



**RL RIVERLOGIC**

## RETAIL SOLUTION OFFERINGS

Solve Your Replenishment, Trade Promotion and Pricing



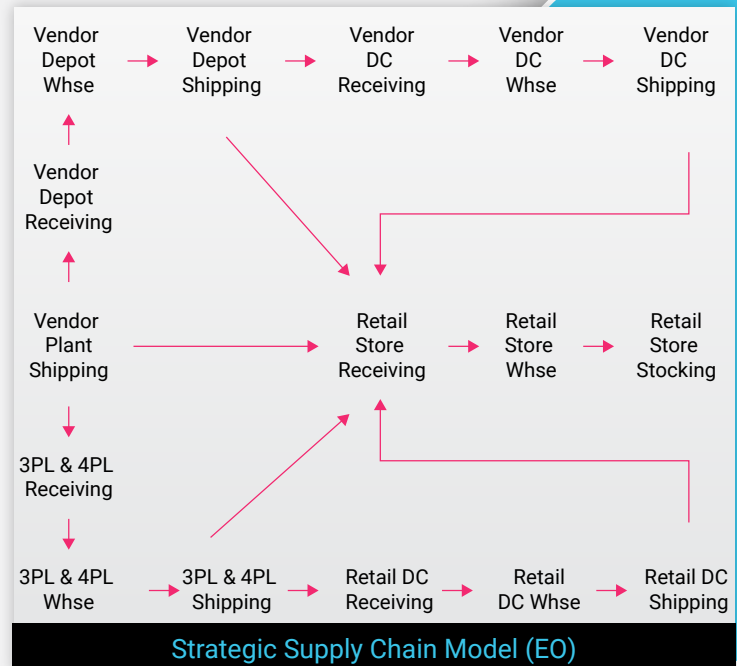


# REPLENISHMENT

## BUSINESS ISSUE

Determine Optimal Delivery Frequency  
And Flow Path Utilization By Vendor

- Multiple 'What-if' optimization scenarios including vendor delivery frequency, flow path, and pallet configuration
- Additional scenarios re-optimizing strategy decisions given changes in business objectives (e.g. revenue, gross margin, inventory level)



## MODEL SOLUTION

Strategic Supply Chain Model Including  
All Potential Flow Path Configurations

- Manage trade-offs between reduction in inventory and lost sales vs. increase in freight and labor expense
- Quantify operational and financial impact of SLA changes to facilitate vendor negotiations
- Better understand variable cost drivers

## IMPACT

Ongoing Planning Capability Used to  
Optimize Replenishment Alternatives

- Delivery frequency by vendor and product
- Flow path utilization and resulting capacity plans at retailer DC's and stores
- Optimized and predictable inventory exposure, revenue growth, and gross margin
- Improved ability to negotiate with vendors

# TRADE PROMOTION OPTIMIZATION

## BUSINESS ISSUE

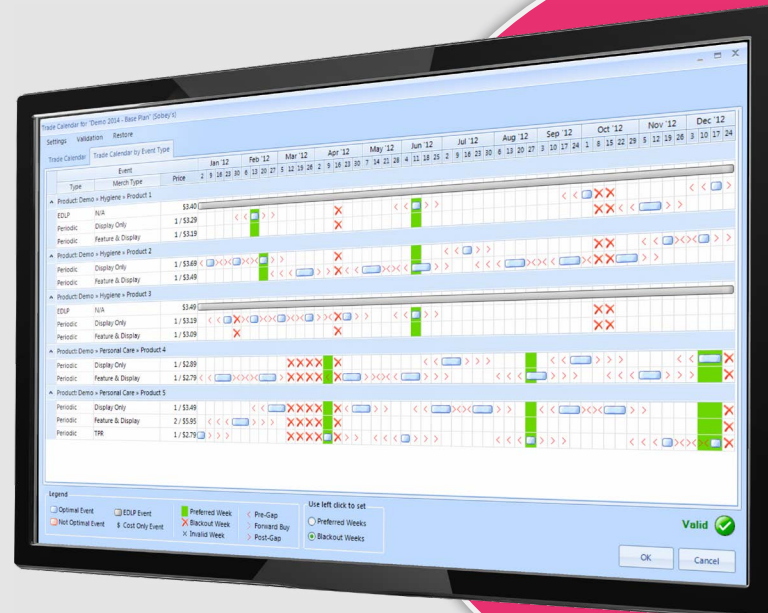
Optimize Promotional Merchandizing  
Events Across Categories and Vendors

- Balance competing objectives across products and categories (national brands vs. private label, revenue vs. volume vs. profit)
- Account for promotional constraints (promote together, don't promote together, frequency, timing)

## MODEL SOLUTION

Trade Promotion **Optimization (TPO)** Solution

- Multiple 'What-if' optimization scenarios to determine optimal promotion frequency and depth of discount
- Additional scenarios re-optimizing strategy decisions given changes in business objectives (e.g. revenue, gross margin, inventory level) and input assumptions (e.g. lift coefficients)



Optimized Trade Calendar (TPO)

## IMPACT

Ongoing Planning Capability Used to **Optimize Promotional Calendars**

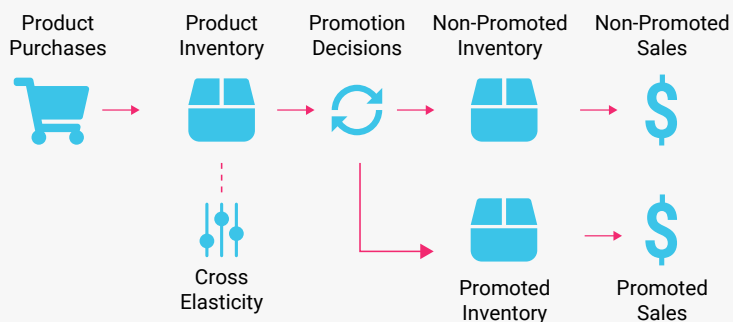
- Improved Trade Spend ROI
- Facilitate win-win negotiations with trading partners
- Align trade promotion activities with marketing and advertising initiatives
- Achieve channel and brand growth objectives

# PRICING

## BUSINESS ISSUE

### Optimize Promoted And **Non-Promoted** Product Prices

- › Account for product and cross-product elasticity curves, fixed promotional schedule, and Cost of Goods
- › Balance trade-offs between minimum category revenue constraints, loss-leader products, and profit objectives



Demand Optimization Model (EO)

## MODEL SOLUTION Demand **Optimization Model**

- › Non-linear demand model input coefficients translated into linear step functions
- › Multiple 'What-if' optimization scenarios including minimum price cut constraints and varied promotion schedules

## IMPACT Ongoing Planning Capability Used to **Optimize Replenishment Alternatives**

- › Delivery frequency by vendor and product
- › Flow path utilization and resulting capacity plans at retailer DC's and stores
- › Optimized and predictable inventory exposure, revenue growth, and gross margin
- › Improved ability to negotiate with vendors