, enabling retailers to optimize all aspects of their business using the best practices of industry leaders. With enhanced business analytics, personalized work lists, and customizable reports, you have visibility into your entire business and its performance – enabling you to make the best-informed decisions. Compre-

SAP solutions provide midsize retailers the flexibility to adjust business processes to support innovation. You need flexible processes and scalable systems to respond quickly and efficiently to both opportunities and challenges.

hensive SAP Business All-in-One solutions support industry-specific business scenarios and provide an intuitive user experience that simplifies adoption.

Find Out More

Deliver a shopping experience that will delight your shoppers with SAP for Retail. To learn more about how SAP helps midsize retailers deliver a shopping experience that encourages repeat visits and purchases while managing profitability, call your SAP representative today or visit us on the Web at www.sap.com/retail.

Summary

Midsized retailers share the same problems their larger competitors face: challenging customers, a blistering pace of business, and demands from multiple channels. But they have fewer resources to deal with them. To maintain their key objectives – to maintain profitability while growing their business – midsized companies need to drive operational efficiency while offering a satisfying customer experience. The SAP for Retail solution portfolio, implemented by SAP® Consulting or a qualified partner, can help you do exactly that.

Challenges

- Maintain profitability while growing the business
- Compete with larger retailers despite fewer resources
- Build customer loyalty in an era of broad consumer choice and channels
- Continually improve operational efficiency

Supported Business Processes and Software Functions

- **Microassortment management** – Provide the right product mix and pricing by understanding, predicting, and responding to current customer preferences
- **Supply network management** – Automatically use point-of-sale information to update systems and distribute it throughout the supply chain to properly balance inventories
- **Staffing and customer service** – Ensure proper staffing by calculating workloads, customer demand, and time required to serve
- **Operational efficiency** – Reduce costs and meet performance goals with a single, unified set of software solutions

Business Benefits

- **Improve profitability** by boosting sales while driving efficiency
- **Control costs** by eliminating duplication, reducing waste, balancing inventory, and providing at-a-glance views of business performance
- **Enhance employee productivity and satisfaction** through effective scheduling and skill-set alignment
- **Support growth and innovation** with flexible solutions that enable you to respond quickly to opportunities and challenges

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