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Delivering  
Intelligent Business Solutions  
To **World Class** Retailers

## ibs **CATEGORY MANAGEMENT**

## Category Management Fact Sheet

### OVERVIEW

Category Managers need accurate and timely information about their category performance, market trends and demographics in order to decide on the best tactics to achieve category strategies and objectives. In most cases, however, decisions are difficult to analyze before execution and often times are based on fragmented, outdated and partial information.

Consolidating category performance information to support the decision processes requires integration to application and data sources that are typically not integrated and are inflexible in their structure. Development of strategies and tactics to support consumer-based merchandising and marketing is evolving to be a 'must have' for progressive retailers. To respond to the rapidly changing marketplace, retailers need to have a flexible, configurable category management solution that quickly assess alternative tactics and executes consistently across the enterprise.

ibs **CATEGORY MANAGEMENT**, offered by Soft Solutions supports these imperatives. In addition to the ability to drive category strategies from the top to bottom of the organization, it includes a powerful simulation engine to run various what-if scenarios and forecast impacts. Delivered with our master data management solution, ibs **REFERENTIAL**, ibs **CATEGORY MANAGEMENT** supports a retailer's need to analyze and execute category strategies across various dimensions, including store clusters, consumer groups, banners and competitive markets.

Using ibs **CATEGORY MANAGEMENT**, forecasts are automatically updated via our forecasting engine. A built-in Workflow capability provides for an alert function to inform the Category Managers of under-performing categories. Additional benefits can be achieved when ibs **CATEGORY MANAGEMENT** is implemented together with the Soft Solutions Suite of merchandise and marketing solutions. Currently in use by **Auchan, Intermarche and Carrefour Dubai** to manage their categories, it has provided net category margin improvements thanks to better forecasting and tracking.

Category Management

Link Category Strategies  
To Execute Better  
Purchasing and Selling  
Tactics

Improved Category  
Decision-Making

Better Marketing Mix

Better  
Performance/Profit  
Follow-up

## KEY FEATURES

ibs **CATEGORY MANAGEMENT** enables you to set up a "horizontal" strategy with an in depth methodological analysis in each of the following segments

### ibs **CATEGORY MANAGEMENT - Strategic Analysis**

- Analyze trends in the market and competition
- Consult the history of category performance
- Benchmark categories against one another and against corporate targets
- Allow category classification according to general performances targets
- Target the key indices to leverage in future campaigns

### ibs **CATEGORY MANAGEMENT - Supplier Objectives**

- Define the general category objectives at the category level by leveraging the profitability criteria such as margins, sales and net indexes
- Manage distribution of the objectives to the supplier, brand and item levels
- Allow comparisons between the different categories, by suppliers, brands and items
- Track the objectives across categories, suppliers, brands and items

### ibs **CATEGORY MANAGEMENT - Planning and Consolidation**

- Run what-if simulations of overall category plans and analyze impacts
- Simulate the economic impact of the profitability criteria to drive the category plan
- Analyze deviation between objectives, simulations and historical data
- Modify the suppliers' scenarios to fit the category objectives

### ibs **CATEGORY MANAGEMENT - Projections**

- Forecast projected data during year/period with real data consolidated
- Analyze gaps between the objectives and projections and recalculate with real data by period

### ibs **CATEGORY MANAGEMENT - Follow up**

- Allow hierarchy validation of plan
- Review planned vs. achieved performance reports at any level of the organizational and merchandising hierarchy
- Analyze category levers for assortment, deals, pricing and promotion management

## BENEFITS

### **Optimize the overall category management process**

- Ensure supply reflects consumer demands, market trends and corporate objectives
- Enhance the decision and management process of building category plans according to category strategies and roles
- Simulate various strategies to address market and competitive trends
- Insure consistent execution of category strategies based on corporate and category objectives
- Reduce time to react to meet the objectives
- React to market and competitive trends
- Optimize item mix and margin objectives
- Master category assortment tactics while ensuring corporate strategies are met
- Better adapt corporate objectives to consumer demands

### **Maximize category sales and overall profit impact**

- Facilitate proactive actions based on market growth
- Respond to consumer needs based on pertinent analyses and better decisional support
- Leverage suppliers by having improved visibility to the market, items, suppliers and category situations
- Improve flexibility and efficiency when dealing with various situations while developing an improved competitive image
- Leverage corporate image and strategic situations to maximize financial return

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