

DIFFERENTIATE THE SHOPPER EXPERIENCE

MAXIMIZE SHOPPER LOYALTY WHILE MAINTAINING PROFITABILITY

Integrate and manage shopper data from multiple sources and across channels to deliver a shopping experience that offers the selection, pricing, and service your shoppers want while achieving your sales objectives.

As a retailer, your main objectives are to improve store profitability and maximize revenue. However, to stand out in an era characterized by seemingly infinite choices and increasingly savvy consumers, you must also offer a shopping experience that combines the right products with a level of personalized service that makes shoppers eager to come back for more.

To offer a personalized shopping experience, you need access to historical and real-time information about your shoppers' shopping and buying habits. Gathering and analyzing this information can be difficult if you maintain separate warehouses and separate business processes to deliver goods to each of your channels. Your ability to deliver superior customer service also influences the shopping experience. To do this, you need to coordinate many moving parts – balancing employee expertise and availability with store staffing levels based on expected traffic and shopper demands on different days and at different times.

The SAP for Retail solution portfolio helps retailers provide unique, rewarding shopping experiences. A complete, modular, and fully integrated set of solutions, SAP for Retail helps you enhance your store operations – and revenues –

by improving product selection and availability, boosting customer service, and making compelling offers that your shoppers can't resist.

Built on the flexible and adaptable SAP NetWeaver® technology platform, SAP for Retail integrates SAP® and non-SAP software to streamline your retail business processes (see Figure 1). Connecting the enterprise from end to end, these solutions integrate and manage data from multiple sources to provide you with consistent, accurate information – and the tools to execute your strategy based on it.

Inspire the Shopping Experience

SAP for Retail enables integration across all business functions and real-time visibility throughout your enterprise so you can proactively manage every aspect of your business. The software enables you to improve your retail business by supporting best-practice business processes – listed in the table – from point-of-sale management and workforce deployment to performance measurement and fraud and risk prevention. By leveraging robust functionality to analyze store and shopper data, you'll be able to make operational decisions with greater confidence and accuracy.



SHOPPER-EXPERIENCE DIFFERENTIATION IN SAP FOR RETAIL

TREAT CUSTOMERS TO FIRST-CLASS SERVICE AND RAPID CHECKOUTS

Point-of-Sale Management and Operations

From the minute shoppers enter your store, you want them to have a positive experience. That means providing extensive product information, outstanding customer service, and rapid checkout. SAP for Retail helps make this happen. Once the sale is made, data from the transaction is fed into a data warehouse where it is audited and turned into actionable information – providing insight about the performance of your products, promotions, and channels. You can then make merchandising decisions that leverage this insight to maximize sales while meeting shopper needs.

Multisite Workforce Deployment

By gathering shopper demand data, you can assess the appropriate store staffing levels to ensure shoppers receive the service they expect. SAP for Retail helps you calculate workload based on historical information about average shopper visits and average number of transactions on any given

day of the week. The software even estimates the time required to serve shoppers for particular products or transactions, such as those involving in-depth product knowledge. SAP for Retail then presents within a graphical dashboard information to help you understand the needed resources and – based on worker experience, expertise, and availability – recommends assignments for each employee to satisfy the calculated demand. It does all this while taking into account your store budget.

By delivering the right level of service – at the right cost – you can improve your store image and maximize profitability. And by balancing store needs with employee skill sets and scheduling preferences, you can inspire your staff to better serve your shoppers.

Supply Chain and Inventory Visibility

When shoppers shop with you, they hope to find the greatest product options at the best price. But if you're like many retailers, your store, catalog, and Web



Figure 1: Shopper Experience Differentiation in SAP for Retail

inventories are planned and managed independently, resulting in varying availability of product by channel. To optimize inventory levels and assortment in your store, you need to understand inventory status across your operations. SAP for Retail provides you with a real-time view of inventory at all locations – and across all channels – allowing you to control fill, pricing, and product assortment. You can anticipate what is needed and when. By ensuring consistently correct assortments and product offerings that match shopper needs, you can deliver better choices and satisfy shopper expectations.

Analytics and Performance Measurement

SAP for Retail gathers information about your shoppers when they shop in your store, on your Web site, and through your catalog. This multichannel knowledge can prove very powerful when harnessed. Whether identifying the highest-performing stores, tracking the transactions of your best shoppers,

Shopper Experience Processes

| Point-of-Sale Management and Operations | Multisite Workforce Development | Supply Chain and Inventory Visibility | Analytics and Performance Measurement | Fraud and Risk Prevention |
|--|--|--|---|---|
| Improve business agility, staff productivity, and shopper satisfaction | Improve customer service by providing adequate staffing levels during peak hours | Plan and execute cross-channel and improve visibility into distribution centers and back-room stock levels | Deliver relevant, timely, and insightful information to anyone, anywhere, anytime to understand, optimize, and align the business | Examine and evaluate every point-of-sale transaction for procedural accuracy and potential integrity issues |

investigating suspect point-of-sale transactions, or looking to understand your best or most profitable products – a single source of data and powerful analytical tools provide the insight required to take action. By gaining visibility into shopper purchases aggregated across all your channels, you gain unprecedented insight into each shopper's preferences and tendencies. With this insight you can offer the cross-channel selection, prices, and services at the right times to the right shoppers to improve your store image and maximize sales.

Fraud and Risk Prevention

SAP for Retail improves the returns authorization process, helping ensure that goods are returned only once and for the price paid. Even when returns are allowed without a receipt, the software prevents attempts at buying items on sale with the intention of returning them at the regular price.

SAP for Retail also includes an exception-based loss prevention function, which detects fraud patterns based on transaction analysis. The function quickly identifies employees and shoppers exhibiting suspicious behavior and fully supports the investigation process. In addition, SAP for Retail can help monitor compliance issues and identify opportunities to make staffers more efficient in their roles.

The SAP Advantage

When you work with SAP software, you benefit from flexible and extensible applications that are modular in structure so you can deploy the functionality you need as you need it. Preloaded best-

practice templates allow you to start using and adapting the solutions immediately to drive company-wide best business practices. A global team of experts, proven methodologies, and comprehensive documentation facilitate implementation, knowledge transfer, and user training. Ongoing R & D investments made by SAP ensure that the solutions undergo continual improvement in response to shopper requests and retail trends.

Exceed Shopper Expectations

With SAP for Retail, you can give your shoppers exactly what they need – the right product assortment, appropriate product information, and attractive offers and customer service – across all your channels. Because you have the necessary information, you're empowered to exceed expectations by offering real-time, in-store shopper offers and frequent-shopper programs. You can accomplish all of this while improving shelf availability, maximizing revenue per shopper, and enhancing customer service. Additional benefits include:

- Increased visibility across channels – Leverage transaction data across all channels to gain an accurate view of inventory so you can deliver the products and services your shoppers want as efficiently as possible
- Increased understanding – Access centralized sales data to gain insight into your shoppers' habits and preferences so you can make informed merchandising decisions
- Optimized workforce – Balance store needs with employee skill sets and scheduling preferences to deliver the right level of service at the right cost



SAP for Retail enables integration across all business functions and real-time visibility throughout your enterprise so you can proactively manage every aspect of your business.

- Increased shopper loyalty – Identify shoppers' individual preferences to reward buying history, express gratitude, and target promotions to influence future purchases
- Reduced fraudulent charges – Improve the returns authorization process to increase profitability and ensure compliance to reduce enterprise risk
- Improved retail performance – Leverage best-practice business processes to improve order fulfillment rates, increase product profitability, prolong product life cycles, and reduce labor and premium freight costs

Summary

With the SAP for Retail solution portfolio, you can integrate and manage shopper data from multiple sources and across channels to deliver a rewarding shopping experience for your shoppers. Built on the flexible and adaptable SAP NetWeaver® technology platform, it integrates SAP® and non-SAP software to streamline your retail business processes.

Challenges

- Improve store profitability
- Differentiate your business from the businesses of countless competitors
- Gather and analyze shopper data to make informed merchandising decisions
- Deliver superior customer service

Supported Business Processes and Software Functions

- **Point-of-sale management and operations** – Improve business agility, staff productivity, and shopper satisfaction
- **Multisite workforce development** – Improve customer service by providing adequate staffing levels during peak hours
- **Supply chain and inventory visibility** – Plan and execute cross-channel central inventory and improve visibility into distribution centers and back-room stock levels
- **Analytics and performance measurement** – Access relevant, timely, and insightful business information
- **Fraud and risk prevention** – Examine and evaluate every point-of-sale transaction for procedural accuracy and potential integrity issues

Business Benefits

- **Increased visibility across channels** – Leverage transaction data to compare demand to inventory levels across channels to improve retail performance
- **Increased understanding** – Access centralized sales data to gain insight into shopper habits and preferences to make informed merchandising decisions
- **Optimized workforce deployment** – Balance store needs with employee skill sets and scheduling preferences to better serve your shoppers
- **Increased shopper loyalty** – Identify shopper preferences to reward buying history and target promotions to influence future purchases
- **Reduced fraudulent charges** – Improve the returns process to increase profitability and ensure compliance to reduce risk

For More Information

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