



# Direct-to-Consumer

Merchandise Planning & Allocation for Apparel, Footwear & Accessories

## Stay ahead of Trends with Industry-specific Planning & Allocation

Your store counts are growing and your websites are growing even faster. How do you effectively drive sales and lower markdowns for your Direct-to-Consumer (DTC) channels?

- Lower markdowns (up to 30%)
- Increase full-price sell-thru (5-10%)
- Reduce lost sales (1-3%)
- Greater inventory turns (1-3X)
- Reduce administrative activities (up to 30%)

We at 7thonline are revolutionizing the way merchandise planning and allocation drives the bottom line. Built by Apparel, Footwear, and Accessories (AFA) industry veterans, our solutions empower today's planners and allocators with deep demand insights and robust optimization to achieve critical margin breakthrough and inventory productivity. Taking advantage of 7thonline's cloud-based, demand-driven DTC solutions, today's fastest-growing retailers are able to leverage industry-specific algorithms, embedded best practices, and streamlined processes to deliver compelling assortments and significant financial impact.

Unlike other retail applications that are modeled after stable products, 7thonline's DNA is in fashion and apparel. Our solutions are designed to address inventory challenges unique to short-lifecycle, fast-turn products in AFA. As former retail planning executives, we have deep industry knowledge to help you maximize the use of technology to drive your business forward.

## DTC Merchandise Planning

### Flexible Hierarchy for Well-thought-out Plans

Unlike spreadsheets or traditional applications that only allow fixed planning levels, we understand your need to analyze the business in multiple angles. Leveraging a flexible hierarchy with embedded reporting and forecasting, your planning teams can examine the business thoroughly to identify opportunities and risks. For eCommerce teams that look to incorporate data beyond historical sales, we enable planning and analysis based on web-specific metrics (e.g. returns, demand v. fill, etc.) to drive greater accuracy.

- Flexible planning levels configured for your business
- Embedded proprietary forecasting
- Automatic seeding of plans from multiple sources
- Visibility across brick-and-mortar and online channels
- Web-specific KPIs for eCommerce planning

## DTC Open-to-Buy

### Speed and Insights for In-Season Decisions

Moving off from spreadsheets, we provide you speed and accuracy in reviewing and analyzing OTB with powerful capabilities such as system forecasting and “what-if” scenarios. Alleviated from manual data work, your team can focus on making the best in-season buying and selling decisions based on deep demand insights. For eCommerce that requires fast analysis and different KPIs from store-based retail, we enable daily OTB with web-specific metrics.

- Flexible planning levels configured for your business
- 12-month rolling or 24-month fiscal views
- Multiple “what-if” scenarios
- Proprietary forecasting for new or seasonal products
- Web-specific KPIs and daily OTB for eCommerce

## Embedded Forecasting & Reporting

### Actionable Insights at Your Fingertips

Instead of switching from planning and allocation applications to access analytical insights from separate reporting or forecasting tools, we provide embedded reporting and forecasting within the application. Without burdening IT, all the insights you need to perform in-depth analysis are now in one place, just a few clicks away.

## DTC Assortment Planning

### Reverse Engineering Clusters for Localized Mix

Instead of outdated approaches such as static clustering or the “wedge”, we help you maximize selling potential by “reverse engineering” clusters: the system goes down to the lowest level—style/color by door by week to analyze history, correct for lost sales, and recommend optimal buy. For eCommerce, instead of treating your website just like another brick-and-mortar store, our algorithms analyze web layout strategies and their sales impact to recommend optimal buy and product placement.

- System recommended buy based on demand targets
- Ladder plan at style/color level by door by week
- Proprietary modeling for new and seasonal products
- Optimized size profiling by store
- Visual and analytical assortment planning views

## Allocation & Replenishment

### Maximize Sales Potential by Product by Store

Departing from traditional approaches such as static model stock or allocation by cluster, we help you drive products to stores where it can reach the highest selling potential. The system evaluates each item’s propensity to sell in every store, and factors in important industry considerations such as appropriate color distribution—as a result, even your smaller stores can be sure to receive colorful and attractive assortments to maximize their full selling potential.

- Weekly forecasts for in-season trends
- Sales index & dynamic clustering
- Push & pull allocation recommendations
- Stock-balancing capabilities
- Exception management for efficiency and scale

- Intuitive, robust reporting engine at no additional cost
- Designed to empower business users
- Proprietary algorithms optimized for AFA
- Embedded forecasting for on-screen access
- Best practice infused modeling for business improvement

