



Unlock In-Store Inventory Visibility

Why do items end up being cleared, 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 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)

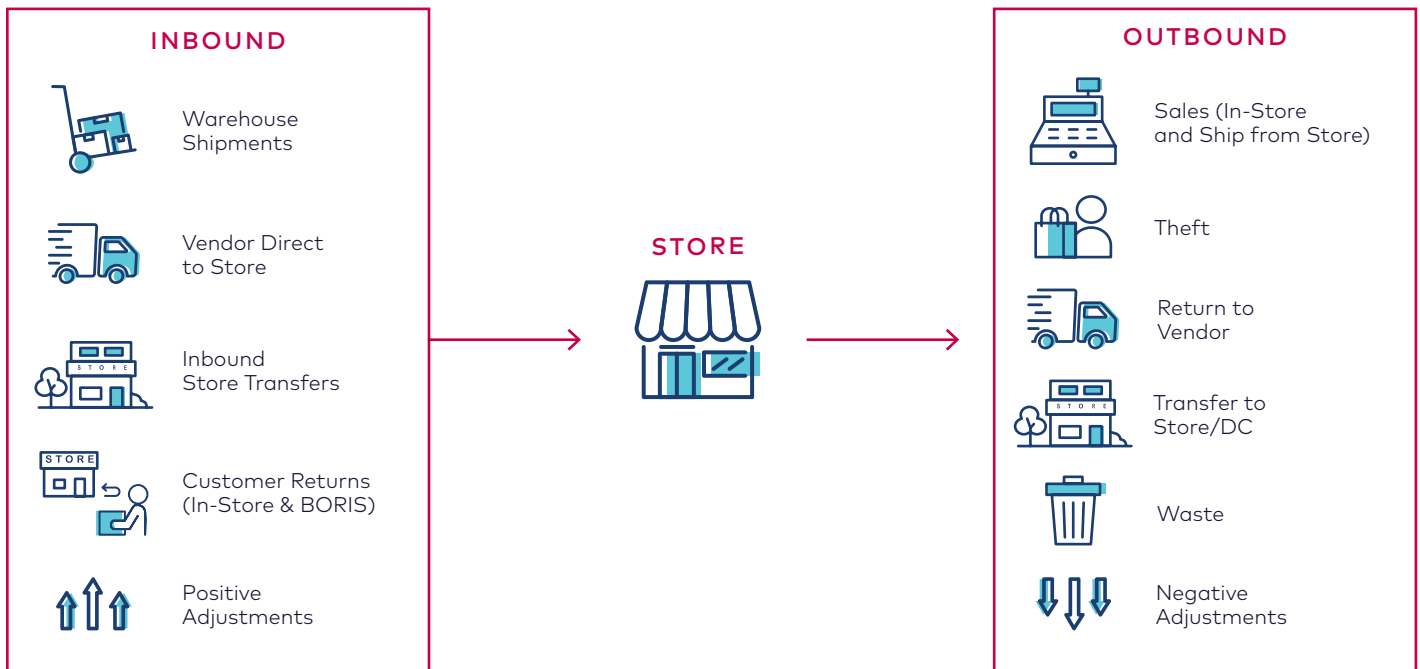
This module of the Apriss Retail Performance Platform quickly identifies the underlying causes behind these inventory issues. The system analyzes these six business processes:

- Waste
- Selling
- Manual Adjustments
- Stock Take / Inventory Count
- Receiving
- Direct to Store Delivery (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
On-Hand Growth/Build of Stock	Items with increasing on-hand growth and declining sales or removals from store
Item On-Hand No Sales	Item is on-hand in the store but there is no outbound movement
Transfers	Inter-store transfers showing inconsistencies or high occurrences
Extended Out-of-Stock	No stock on-hand for an extended period creating an assortment issue
Vendor Over Delivered	Vendor is over-supplying store with a certain product type
Vendor Under Delivered	Vendor is short shipping or not supplying enough product to meet demand
Promotion Allowance	Vendor performs large deliveries before or at the end of the promotion period
Vendor Debit/Credit Ratio	Items with an imbalance in debit to credit ratios
Missing Credits	Vendor has not issued credits to the location for a long time
Low Vendor Credit Ratio	Credit ratio as a percent of sales is lower than with other vendors



Opening Communications 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.

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. Advanced analytical queries are AI-driven to help you find the problem and determine the next steps. 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:

- Reports and 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 Inventory Invoice 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.

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. 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.
5. 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 reports and 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



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 reports and dashboards for fast action
- Use AI-driven queries out of the box
- Schedule queries to run automatically Achieve rapid ROI

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™



Leveraging more than 20 years of data science expertise, Appriss Retail transforms ecommerce and omnichannel consumer interactions by providing real-time, actionable recommendations that reduce fraud, drive efficiency, and maximize profitability. The company's AI-driven, SaaS platform generates analytical insights and recommendations at more than 150,000 physical and online retail locations in 45 countries across six continents.

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