

4.01: PLAN FOR AND PREPARE SIMULATION

SCENARIOS

Trigger

This process is triggered by the completion of the in-season performance-review meeting. During the meeting, the merchant team and the PA discuss the clearance strategies and options they need to evaluate.

Rationale

The PA creates scenarios to capture and evaluate different clearance strategies and options. Scenarios consist of different combinations of the strategy (maximizing profit or inventory reduction), event end dates, ending price number, number of marks, amount off or percentage off, timing parameters, or consistency parameters.

RACI

Responsible: PA
Accountable: Pricing Manager
Consulted: CM, RACM, DACM, PIM, Planner, AIP, RAA, CS
Informed: N/A

Input

- 1) Decisions from the in-season meeting:
 - Identification of new markdown candidates.
 - Review performance of current markdown events.
- 2) Desired clearance strategies and options to evaluate.
- 3) Retail roll calendar or other transition timing information.
- 4) Markdown objectives.

Procedure

- 1) Review the clearance options and strategies suggested during the in-season review meetings. Different options and strategies may be required for:
 - DXX products
 - Unplanned products
 - In-season items
 - Slow-performers
 - Weather affected products
 - Late start or extended season
 - Items that must be moved from their current display space due to product transitions

- 2) Determine the best way to reflect the options and strategies in markdown event/markdown group combinations:
 - Evaluating different markdown dates requires creation of multiple markdown events.
 - Evaluating different markdown strategies (margin vs. inventory) and business rules (price endings, number of marks, % discount, etc.) requires the creation of multiple markdown groups.

Output

- 1) List of markdown scenarios.
- 2) List of markdown event/markdown group combinations required to capture scenarios, complete with information on settings and parameters for each scenario.

Tools & Resources

- 1) Decisions from the in-season meeting:
 - Identification of new markdown candidates.
 - Review performance of current markdown events.
- 2) Desired clearance strategies and options to evaluate.
- 3) Retail roll calendar or other transition timing information.
- 4) Markdown objectives.

4.02: CREATE/UPDATE/COPY MARKDOWN EVENTS

Trigger

The PA has determined the scenarios to be created and identified the approach to capturing those scenarios in markdown events and markdown groups.

Rationale

Markdown events are a required data structure for Revionics to operate. Markdown events convey markdown start and end dates and contain one or more markdown groups. In order to capture the required scenarios, the PA may create new markdown events, copy existing markdown events, or update existing markdown events. The PA will create a new markdown event if the event is being input directly into the Revionics systems rather than created through the interface. This happens rarely, since most markdown candidates will flow to Revionics through the interface and will already be contained within a markdown event structure. The PA will update a markdown event if the date range requires changing. The PA will copy markdown events in order to maintain the original markdown event for comparison to the event formed by the copy process.

RACI

Responsible:	PA
Accountable:	Pricing Manager
Consulted:	CM, RACM, DACM, Planner, AIP, RAA, CS
Informed:	N/A

Input

- 1) Event name (Initial event names are created via the interface):
 - See Policy: Markdown Event Names.
- 2) Start and end date (Initial start and end dates are created via the interface):
 - Unplanned product's start and end dates come from the spreadsheet uploaded to EDW.
 - DXX product's start and end dates come from the spreadsheet uploaded to EDW.
 - In-season products with ending inventory groups' start and end dates come from the EDW based on the inventory group start and end dates.
 - In-season product's with ongoing inventory groups' start and end dates come from the spreadsheet upload to EDW.

Procedure

- 1) To create a new event:
 - Log in to Revionics portal.
 - Navigate to markdown tab.
 - From the markdown tab, select **Markdown Calendar**.

- Click **Add Event**.
- In the “Add Event” section, type a descriptive event name (up to 20 characters).
- Click the calendar icons to the right of “Start Date” and “End Date” to pick dates for the event.
- Click **Add Event**.

The screenshot shows the 'Markdown Calendar' interface. It has a 'Filter Events' section on the left and an 'Add Event' section on the right, which is highlighted with a red box. Below these sections is a table of events.

Filter Events

Name:

Start Date:

End Date:

Status:

Add Event

Name:

Start Date:

End Date:

Events

Event Name	Start Date	End Date	Forcst Sell Thru%	Forcst Marg%	Mkdn Loss\$	Forcst Sales\$	Frozen Date	Pror
1								

2) To update an existing event:

- Log in to Revionics portal.
- Navigate to markdown tab, and select **Markdown Calendar**.
- Locate the event:
 - By event name sortation.
 - Filter events for proper dates.

The screenshot shows the 'Markdown Calendar' interface. It has a 'Filter Events' section on the left and a table of events below it.

Filter Events

Name:

Start Date:

End Date:

Status:

Events

Event Name	Start Date ▲	End Date
Mens_024_D_110713_M1	8/1/2013	11/1/2013
Mens_024_D_110713_M1_COPY	8/13/2013	12/31/2013

- Click **Event Name**.
- Click **Edit**
- Update event name, start date, and/or end date.
- Click **Save**

Edit Event

Event Name:
Mens_024_D_110713_M1

Start Date:
08/01/2013

End Date:
11/01/2013

Save
Cancel

3) To copy an existing event:

- o Locate and open the event in the markdown event summary screen as described above.
- o Click the **Copy** button.
- o Click **OK** in the confirmation dialog.

Markdown Event Summary

Markdown Calendar >> Markdown Event Summary : TShirts Sept Profit

Event Details

Copy
Edit
Freeze

Event Name
: TShirts Sept Profit

Start Date
: 09/01/2012

End Date
: 09/30/2012

Event Status
: Planning

Frozen Date
:

Add Group

Name

Ruleset
Default Rule Set

Add Group

Event Groups

Optimize
View Jobs
Default
Export
Report

Page 1 of 1

Displaying items 1 - 2 of 2

Markdown Group	Is Participating	Ruleset	Frozen Date	Status	Forcst Sell Thru%	Forcst Marg%	Mkdn Loss\$	Forcst Sales\$	Approval Percentage	Max Number Of Marks	Delete
Group1	No	Profit Pct		Planning	81.28 %	-45.82 %	\$16,345.47	\$8,415.45	0.00 %	3	
Group2	No	Profit Unconstrained		Planning	70.13 %	-9.30 %	\$13,533.72	\$11,227.19	100.00 %	3	

Output

- 1) Markdown event is created, updated, or copied in Revionics.

Tools & Resources

- 1) List of markdown scenarios.
- 2) List of markdown event/markdown group combinations required to capture scenarios, complete with information on settings and parameters for each scenario.
- 3) Revionics software.