



Merchandise & Assortment Planning E-learning Course



Martec International

Martec International is a leading provider of data, industry knowledge and insight on retailers, consumer goods companies and other suppliers to retail, especially technology companies.

Our customers include:

- Retailers
- Consumer Goods companies
- Technology suppliers to retailers and consumer goods companies
- Marketing services companies that promote services to retailers and consumer goods companies
- Other service providers, such as logistics companies.

We help clients increase their industry knowledge, develop their skills and grow sales. Companies from approximately 35 countries across 6 continents come to Martec for assistance and insight.

Target Audience

Martec's Merchandise and Assortment Planning e-learning course is designed for everyone involved in merchandise and assortment / range planning including merchandisers and planners and their teams. IT departments and vendors supplying and selling merchandise and assortment planning systems will benefit from a better understanding of the key processes and best practices.

Objectives of the Suite

The objectives of the Merchandise and Assortment Planning course is to examine the basic principles of merchandise and assortment planning and best practices.

By the end of this class, learners will be able to:

- Describe an overview of merchandise planning
- Explain the pre-requisites to good planning
- Identify the steps in a top down planning process
- Explain the principles of range or assortment strategy and assortment architecture
- Describe the steps in building a range or assortment plan
- Apply the concept of GMROI to make sure that the interdependency between gross margin and inventory turn is logical and well thought out
- Adjust the planning process for non-store channels.



Course Overview

Merchandise and Assortment Planning is a self-paced web-based training program. The program provides about 5-6 hours of training. We recommend that students study in 30-40 minute segments to maximize learning retention.

The program includes a variety of interest generating features and exercises. The student sees his or her own test scores immediately and can review explanations for the correct answers, as appropriate.

Companies who buy a group of licences will be given access to the reporting facilities in the Learning Management System. This enables management to track which students have started and completed the training and their test scores.

There are three pricing options:

- Induction is suited to new joiners who will complete the complete training suite in a limited time. An induction licence is valid for 3 months.
- Professional is valid for 12 months. This allows those who need to re-visit the classes periodically to refresh their knowledge to do so whenever necessary.
- Performance Enhancer includes access to the complete Retail and Consumer Goods Industry WIKI and performance support system also for a 12 month licence.

You can get a full explanation of the benefits and what is included in each option as explained in our [class pricing options](#) web page.

All a student needs to run the program is access to a PC and a web browser. The program is hosted on Martec International's Learning Management System and is available round the clock.

Companies may also purchase a corporate licence which provides unlimited access within the company's own organization. Prices are available on request.



Program Contents

Overview of planning

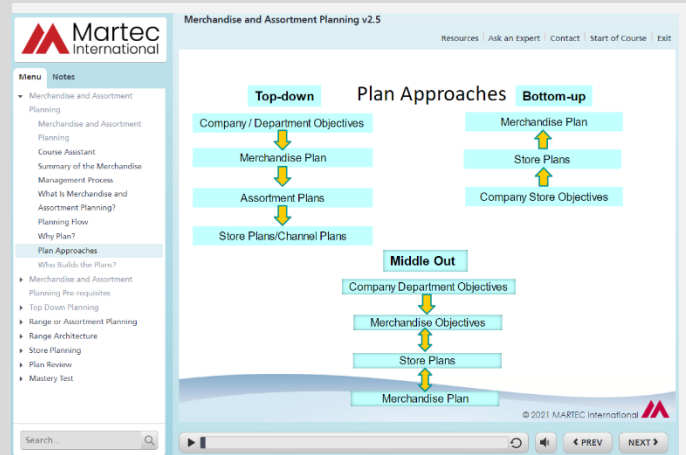
- The merchandise management process
- Planning flow
- Why plan?
- Plan approaches
- Who builds the plans?

Merchandise and assortment planning pre-requisites

- Business plan input
- End of season review
- Seasonal plans
- Merchandise hierarchy

Top down planning

- Plan development exercise
- Setting plan objectives
- Plan phasing
- Planning inventory
- Planning margins
- Class level planning
- Unit planning
- Auto-balancing



Merchandise and Assortment Planning v2.5

Planning Gross Margins

From a planning perspective, if the target average gross margin for the department is 36%, we would typically start with higher margins (i.e. above 45%) and reduce them over time to below 36% to achieve an overall average of 36%. Analyzing the same season last year in respect of actual margins earned will provide good guidance on how to do this, but any special factors will also need to be taken into account.

Planning Gross Margin is normally only done at higher levels of the hierarchy to establish targets. At lower levels it's more effective to plan the components such as markups, freight.

	LY P13	P1	P2	P3	P4	P5	P6	P7	Total	P8	P9
	Jan	Feb	Mar	Apr	May	June	July	Aug		Sep	Oct
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Last Year Sales	22.1	25.1	25.3	27.9	38.4	32	20.2	20			
Last Year % Season	11.1%	12.1%	12.7%	13.7%	19.2%	16.2%	10.1%	10.0%			
% Increase	9.0%	11.0%	13.0%	15.7%	12.0%	8.0%	3.0%	11.0%			
This Year Plan Sales	24.1	26.8	28.6	43.9	43.4	34.6	22.0	22.0			
Opening Inventory (BOM)											
Closing Inventory (EOM)											
Receipts											
Gross Margin % LY	46.0%	44.5%	38.0%	36.0%	32.9%	30.1%	29.9%				
Gross Margin %	46.0%	44.5%	38.0%	36.0%	32.9%	30.1%	29.9%				
Gross Margin Plan \$m	11.1	11.9	10.3	15.8	14.3	10.4	6.2	10.0			

What considerations would you have in phasing the margins?

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Program Contents

Range or assortment planning

- Strategy
- Range analysis
- Range construction

Range architecture

- Good, better, best
- Competitor price point analysis
- Price point planning
- Assortment options
- Rate of sale
- Range plan
- Product selection factors
- Style curves
- Market buy plan
- End of season range review / style out

GMROI and turn

Channel store planning

- Plan review
- Merchandise plan checklist
- Some tips
- Sensibility checks

Mastery test

The screenshot displays the 'Range Planning Hierarchy' slide within the Martec International software. The slide features a diagram titled 'Range or Master Assortment' at the top, which branches down into three 'Assortment' boxes. These assortments are then mapped to various retail channels: 'Store', 'Store', 'Store', 'Store', 'Store', and 'Online'. The software interface includes a sidebar menu, a top navigation bar with links like 'Resources', 'Ask an Expert', and 'Contact', and a bottom control bar with navigation buttons.

The screenshot shows the 'Merchandise Plan Checklist 1' slide in the Martec International software. The checklist contains ten bullet points designed to evaluate the quality and realism of a merchandise plan. The software's user interface, including the sidebar menu and navigation controls, is also visible.

Merchandise Plan Checklist 1

- Is the right mix of merchandise planned for each group of stores?
- Is there a satisfactory inventory turn rate?
- Are calculated margins and average selling prices of the right order?
- Given the sales densities you normally achieve is the planned sales density reasonable?
- Are a sufficient, and not an excessive, number of options being planned?
- Is overstocking in the warehouse and the stores going to occur?
- Is the margin by period, taking into account markdowns, sufficient?
- Is the right stock turn forecast, by range and department?
- Are the sales by period and by range realistic?

Testing

At the end of each module there is a mastery test. If the learner completes this test with a pass mark of 70% or more and also completes our short class survey, they will be issued with a certificate and a digital badge. The digital badge can be shared on social media and has metadata, so anyone clicking on the badge can see what the learner has achieved. We also issue credits for classes completed. For more information on digital badges click [here](#).

Delivery Options

This program can be delivered in three ways:

- Individuals or companies can order the program for one or more people via the Martec International web site at www.martec-international.com.
- If a company wants to train batches of students, the e-learning program can be studied to a group time schedule and live web-based instructor-led sessions can be provided to allow for interaction with a subject matter expert. There is an extra charge for this for smaller size groups.
- Live instructor-led classes can be presented using the same material. This is relevant when there are 20 or more people to train at the same time.

Further information and pricing can be provided on request.

More Information

You can learn more about Martec at the following locations:

<https://www.martec-international.com>

Our YouTube channel at <https://www.youtube.com/channel/UCy9AbJlSWOIOJitqjqWZsDA>.

If you have an enquiry you would like to make of Martec, you can use the Enquire Further button on <https://www.martec-international.com/contact-us> or call +44 1823 333469.