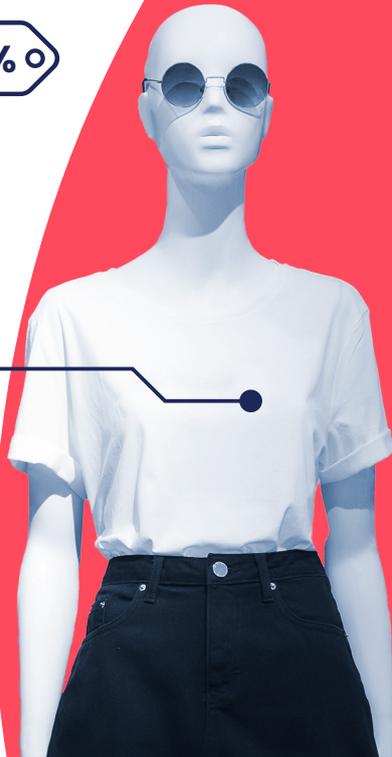


SALE

30%



SALE

40%



MARKDOWN OPTIMIZATION

Accelerate your margin growth by
optimizing markdowns throughout the
product lifecycle



The new retail landscape isn't static; your markdowns shouldn't be either. Winning in the competitive omni-channel retail era requires you to excel at pricing strategies and create a path to potential margin growth. That means using more effective, optimally timed markdowns for each product that differentiates between regions, climates and stores.

Our Markdown Optimization Solution helps you maximize your overall profit by optimizing your pricing strategy for each item over its lifetime. It allows you to accurately predict seasonal demand for new products with limited history. By analyzing product attributes, price elasticities, weather and other impacts, it enables you to maximize revenues from your inventory investment.

Markdown Optimization leverages full capabilities of AI and advanced analytics to help you anticipate omni-channel fulfillment opportunities for each and every product. It enables you to lower your markdown loss, achieve higher sell through, and gain visibility into end-of-season sales and inventory levels.

Key Benefits



Lowers markdown loss & increases sell-through for each and every option



Maximizes margins with AI-powered forecasting & optimal markdown depth & timing decisions



Estimates price elasticity uniquely for each product by using product attributes



Estimates cannibalization effect of one product's markdowns on other products



Offers visibility through the season & end-of-season sales and inventory levels



Coordinates with various promotional strategies and, what-if scenario evaluation



Why Use Markdown Optimization?



Excellent Markdown-Specific Forecasting

- ✓ Take advantage of AI-powered, omni-channel demand forecasts that uses self-learning markdown algorithms throughout the season
- ✓ Use sentiment-based demand sensing approaches for the best forecasting possible
- ✓ Create excellent option level markdown forecasting with a complete view of your inventory
- ✓ Maximize your profits over an omni-channel network.



Forecast Using Product Attributes and Own- and Cross-Price Elasticity

- ✓ Not all products respond to markdowns the same way. We use product attributes to estimate own- and cross-price elasticity
- ✓ Examine how your products react to price changes, estimate how much demand will increase at any given level of markdown/discount.
- ✓ Monitor and learn from deviations from predicted price response.



Oversee the Markdown Impact for All Price Levels

- ✓ Review the impact of the markdown at an aggregate level
- ✓ Use this information to be more proactive in your pricing strategy and to revise plans accordingly.



Optimally Timed Markdowns That Differentiate Between Regions, Climates, and Stores

- ✓ Set different optimal prices for each store cluster, region or country based on the location-level price elasticity
- ✓ Take advantage of your global network to generate maximum profit from your inventory.



Use Simulations and Compare What-If Scenarios in Real-Time

- ✓ Test alternative business rules and objectives quickly and easily see end-of-season projections
- ✓ Simulate and evaluate various markdown scenarios
- ✓ Use "what if" analysis to reassess your markdown strategies and make optimized markdown decisions.



Profit-Optimization Throughout the Season

- ✓ Maximize overall profits by optimizing the pricing strategy of each item over its lifetime
- ✓ Accelerate your margin growth
- ✓ Act fast for products with a high risk of excessive leftover inventory
- ✓ Avoid unnecessary early and deep markdowns for products / locations that will sell out
- ✓ Create a successful markdown strategy that reduces your excess inventory to generate the highest maximum revenue.

A/B Test Proven Client Results



Achieve
Margin Improvement



Achieve
Higher Sell-Through



Lower
Markdown Loss

About Invent Analytics

Invent Analytics' Omni-AI **delivers significant financial improvement** by empowering retailers to **profit-optimize** their supply chain. It orchestrates a retailer's entire supply chain **by unifying network planning, inventory and price optimization, and fulfillment in one framework.**

Invent Analytics puts your **omni-customers at the heart of its tailor-fit solutions.** It **proves the financial benefits** with pre-go-live simulations and rigorous **A/B testing.** Invent Analytics' over 30 clients have experienced a **2-6% increase in profitability.**

Invent Analytics' Omni-AI SaaS solutions are:

- Omni-Network Design
- Omni-Plan Suite
 - Omni-Demand Forecasting
 - Omni-Store and DC Replenishment Optimization
 - Omni-Allocation Optimization
 - Omni-Transfer Optimization
 - Markdown Optimization
 - Assortment Optimization
 - Dynamic and Competitive Price Optimization
- Omni-Fulfillment

Invent Analytics has been selected as the **Top Supply Chain Technology Company by Retail Industry Leaders Association (RILA)** and **won the 2020 Innovation Awards for Supply Chain.**

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