

Applying art and science Retail merchandising



Consumers are an elusive target today, as they are more empowered and connected as ever before. With so many options available—choices in retailers, products, channels, fulfillment, prices—merchants face a virtual endless stream of moving parts to drive customer loyalty and drive financial results across their product assortment. Getting the right product to the right place at the right time at the right price has never been so complicated. To keep up with this rate of change, merchandising organizations must identify the right strategies, processes, operating models, and tools to compete successfully or risk rapid decline.



“Overstated” markets, both physical and digital, are a constant challenge to merchandisers trying to differentiate their products and services.

The use of analytics is essential if merchandising executives are to back their decision-making experience and intuition with solid facts.

How we can help

Deloitte's Retail Merchandising practice works with retail executives to assess and drive merchandising and planning performance across people, process, and technology. This includes building capabilities that will drive targeted assortments and inventory. These need to be executed while localizing to customer demand in an omnichannel environment. We apply leading practices, innovative methodologies, and analytical solutions to help drive merchandising effectiveness aligned to retailers' customer and market strategies. With more than 150 retail practitioners, we offer depth of experience in the industry, and we can leverage the full breadth of Deloitte's offerings to provide a full complement of services to our clients.

Our services include:

- **Omni-channel Assortment Planning and Optimization** — optimally planning assortments to drive sales and margin profitably, informed by broad strategies, customer insights, and assortment analytics, and enabled by efficient processes, systems, and tools.
- **Omni-channel Inventory Planning and Optimization** — planning inventory supply and demand across various points, including within and across borders, channels, and concepts.
- **Global/Omni-channel Operating Model** — driving definition and implementation of the strategic vision and blueprint for merchandising and planning across geographies, channels, and concepts.
- **Merchandising Process Optimization** — designing and delivering merchandising process excellence, supporting organizational needs design, and change management.

Potential bottom-line benefits

Our services often help clients:

- Improve top line sales and gross margin
- Improve gross margin return on investment
- Increase inventory turns
- Reduce cycle times and speed to market
- Operate more efficiently and effectively

Ways to get more value now

- **Differentiate.** The empowered consumer expects that retailers bring unique value for them to spend a share of their wallet.
- **Meet your customer needs.** Apply customer insights to merchandising decisions to drive profitable decisions from your most valued customers.
- **Balance art and science.** Combining the art of merchandising with rigorous analytics can drive improvements across assortment selection, inventory management, and pricing.
- **Manage across the enterprise.** More effective integration of inventory planning and analytics technologies across channels gives merchandising executives a new view into inventory levels and consumer demand across the enterprise, resulting in improved flow and productivity.
- **Integrate the merchandising organization.** Align your operating model and organization to drive the decisions that can effectively serve the customer and benefit the entire enterprise.

The big idea

Combining time-tested merchandising approaches with new methodologies, technologies, and effective practices can lead to new levels of operational excellence in retail merchandising in today's omni-channel retail environment.

Learn more

Effective merchandising is only one area of focus for Deloitte's Retail Operations practice. To learn more about how we can help, visit www.deloitte.com/us/retailmerchserviceops.

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