

Merchandising Operations



JDA Software: Powering Profitability and Growth for Retailers Worldwide

Retailers in today's multi-channel world are leveraging integrated merchandising operations systems to optimize performance and control inventory.



THE SUPPLY CHAIN COMPANY®

Real Results

Sample of JDA's Merchandising Operations Customers

Why do companies worldwide rely on JDA Software to deliver merchandise operations value? Real Results. Fast.

JDA Software helps the world's leading retailers achieve tangible benefits through integrated merchandising operations. Here are some of the real results that our customers have achieved with JDA's Merchandising Operations solution*:

Sales goals attainment

- Increased annual and/or comp-store sales 5-35 percent
- Improved selling pattern analysis by location and channel, reforecasting as needed
- Improved conversion rates, revenue and loyalty
- Revitalized marketing and promotional pricing strategies
- Experienced margin gains that exceeded initial expectations

Scalability to satisfy growth objectives

- Introduced new retail concepts, grew store count and expanded online footprint – all without significant staffing increases or scalability concerns
- Provided a best-of-breed retail management system critical to becoming a publicly traded company
- Converted acquired stores, catalog, call center and website over to JDA infrastructure in an aggressive timeframe
- Opened locations in emerging markets with support for multiple currencies, tax codes and languages such as right-to-left and double-byte languages

Optimized inventory investment

- Decreased inventory levels 10-30 percent
- Reduced operating expenses due to lower inventory control and carrying costs, higher inventory turns and decreased help desk support
- Gained greater visibility on item performance to tailor store assortments by market segment
- Consolidated inventory from multiple channels to cut buyers' workload in half

Cost savings with improved processes

- Reduced cost of ownership by focusing on business execution instead of costly interfaces between applications
- Transformed receiving from a two- to three-day process into a one-hour process
- Minimized mistakes and delays by transitioning from heavily manual processes to automated, streamlined processes

Ready access to enterprise intelligence

- Enabled efficient response to consumer demand with up-to-the-minute information for more intelligent decisions and control
- Transformed business data into meaningful information and actionable insights
- Reduced time digging for data and increased time for numerical analysis to optimize merchandise availability

* Represents actual results realized by JDA customers.

BC Liquor Stores
BouClair Inc.
Brazin Limited
Bridgestone/Firestone Inc
Cabela's Inc
Carlton Cards Retail, Inc.
Castorama Getinor Russia
Casual Male Retail Group, Inc.
Charlotte Russe Holding, Inc.
Clicks Organization Pty (Ltd)
Columbia Sportswear Company
Essar Group
Family Christian Stores
Focus (DIY) Ltd
Follett Higher Education Group
Foschini Services (Pty) Ltd.
Gloria Jeans
Guitar Center, Inc.
Hollywood Entertainment Corp.
Hudson Group Retail Division
IC Companys A/S
Mandalay Resort Group
Meijer, Inc.
Mountain Equipment Co-op
Party City Corporation
Poundland UK
Princess Auto Ltd.
Regis Corporation
Retail Brand Alliance Inc.
Right On Co Ltd
Royal Doulton Retail Sales Division
S.A.C.I. Falabella
Shell UK Ltd
Sichuan Good Home Commerce Co., Ltd.
Target Australia Pty Ltd
The Forzani Group, Ltd.
The Stride Rite Corporation
The Vitamin Shoppe
Tilly's Co.
T-Mobile (UK) Retail Ltd
Universal Studios, Inc.
Urban Brands Inc
Value City Department Stores, Inc.
Virgin Entertainment Group, Inc.
Vomar Voordeelmarkt BV
West Marine, Inc.
Wickes Building Supplies
Wilsons Leather
World Duty Free Europe Ltd



Merchandising Excellence

Challenge: Driving Optimal Performance, Inventory Control and Profitable Growth in Multi-Channel Retailing

For busy retailers committed to growth, every day brings a new mission. On one day, they may be expanding into an emerging market, increasing their online presence or opening their latest store. The next day, they may be partnering with a new vendor, planning a major event or launching an innovative concept. Whatever opportunity each day brings, retailers must be ready to act fast to stay competitive. Yet too many retailers are slowed by aging, modified IT applications that are expensive and difficult to integrate and maintain.

With today's technology constantly evolving and delivering powerful gains, retailers can become more responsive and agile – as long as the right IT foundation backs their initiatives. This means focusing on the technology that sits at the heart of their business: merchandising operations systems. A flexible, scalable and integrated solution can provide the visibility and control retailers need to leverage each opportunity that comes their way.

Solution: Increase Profitability and Support Corporate Initiatives with Proven, Market- Leading Merchandising Operations

“The heart of our retail enterprise,” “the center of our IT universe” and “the foundation for our merchandise management processes” are a few ways that our customers describe their JDA Merchandising Operations systems. Widely considered the market leader with more than 500 successful implementations since 1985, JDA's Merchandising Operations solution suite offers full inventory, warehouse and financial management capabilities along with closed-loop decision and action support.

“We are experiencing incredible customer service improvements while at the same time considerably reducing our labor costs thanks to the combination of our improved business processes and JDA Software solutions.”

*Tom Dillon
Vice President, Merchandising Systems,
Follett Higher Education Group*

Now you can ensure that the heart of your operations is beating soundly by joining the world's largest retail community of users realizing the value of our comprehensive enterprise suite. JDA Merchandising Operations systems will integrate your merchandise management processes across departments onto a single enterprise-wide information system. With greater visibility and flexibility to adapt to change, your company will more accurately, intelligently and profitably control inventory throughout your enterprise while supporting corporate initiatives.

Delivering a Speed-to-Value Implementation

In the fast-paced world of retail, your technology needs to help accelerate your business. Backed by our world-class team of services, support and education consultants, JDA Merchandising Operations systems can deliver a rapid return on investment. You'll follow a proven, speed-to-value implementation approach that satisfies your corporate objectives with measurable goals and timeframes. Plus you'll reduce costs and effort during the conversion, integration and configuration processes.

Once live, you'll have a foundation for accurate, synchronized data with real-time inventory updates and secure transactions. And that's just the start. JDA Merchandising Operations systems feature a broad, integrated suite of capabilities that can be tailored to meet any execution model for optimum leverage.

Speed-to-Value Visibility and Control

Driving Revenue and Profits with Greater Visibility and Control

The JDA Merchandising Operations systems can manage and execute your daily merchandising processes by supporting the following best retail practices:

- Driving sales and margins with sophisticated pricing strategies that support chain/zone/store and color/size/dimensions
- Attracting loyal consumers with targeted promotions, assortments and allocations
- Reducing your inventory investment with automated replenishment, stock balancing and corporate control over decentralized purchasing
- Improving cost control with product and landed costs, allowances and vendor rebates
- Increasing efficiency and productivity with timely purchase orders (POs), invoice matching, receiving and transfer management
- Monitoring and acting upon key performance indicators (KPIs) such as daily sales, promotions and inventory positions with actionable, enterprise-wide intelligence and analysis capabilities

You'll gain the foundation for a robust, scalable and future-proof technical infrastructure – plus the industry's most comprehensive merchandising capabilities. JDA Merchandising Operations systems can also support the execution of JDA's advanced solutions for planning, forecasting, demand, replenishment, price and promotion optimization and transportation.

With the visibility to make fact-based decisions and the flexibility to adapt to change, you'll realize value every step of the way. Proven to save time and resources, our solutions can support growth plans and control inventory costs throughout the most complex, multi-channel retail environments. JDA works side by side with your team to achieve exceptional real-world outcomes. What's more, you won't need a team of integration partners to operate and maintain your systems or steer new initiatives.

“Because of the number of stores and the number of different trading formats, technology plays a key role in the business. Foschini has been working with JDA for nearly nine years, based on seven separate installations of JDA's merchandising system – one for each of its trading divisions. Today, all divisions are now running JDA's Portfolio Merchandise Management system for ‘one version of the truth.’”

*Brent Curry
Chief Information Officer,
Foschini Limited*



JDA Delivers End-to-End Capabilities for Best-in-Class Merchandising Operations

Requirements	JDA Capabilities	Benefits
Consistent and Accurate Master Data	<ul style="list-style-type: none"> Provides an enterprise-wide system of record, source system for reporting/analysis and master data information: items, vendors, stores, customers, orders and inventory movement Sets up organizational/merchandise classifications including user-defined hierarchies and attributes Audits data changes: who, what and when Interchanges data with point-of-sale (POS) and planning systems 	<ul style="list-style-type: none"> Reduces cost of managing high-volume transactions Increases efficiency and reduces duplication Allows reclassification of organization and merchandise classifications Provides complete foundation data across the retail enterprise
Cost and Price	<ul style="list-style-type: none"> Creates price events based on corporate pricing strategies at the chain/zone/store level Supports advanced pricing methods: buy-one-get-one-free, quantity breaks/ends, mix-and-match and deal groups Integrates invoice matching with POs and receipts plus manages cost components: vendor costs/discounts/rebates and landed costs Generates suggested changes and simulates pricing strategies Evaluates competitors' prices against defined parameters and suggests optimum pricing for quick adjustments 	<ul style="list-style-type: none"> Evaluates and reacts to financial effects of price events Improves margin by tracking detailed cost components Increases revenue by applying advanced pricing methods and chain/zone/store overrides
Purchase and Pay	<ul style="list-style-type: none"> Creates, allocates and predistributes POs, generates transfers post-receipt and provides a central order and status tracking repository Allows three-way matching of POs, receipts and invoices either by invoice total or line item Supports varied distribution methods: single location, multi-drop, cross dock and flow-through Automatically retrieves applicable allowances 	<ul style="list-style-type: none"> Improves margin by associating cost components to POs Improves efficiency and accuracy with master maintenance and ability to reinstate cancelled orders Integrates invoice matching with orders and receipts
Inventory Management	<ul style="list-style-type: none"> Manages and analyzes inventory at all levels of the organization Supports the maintenance, processing and viewing of inventory by case, inner packs, inventory units and weight Schedules and manages physical inventory counts and cycle counts 	<ul style="list-style-type: none"> Offers one view of sales/inventory data Enables users to maintain inventory in multiple methods based on how merchandise is bought and sold Conducts physical inventory concurrently with daily merchandising operations
Sell	<ul style="list-style-type: none"> Ensures sales transaction accuracy and data integrity Monitors store/day audit status Tracks all retail price variances, expected or not Manages and processes customer orders 	<ul style="list-style-type: none"> Supports easier integration and efficient data flows from POS to host and beyond Features detailed tender over/short reporting Boosts pricing compliance and customer service
Replenish and Distribute	<ul style="list-style-type: none"> Manages item movement across the enterprise Distributes inventory to meet customer demand Maintains accurate perpetual inventory by location Facilitates required business processes to ensure inventory accuracy 	<ul style="list-style-type: none"> Provides an ongoing, accurate inventory picture Aligns product supply with customer demand to increase sales, margins and satisfaction Improves decisions and productivity with better data and aligned systems/processes
Warehouse Management	<ul style="list-style-type: none"> Audits item movement with the item locator system Supports radio frequency or paper-based warehouse processes and receiving, put-away, flow-through, picking, letdown, shipping and inventory control Plans, executes and manages merchandise storage and flow 	<ul style="list-style-type: none"> Provides an ongoing, accurate real-time inventory picture and improves productivity Allocates, holds and reserves inventory Features warehouse layout configuration
Financials	<ul style="list-style-type: none"> Supports general ledger (GL), accounts payable, accounts receivable and stock ledger as well as three-way invoice matching Integrates merchandise to financials (GL reconciliations to subledgers) 	<ul style="list-style-type: none"> Ties merchandise hierarchy to the charge of accounts Increases efficiency with GL integration Improves productivity with auto-matching Closes the period in a timely manner
Analyze	<ul style="list-style-type: none"> Flexibly displays predefined categories for KPIs such as inventory, pricing, purchasing, sales, plan, operations and customers Provides adequate Sarbanes-Oxley compliance controls Provides a "super-user" environment for customized reports/templates Supports exception reporting plus takes action upon analysis back to merchandising Distributes reports via e-mail, HTML, Excel or PDF 	<ul style="list-style-type: none"> Enhances data visibility, product performance and the ability to effectively manage suppliers Enhances customer satisfaction through more targeted decision making Improves user productivity and efficiency with faster reaction time Enables IT to focus on more productive tasks than responding to requests for reports

Merchandising Operations

“Over the last two decades, Mountain Equipment has grown considerably. We recently completed a review of JDA’s MMS, and we found that the solution is still meeting the needs of our business and there are still ways we could use the solution to improve operational efficiencies and performance. That’s pretty remarkable.”

*Georgette Parsons
Chief Information Officer,
Mountain Equipment Co-op*



About JDA Software Group, Inc.

JDA® Software Group, Inc. (NASDAQ:JDAS), The Supply Chain Company®, is a leading global provider of innovative supply chain management, merchandising and pricing excellence solutions. JDA empowers more than 6,000 companies of all sizes to make optimal decisions that improve profitability and achieve real results in the discrete and process manufacturing, wholesale distribution, transportation, retail and services industries. With an integrated solutions offering that spans the entire supply chain from materials to the consumer, JDA leverages the powerful heritage and knowledge capital of acquired market leaders including i2 Technologies®, Manugistics®, E3®, Intactix® and Arthur®. JDA’s multiple service options provide customers with flexible configurations, rapid time-to-value, lower total cost of ownership and 24/7 functional and technical support and expertise.

Now you can be among the more than 500 JDA Merchandising Operations retail customers reporting outstanding results and an unsurpassed customer experience with the following components:

- Merchandise Management System (MMS®) on IBM iSeries AS/400
- Portfolio Merchandise Management (PMM) on UNIX or Windows-based processor
- Merchandise Performance Analysis

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