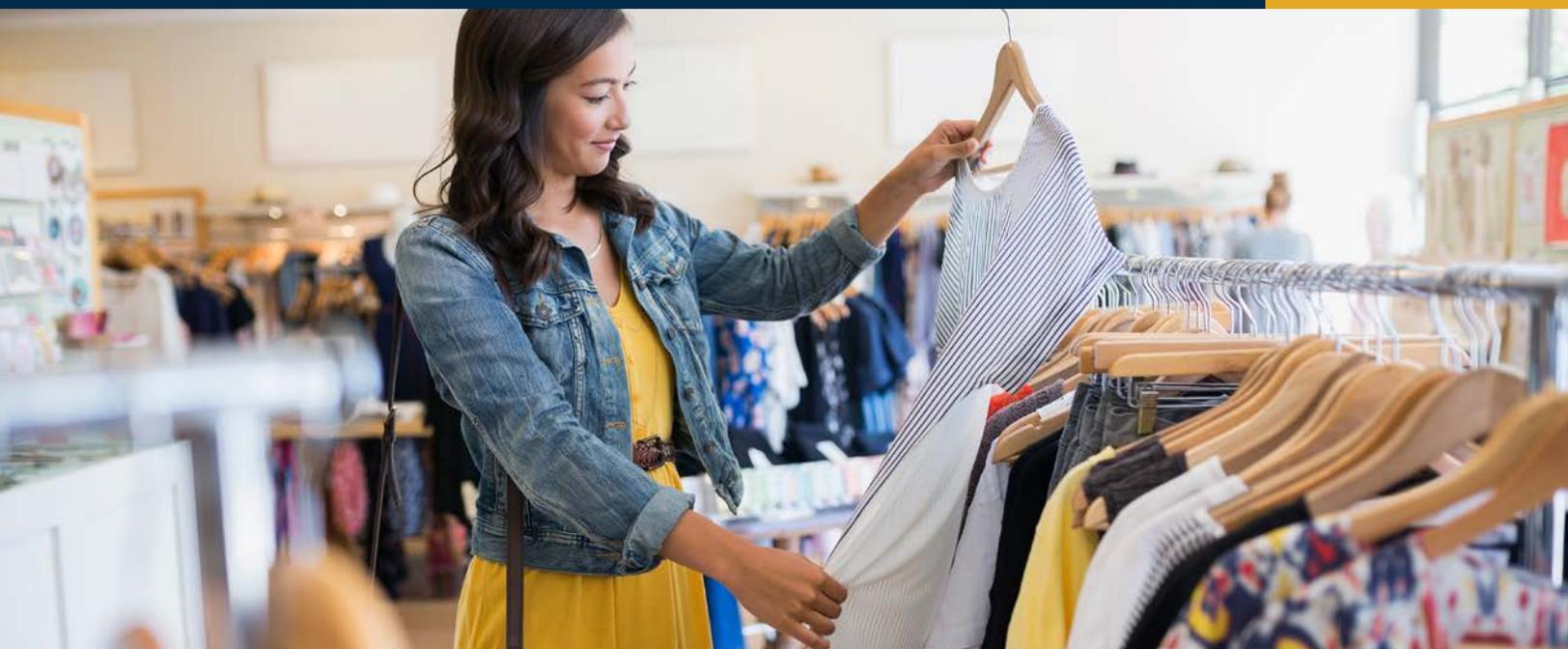


# SAS® Markdown Optimization

Increase profitability through precise pricing decisions



## Key Benefits

With SAS Markdown Optimization, you can:

- **Increase sales and margins** with an analytical approach to markdown strategies.
- **Adhere to corporate pricing policies** with solution-generated price recommendations.
- **Reduce time** managing clearance products with automated plan creation and execution.
- **Increase productivity** with rich visualizations and an intuitive user interface.

## Overview

Retailers are constantly pressed to clear merchandise for seasonal changes, new items and expiration dates. But the traditional approach to markdowns – standard price drops at set times across all stores – fails to take item-specific demand into consideration. This can result in fewer sales and a backlog of merchandise.

Markdown optimization software helps retailers increase profit margins and sell-through on time-sensitive merchandise. By accounting for dynamic variables such as consumer trends, market intelligence and store inventory, retailers can forecast product demand down to the SKU level to make more precise pricing decisions.

SAS Markdown Optimization enables retailers to proactively plan, optimize and execute pricing decisions for time-sensitive products. As part of the SAS Revenue Optimization Suite, the SAS solution deploys market-leading advanced analytics to help you devise data-driven markdown strategies. The result? Higher profit margins and fresh inventory for customers.

## Why SAS®?

SAS has a proven track record with retailers of all sizes. With SAS Markdown Optimization, you can:

- **Achieve margin targets.** Profitably reach sell-through goals on seasonal merchandise.
- **Efficiently clear backlogged stock.** Make room for new merchandise while complying with corporate pricing rules.
- **Price at all levels of your product and location hierarchy** – all the way down to individual store SKU.
- **Craft a winning pricing strategy.** Delight customers with a data-driven strategy that's difficult to copy.
- **Choose a deployment option that's best for you.** Deploy SAS in the cloud, as a managed service or on-premises behind the firewall.

## The Solution

SAS Markdown Optimization helps retailers rapidly improve top-line sales and margin by optimizing how you determine price points for time-sensitive merchandise. Each pricing recommendation is generated using advanced analytics that gathers insight into local demand and its elasticity to respond to price changes. Along with each recommendation comes forecasted metrics on inventory risk, future impact to sales and profit margin.

- **Know when to act.** The software identifies the right time, discount and store location to help you optimize pricing on seasonal merchandise. Detailed analysis of sell-through, sales and profit enables you to spot slow-moving products and act early.
- **Move more merchandise.** With SAS, retailers can proactively plan, optimize and execute pricing decisions based on consumer demand and market trends. SAS generates data-driven price points to help you squeeze the most value from clearance inventory.
- **Extend analytics to everyone.** The cloud-ready solution runs on SAS® Viya®, an elastic and scalable analytics platform for accessing, analyzing and exploring your data. Collaborative planning tools help boost productivity and enable compliance with corporate markdown practices.

## Capabilities

### Rapidly implement optimal strategies

Support is included for all markdown types, including underperforming items, seasonal clearance, category reset, holiday or discontinued items. What-if scenarios allow retailers to test multiple markdown strategies in real time and quickly tailor plans to meet specific goals.

### Improve planning team productivity

Business rules, workflows and plan settings included with the solution can be configured to automatically generate recommendations for optimal markdown plans. This increases productivity and keeps the focus on managing exceptions and finding new opportunities. Customizable alerts will automatically notify stakeholders whenever plan changes occur.

### Detailed inventory and forecast visibility

Optimized prices must balance available inventory with demand at the product and store level. By analyzing demand for merchandise, retailers can determine the optimal price schedule based on business need. Forecasts can be integrated from legacy systems or SAS® Demand Planning.

### Support for multicurrency and VAT

Operate thousands of stores around the world? Large global organizations can consolidate planning across countries and regions in a single implementation for consistent global pricing policies.

## Learn More

By accurately forecasting demand down to the SKU level, retailers can better price time-sensitive items to increase sales and keep inventory fresh. Learn more at [sas.com/revenue-optimization](https://sas.com/revenue-optimization).

To contact your local SAS office, please visit: [sas.com/offices](https://sas.com/offices)

