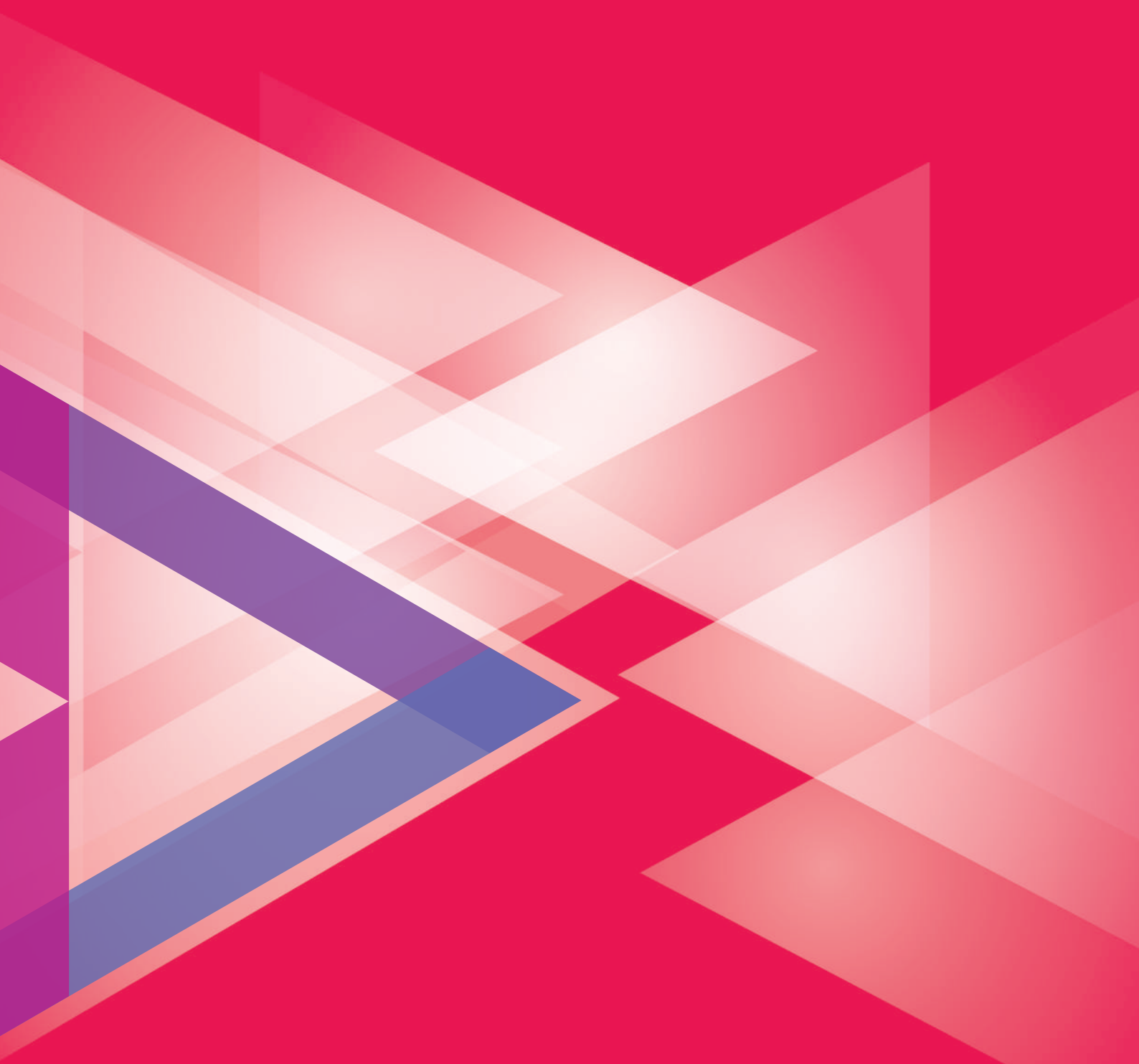


White Paper

OMNI-CHANNEL PROMOTION PLANNING AND EXECUTION

Proactive omni-channel promotion planning with seamless execution
across the enterprise



Executive Summary

The retail industry is a competitive space, whether online or brick-and-mortar or omni-channel, where mature players try to maintain steady growth and new players attempt to gain a stronger foothold. It is no surprise that the customer regularly finds himself surrounded by promotions of all shapes and sizes! Also, gone are the days when these campaigns were linear and narrowly thought. Daily, scores of brands contest for the attention of the customer - who is getting increasingly demanding. Customer's perception and purchase behavior is rapidly changing and through multiple channels that oscillate from one to another. But, this does not mean that patterns cannot be ascertained from within the enterprise data. New technology has made it possible for retailers to comprehensively plan promotions, create strategies, develop business rules and proactively deploy, update and change the same across channels, whether online or offline. The key principle is to keep a single view of the customer experience across channels and offer the same value to the customers at every point of purchase.

The promotion planning process in retail consists of the following steps:

- Develop promotion strategy as per objectives and targets
- Analyze enterprise data, set KPIs and validate business rules
- Educate store-staff and engage customers
- Measure and monitor the campaign KPIs



Develop promotion strategy as per objectives and targets

A sound strategy in consideration of the current enterprise business and future projections is vital for the success of retail promotions. It boils down to the optimized return on investment for a particular promotion activity. While designing promotions, it is necessary to understand the kind of increased business revenue, heightened product exposure or rise in brand equity it is set to create.

Defining promotions

Business strategies for promotion are typically defined by two stakeholders - the merchandising team and the marketing team.

The merchandising team drives the category performance and sell through of a product, handle end of season (EOSS) merchandise, liquidate slow moving merchandise, plan a new collection or a style launch. Whilst, the marketing team aims at driving eyeballs and footfalls, target repeat sales from customers, carry out targeted promotions to increase customer loyalty and wallet share. The marketing team may also define promotions aimed at launching a new brand, setting up new websites, opening new stores, building brand value and store loyalty, managing competitive scenarios and many more.

Seasonal	Drive sales through seasons created with time-bound promotions attracting customers with FOMO (Fear of Missing Out)
Frequency	Limited time offers on next purchase
Depth	Varying percentage of discounts and cash back for different products and services
Channel	For customer adoption to other platforms or appeal to new locations, mediums with deeper promotions
Basket Size Ratio	More discounts on bigger basket size
New Customers	Referral discounts, sign-up promotions, social media engagement or contests
Offset Sales Reduction	Clearance sales, loyalty credits, third-party brand promotions
New Product	Launch offers, up-sell and cross-sell promotions

Analyze enterprise data, KPIs and validate business rules

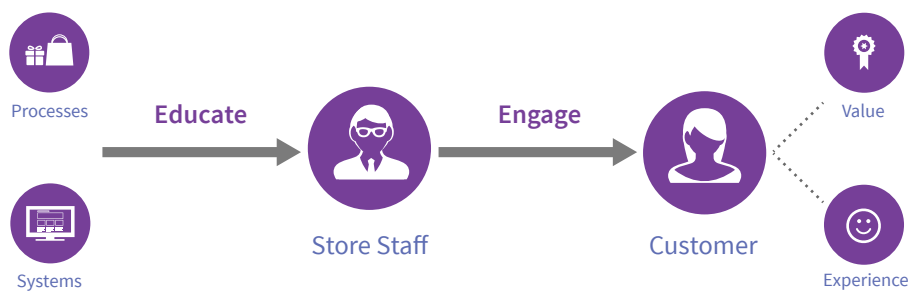
The retail business is driven through optimizing margins and retailers are always on the look-out to promote their product, service or brand appeal and improve sales performance. Enterprise data analytics help in better understanding the different measures a retailer can take to gain insight into the various factors that can improve the top-line and bottom-line. Retail KPIs can be ascertained and assigned from different data sources – customers, merchandise and historical sales data. This enables retailers to make better merchandizing decisions, timely decisions on business rules, determine operational productivity with respect to physical stores, e-commerce websites, staff, logistics, vendors, and enhance customer service.

Category Management	Market Basket
Optimized Assortments	Basket-Register Correlation
Category Contributions	Brand Switching
Item Definitions	Core Item Frequency
Market Comparison	Customer Loyalty
Pricing Modules	Demographic Baskets
Role Analysis	In-Basket Price
Share on Shelf	Items per Basket
SKU Rationalization	Revenue Contribution
Vendor Performance	Shopper Penetration
Merchandise Management	Marketing Analysis
Department Contribution	Ad Blocks
Hot Item Report	Channel Share
In Stock Percentage	Coupons Distribution
Inventory Turns	Feature vs. Display
Linear Feet	Product/Brand Launch
Mark Down Percentage	Store/Website Launch
Pull-Through	Market Share
Reallocations	Price Points
Seasonal Buying	Promotions Graph
Sell-Through	Seasons and Special Occasions

Loss Prevention	Omni-channel Operations
Backorders	Asset Turnover
Order Cancellations	Competitor Stores
Distribution Shrinkage	Front Store Sales
Hot Customer	Inventory Turnover
Hot Store	Labor Costs
Hot Staff	Reallocation
Markdowns	Sales Margin
Natural Losses	Sales/Square Foot
Return Rate	Site Traffic and Product Page Visits
Website page loading speed	Average Page Views, Time on Site
Cart Abandonment	Conversion Rate
Bounce Rate and Exit Pages	Average Order Value

Educate store, online order management and customer service staff, and engage customers

Accurately planned promotions enhance the in-store customer engagement thus improving brand value and the shopping experience. Customer re-call value of a brand increases 10x when they spend time inside your store. Successful customer engagement depends on the customer's experience with the brand or the organization. Across all retail channels – online or offline – the typical shopping experience involves more than making a purchase for a customer. They consciously or subconsciously form emotional perceptions on how they feel when interacting with the in-store staff and acclimatize themselves to the overall in-store experience. How they perceive your brand or service will essentially dictate their inclination to return and shop, recommend to others and to continue engagement with the brand.



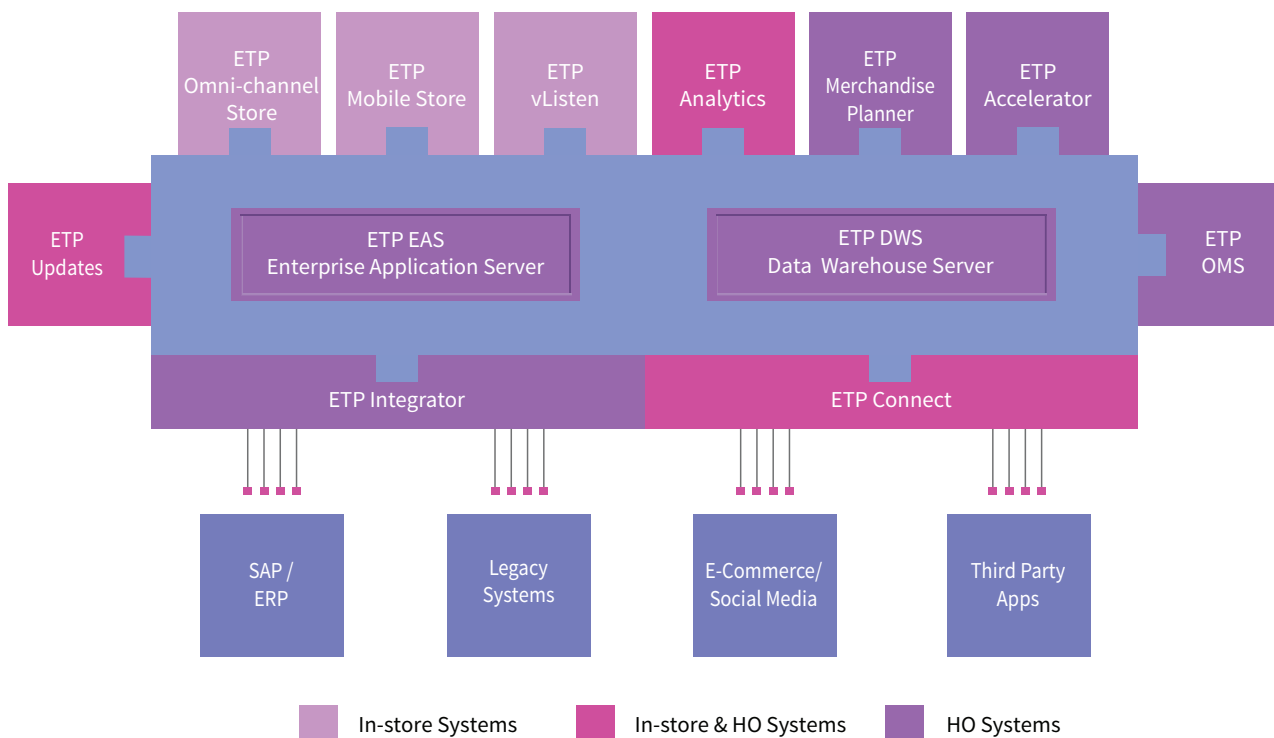
When customer support employees have not been adequately trained or educated on customer experience management, they are unlikely to accomplish much. On the other hand, a sustainably trained workforce impacts productivity immensely. They remain motivated, become problem solvers who take up the responsibility of customer service personally. This leads to more conversions, high quality engagement and increased customer loyalty. For example, Apple operationalizes its “steps of customer service” in the simple acronym APPLE:

- Approach customers with a personalized warm welcome;
- Probe politely to understand all the customer's needs;
- Present a solution for the customer to take home today;
- Listen for and resolve any issues or concerns;
- End with a fond farewell and an invitation to return.

It maintains that instead of starting with what Apple has to sell, their sales staff should start from where the customer is and what the customer's problems might be.

ETP Retail Suite

ETP Omni-channel Accelerator solution helps retailers acquire better insight into customer demand and a covetable promotions trajectory. It is a powerful marketing and promotions engine, managing marketing campaigns in sync with customer/market trends - reducing implementation time drastically. The solution supports promotional strategies and business rules to be set and rolled out across operations instantly. It is a proactive solution, allowing multiple promotions and business rules to run concurrently without affecting process efficiencies. More importantly, the retailer can monitor the performance of each promotion strategy and redefine them as required. ETP Omni-channel Accelerator solution is equipped with an intuitive dashboard, helping retailers better understand market response and fine-tune their retail marketing promotions as well as easily reactivate previously successful promotions. With the in-built promotions planning calendar, retailers can view their various marketing promotions across various periods in a daily, weekly and monthly calendar format that can be further synced with the brand's social media network





Every year, 50,000 retail associates use ETP to serve 150,000,000 consumers, selling USD 5,000,000,000 of merchandise. More than 300 brands in over 22 countries, across 10 time-zones, in 200 cities, at 25,000+ stores, in 5 languages run on ETP.



We are also present in the following countries: Australia, Bahrain, China, Egypt, Hong Kong & Macau, Indonesia, Iraq, Jordan, Kuwait, Malaysia, Oman, Qatar, Saudi Arabia, Thailand, The Philippines, Tunisia, Uzbekistan, Vietnam and Yemen.

Founded in 1988, ETP is an Omni-channel Retail Solutions company headquartered in Singapore, serving market leaders in more than 22 countries across Asia Pacific, India and the Middle East. ETP's omni-channel solutions include omni-channel POS, Mobility, CRM, Marketing and Promotion Campaigns, Order Management & Supply Chain Management, and Merchandise & Assortment Planning. ETP has successfully executed over 500 enterprise software projects across 25,000+ stores for 300+ brands. ETP's unique value proposition is its ability to create and deliver innovative products and implement them successfully with domain expertise delivered by hundreds of consultants embodying ETP's best practices. ETP helps its customers get it right in omni-channel retail.

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