Retailers: How to reinvent your supply chain?

Janaplan Partner



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Retail is facing an unprecedented crisis, and no one knows when it will end.

After an initial reactive phase when companies closed their global outlets one after the other and saw their supply and production chains impacted, they demonstrated resilience in order to find solutions. Some even managed to launch click and collect, ship from store, and multiply drive accesses for contactless shopping in record time.

Now that outlets are reopening, retailers have to adapt to the "new world" by respecting social distancing, limiting the number of visitors in stores, adjusting their stocks according to the opening schedule of the points of sale and ensuring the safety of their customers (provision of hydroalcoholic gel, systematic disinfection of clothing being tried on, etc.).

This crisis also speeds up trends already identified, including omnicanality, order retrieval services (with set times to control customers' flow) and the overall consistency of the offline-online experience with the brand or retailer.

New consumer trends and new uses will emerge from this crisis and will durably transform retail companies.

Above all, the COVID-19 crisis has accelerated the tension on the sector's supply chains by introducing new constraints. Focused for years on cost and inventory optimization, sourcing has most often been centralized on a few suppliers at the risk of losing flexibility.

The supply chain must therefore be reinvented, not only to improve operational responsiveness, but also to ease the companies' activities reconfiguration.



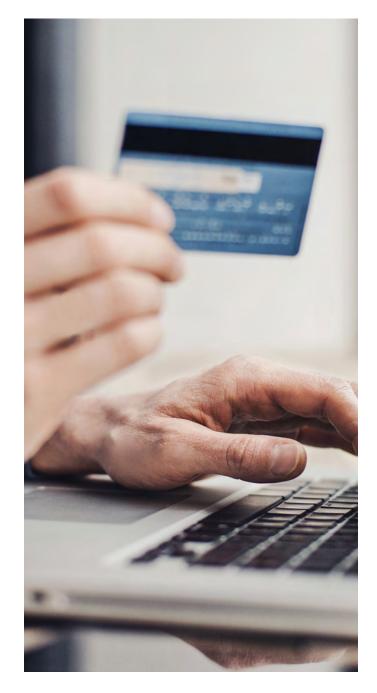
Gain agility in a globally complexified environment

Reinvent the supply chain to support new practices

Digital rise, relocation, click and collect increase... all these factors make it crucial for brands to rethink their supply chain to gain in agility and scalability.

Several basic trends are adding to the COVID-19 crisis' situational factors :

- Renewing customer offers in a fast and innovative way: the number of collections, capsules and collaborations is constantly growing.
- Globalizing production, distribution, and inventory, weakened by international events (health crisis of course, but also social movements, tensions between countries, etc.).
- Adopting more sophisticated distribution strategies, as part of a multi-channel approach: e-commerce rise, but also click and collect and new physical outlets formats.



Because it is at the core of the operational and economic performance, supply chain has become a critical challenge in the transformation of the retail industry.

It is created to :

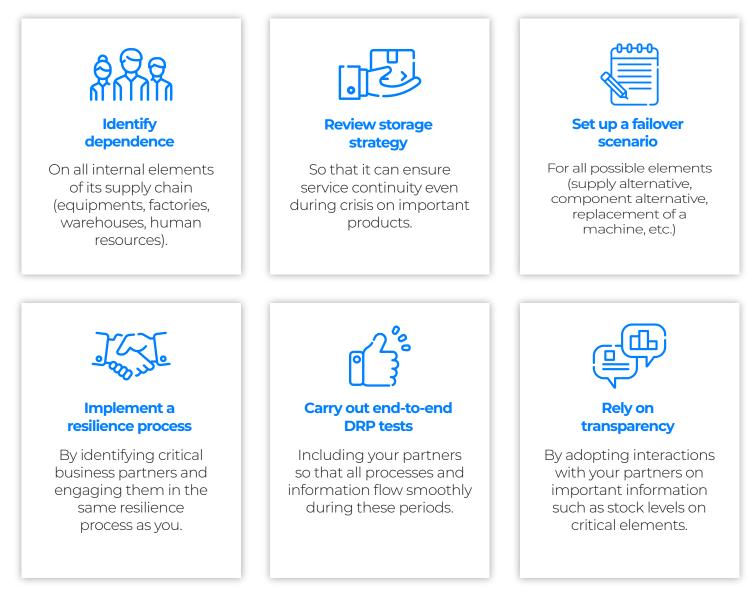


It is important to know how to learn from such a crisis to review its supply chain's organization on a strategic horizon. To do so, an assessment seems necessary to highlight the limits that have been reached and to list the key elements to maintain a supply chain, as well as those to be automated.

Until now, supply optimization studies aimed to optimize the overall production cost of products for a target service level. It has led to a reduction in inventory or a reduction in the sources of supply in order to optimize them. Network's resilience is another objective that should be considered.



To do so, it is necessary to:



If these initiatives are developed from a strategic horizon to operational level, you will be able to be reactive and agile in case of a major market disruption.

Retailers have an opportunity to rethink the supply chain today to meet tomorrow's challenges of eco-design and eco-manufacturing of distributed products. How? By controlling the manufacturing and supply chain from start to finish.



Supply chain performance, a challenge to modernize the information system

Process automation and data mining help force an integrated, flexible and coherent supply chain.

There are a few examples of brands and corporations' preferred methods on how to improve responsiveness, anticipation, and real-time decision-making:

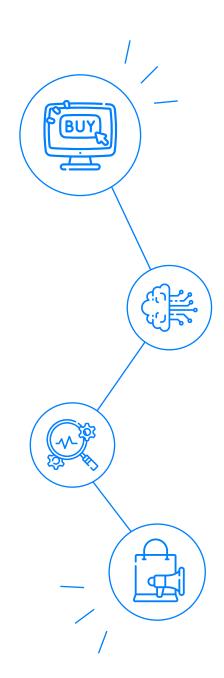
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Taking advantage of technological improvements such as machine learning; improving the demand analysis and demand planning, or supporting the launch of new offers (be mindful of cannibalization...).

- Simplifying and accelerating the purchasing processes and product delivery by optimizing demand planning and forecast.
 - Adjusting and adapting the supply chain to the evolution of demand: new offers, new channels.

Consistency across the entire chain requires a better collaboration between the different business processes involved: supply chain, merchandizing, production, finance...

Offer design, vendor sourcing, procurement, reservation and replenishment strategies: all information on these topics are better off when shared and aligned across the teams.





Anaplan, the Connected **Planning solution to secure** your decision making

An innovative and evolutive cloud-based solution

Anaplan's cloud-native, flexible and efficient planning platform is now widely deployed in the retail industry to modernize the supply chain.

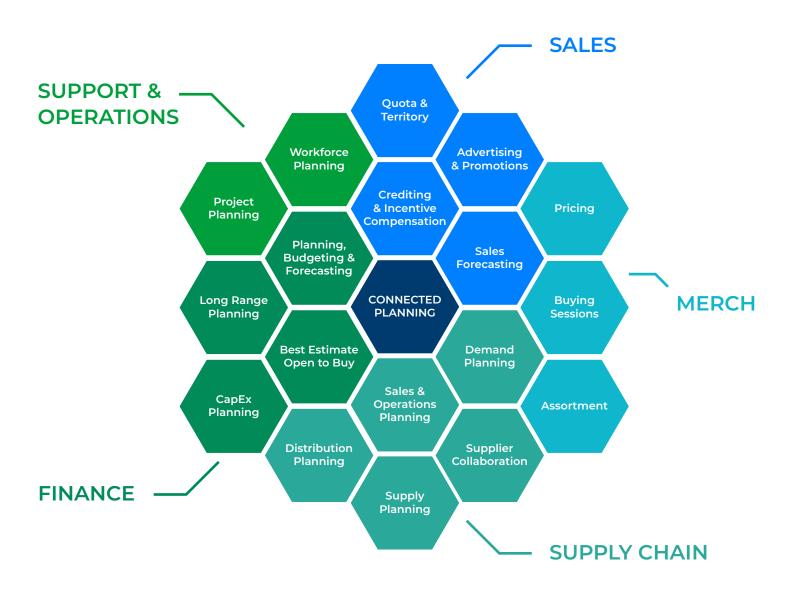
Modernization projects target the entire supply chain, from sales forecast to execution systems monitoring (component supplying, replenishment for distribution) and intelligently combine strategic and operational planning (long/medium/short term).

Anaplan: what are the benefits recognized by our clients?

- A fully configurable and customizable tool that enables building tailored solutions to support the customer's growth objective.
 - Real-time analytics able to simulate the impact of assumptions and compare different scenarios.
- A tool capable of flexible adjustments and constrained optimization that supports ambitious goals: DDMRP implementation, shortage or overcapacity management...
- An easy-to-use product with spreadsheet-like look and feel, making any customer quickly proficient, which can be used across the different business lines
- Shorter implementation time part of the functionalities can be productive in 3-4 months.
- High availability (>99%) cloud-based servers accessible from a simple web browser.

Accelerating the realization of Connected Planning transformation project benefits

Anaplan pioneer Connected Planning helps steadily connect business processes and people around a common and consistent vision. It's the real-life embodiment of the interlock of business processes: demand, production and sourcing; but also finance, marketing (promotion, products sales cycles...). Also, centralizing all the data on a single platform significantly reduces the processing time in comparison to consolidating different spreadsheets. More importantly, it ensures continually improving data security – no more famous Excel file to look for!



Lastly, Anaplan is an opportunity to model all the planning processes on a unique platform.

VISEO, an Anaplan partner for retail and supply chain

As a strategic Anaplan partner since 2014, VISEO has established a 25-person team fully dedicated to Anaplan implementation projects located in Europe and Asia.

VISEO supports about 50 major players of the retail industry in their digital transformation projects as well as in their worldwide optimization projects daily.

Our teams provide end-to-end support, from consulting services to application maintenance: scope assessment, project management assistance, management and implementation of solutions, international rollouts...

Beyond our Anaplan expertise, we offer our customers an end-to-end approach, in fact we provide agile transformation or change management services on demand.







Beyond numbers, our main competitive advantages can be summarized in 5 points:

- Numerous well-known references by sector and a 360-degree vision of the current challenges and mutations in the retail industry.
- 2 Core-competencies specific to supply chain and merchandizing processes – namely with Anaplan – more specifically in the Fashion & Luxury industry.
- 3 End-to-end customer support, from solution design to Anaplan applications maintenance – supported by a dedicated Global Center of Excellence.
- Our agile-inspired project methodology aimed at actively involving our customers' teams in the design and build of their solution.
- 5 Our accelerators for project design and delivery: ready-made starter kits and applications enable quick projects deliveries.



Overview of the VISEO projects

Projects led by the VISEO Anaplan team operationally address the whole chain: budget planning, offer strategy, purchases, sourcing and supply, store locations, distribution...

Responsiveness, cost control, risk mitigation, service rate and margin optimization are the key levers for those transformation projects.

Anaplan Partner VISEO

For Longchamp: management of purchasing sessions for all collections and all geographical areas

Founded in Paris in 1948, Longchamp is a French luxury leather goods company known worldwide for its handbags, travel items and fashion accessories.

То support its international expansion, Longchamp retool their purchasing department align and unify the merchandizers' to approaches towards Europe, USA and Asia, as well as increase their best practices.



Today, the solution supports both central and regional teams in their upstream exchanges and during showrooms:

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Selection	Purchasing	Development
of products	recommendations	in new areas

In addition to productivity gains, the use of a single platform contributes greatly to the overall consistency of the Longchamp international offering.

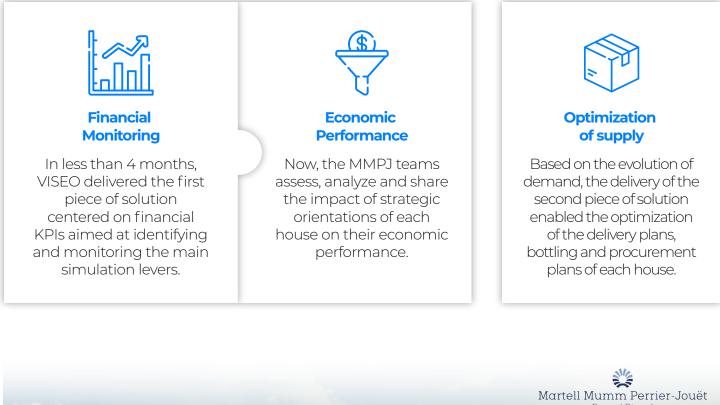
This first initiative was part of a larger transformation of Retail planning and embracing the adoption of mid-season replenishment.

The implementation of the Buying tool was quick: 5 months before a first productive use in a showroom while run autonomously by merchandizers.

For Martell Mumm Perrier Jouët: building a common 5-year strategy, from anticipating market needs to product procurement

The initiative launched by Martell Mumm Perrier Jouet aims to model the Champagne activity and connect operational planning – evolution of demand, introduction of new products, procurement strategy, industrial capacity – with the 5-year guidance for financial performance.









For a French ready-to-wear and leather goods company: pricing and margin optimization strategy

The brand wanted to overhaul their entire price list creation process in order to become more flexible and enable more visibility across the Pricing, Merchandizing and Finance teams.

To do this, VISEO implemented a solution with Anaplan price calculation, adjustment and validation application, for all products – new and old – and all activities – Ready To Wear, Small Leather Goods, Shoes and Accessories.

This application allows to:



Monitor pricing

Simulate and set the retail / wholesale prices in about 20 currencies, based on industrial costs as well as other key figures.



Run portfolio analysis, set the prices analogically, and simulate the impact on the margin through volumes forecast.

It can be used upstream or during showrooms in order to save time and be more reactive on the pricing strategy to be adopted. The pricing teams can access a progress report of validated references and references pending validation, as well as multiple exporting options – hierarchically, by price list, or restricted to revised prices.

Thanks to this application, the company succeeded in reducing processing times / delays, improving user experience, and allowing teams to be autonomous through the calculation rules configuration.





For a French haute couture brand: at the service of flexibles processes

The company has implemented simple, flexible and scalable planning tools in order to manage demand planning and distribution in SAP. The first business case focused on the automation of forecast-based distribution processes for centrally managed Carry Over references.

To answer this challenge, the brand implemented a sales forecasting model in Anaplan driving the overall allocation of quantities to various regions based on product mix as well as prioritization algorithms.

Quick and effective implementation: the solution went live 3 months after project kick-off.

This application mainly allowed our client to:



Improve their trading processes in different areas

Support weekly allocation of products

Once completed, all supply chain processes were migrated over to the cloud and interconnected, from Business Planning to monitoring seasonal replenishment.





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