

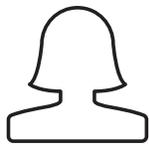


Unlock In-Store Inventory Visibility

Why do items end up being clearanced, wasted, returned to the vendor, or lost to shrink? Secure™ Inventory uses artificial intelligence (AI) to help stores achieve higher revenue from the inventory on hand, avoid waste, and demystify shrink.



BRICK-AND-MORTAR OR ECOMMERCE SHOPPER



Shopping for item



STORE



Movements IN

Movements OUT



ARTIFICIAL INTELLIGENCE



Manage Inventory Exceptions



SHOPPER



Item is in stock

Secure Inventory Improves Performance

Secure Inventory helps retailers optimize inventory within the four walls of the store through artificial intelligence and advanced analytics. Managing inventory exceptions at the store level can impact inventory counts and on-shelf availability for consumers, leading to significant performance gains. Find the key issues that erode margin and impact loss:

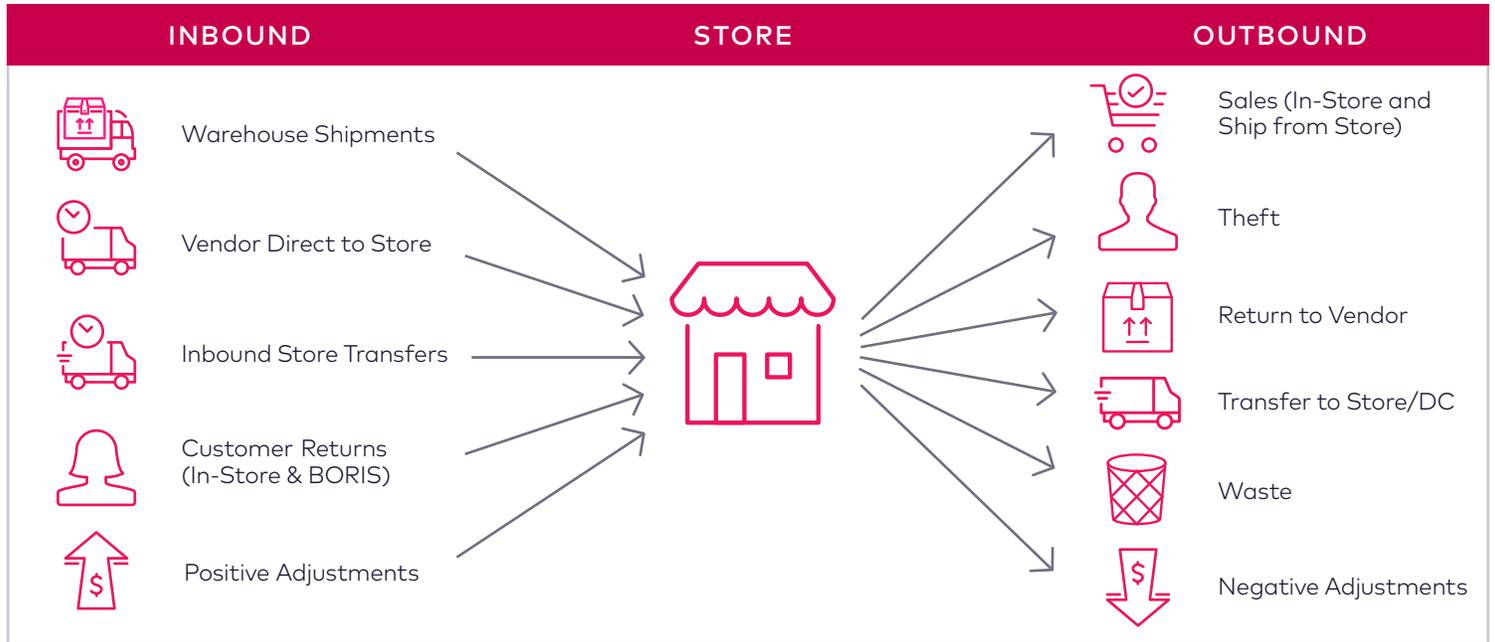
- Shrink identification and research (unexplained loss)
- Availability (out of stock or excess stock)
- Accuracy (unit level on hand)

This module of the Appriss Retail Performance Platform quickly identifies the underlying causes behind these inventory issues. The system analyzes these six business processes:

- Waste
- Selling
- Manual Adjustments
- Stock Take / Inventory Count
- Receiving
- DSD-Vendor Stock Processing

Secure Inventory is designed to highlight exceptions and anomalies related to in-store inventory positions. It is designed to receive data related to the transactional movements of inventory items into and out from the store. The module collects movement data from key systems of record throughout your organization to generate and maintain a perpetual inventory position. It then notifies you of the stores, items, vendors, or employees with KPIs (Key Performance Indicators) out of line with normal performance. By identifying these issues quickly, you can improve top-line sales through increased availability, reduce total loss, and enhance the customer experience.

Identifying the Sources of Shrink and Loss



Identifying Inventory Issues

Appriss Retail has distilled store inventory issues into more than 20 scenarios. The system is programmed to look for problems in these areas automatically; writing queries, although fully supported, is not needed. Below are some examples.

Inventory Issue	Definition
Negative On-Hand	The product has never been in the store, but there is a negative stock position
Waste	Items wasted right after delivery or unusually high quantity of waste for the item
Adjustments	Items with multiple manual adjustments between deliveries
High Demand	Items with sales rate greater than supply rate
Vendor Debit/Credit Ratio	Items with an imbalance in debit to credit ratios
On-Hand Growth	Items with an increasing on-hand growth and declining sales

Opening Communication Between Merchandising and Operations

In most organizations, buyers develop detailed plans and cannot see whether their expectations are being realized until the end of a cycle. Similarly, operations often cannot measure against expectations or provide easy feedback on vendor and product quality issues until the plan has played out. The information is siloed. Secure Inventory allows buyers access to the information they need to make course corrections during the cycle. Operations' reporting on wastage, poor product quality, and vendor errors can be shared immediately. The two can work together, and with loss prevention, to achieve top and bottom line targets.

Act Faster with Action Plans

After identifying process and performance issues, Secure Inventory uses AI to help you take the next steps. Simply click the "Action Plan" button and the system presents a dynamic series of questions that point you toward an efficient resolution.

Profit Boosting Data and Analytics

Secure Inventory's data analytics can help you operate faster and smarter by uncovering process and performance issues you didn't know existed. They literally find the problem for you using AI, then help you determine the next steps to take using the Action Plan function. The dashboards and drill-downs can save hours of painstaking research. With this more comprehensive view of the business, you can make decisions that benefit individual store performance and the company as a whole.

The module offers labor-saving innovations:

- Dashboards you can configure to meet your needs based on job functions and focused on achieving outstanding results from the entire team.
- Work View is a single location to work from, like an "inbox."
- Analyses built into the systems run automatically, finding the Work Items—the issues to be resolved—for you.
- Adjustment Journal shows the various inventory movements that triggered the exception.
- Watch List allows you to tag a person, store, or product for monitoring.
- Profiles create focused context and risks around employees and stores to provide additional information and research.
- Investigations is a collection point within the system—a personal "clipboard" or "file folder" to rapidly store transactions, internal charts, or web pages during research stages, and then move to a case when ready.
- Available on any device—mobile, tablet, computer.

Advantages

Operational

- Increase availability
- Improve accuracy
- Identify DSD inventory imbalances
- Find inventory problems that affect store performance
- Discover opportunities to improve sell-through
- Detect unusual store, vendor, or product performance
- Monitor conformance with company policies
- Pinpoint training needs

Merchandising

- Maintain margins to protect profits
- Reduce overstocks
- Identify potential store bonus issues
- Validate compliance with discounts or Cost of Goods Sold markup
- Achieve rapid ROI

Financial

- Identify inventory shrinkage
- Expose suspicious inventory manipulations
- Increase merchandise availability
- Improve accuracy (unit level on hand)
- Configure dashboards for fast action
- Use AI-driven queries out of the box
- Schedule queries to run automatically

Technical

- Easy user interface, extensible to enterprise usage
- Light on IT resource requirements
- Fully responsive on any device, desktop or mobile
- Layers easily on top of Secure™ Store

How Secure Inventory Works

Secure Inventory can be implemented alone or layered on top of Secure Store. The solution module uses advanced exception reporting and data monitoring to help you address real problems within your organization.

1. Login to the Work View and see the automatically-generated instances of unusual inventory movement (or lack thereof).
2. Compare movement and performance charts to similar products and similar stores.
3. Examine information by drilling down to specific events.
4. Using the Action Plan button, use the wizard to define your best steps to resolution.
5. Information gained can be stored in Investigations where it is easily accessed, categorized, and reviewed. Any in-person reviews of the situation can be added.
6. When the problem is fixed, the resolution is recorded in the system. If no improvements can be made (for example, if the cause was outside store control), the exception can be abandoned again using a reason code. The feedback is incorporated into Secure's closed-loop decision system.

Cumulative Improvements

The system helps you discover and remedy inefficiencies in your processes. Not only do you see direct savings, but you also save on labor. Until the process breaks again, the benefits continue.

Key Features of Secure Inventory

- Out-of-the-box Work Item automations for more than 20 risk scenarios
- Perpetual inventory expected position based on transactions
- Targeted dashboards to highlight areas of risk
- Profile pages to outline activities for vendors, product in location, and store stock associate
- Aggregated metrics for key stock movement events for reporting
- Detailed transaction information for all stock movement events

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