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## Highlights

- Single system for tracking details around promotional activities including allowances, price points, distribution, performance dates, merchandising tactics and more
  - Localize activities– including pricing and items - to increase relevancy
  - Manage allowances centrally
  - Centralize planning with user entered forecasts
  - Part of a comprehensive promotion management solution
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# IBM Promotion Planning

*Centralize plans for promotional activities for use in systems across the enterprise*

Promotions are one of the most complex processes in retail. Retailers run hundreds of promotions every week, and want to localize these activities to increase relevancy. But how do you manage the sheer volume of information about promoted items in manual or rigid legacy systems?

IBM® Promotion Planning provides a cloud-based flexible, configurable, centralized planning environment for merchants to plan and manage the details of their promotional activities. It is a foundational element for forecasting with IBM® Promotion Optimization. Moreover, for retailers using IBM® Deal Management, offers submitted by the vendor, along with the associated details, automatically surface as a promotion in Promotion Planning. This IBM digital commerce solution enables retailers to quickly move from actions to results with the right promotion at the right time and place to customers.

## **Centralized repository of promotional activities and associated details for a comprehensive promotion management solution**

IBM Promotion Planning provides a centralized system to house the details around your promotions, including which item(s) are included in the promotion, valid dates, distribution, trade fund allowances, user entered forecasts and product placement details.



IBM Promotion Planning captures pricing details in a structured format, whether it is a straight percentage or flat rate discount, a BOGO or multiples offer or a package or other complex promotion types such as spend \$50 and get 1000 loyalty points.

Users can define performance details as part of a promotion, including the specific pricing action, whether the item is on ad or display, if there is a coupon associated with the promotion, if it should be applied to a “Club Card,” as well multiple retailer configurable fields.

Once created, these offers and their details are part of a central repository of promotional activities. These details are then used to feed various downstream systems such as the price hosting systems and demand forecasting to name a few.

IBM Promotion Planning is a core component of Promotion Management, and is a prerequisite for forecasting promotions through IBM Promotion Optimization. IBM Promotion Planning also ties closely with IBM Deal Management by being able to pull vendor-created offers directly from that system into IBM Promotion Planning to simplify the offer entry process.

## Manage allowance and work effectively with your vendors

Among the details tracked in IBM Promotion Planning are vendor allowances. Retailers can manage details around their vendor allowances within the system, helping to ensure that they are tracking them centrally, and are able to calculate margin inclusive of these funds. For retailers who have also subscribed to IBM Deal Management, offers – including allowance details – entered into IBM Deal Management by vendors and manufacturers are automatically imported into IBM Promotion Planning, eliminating the need for manual promotion entry. IBM solutions support virtually all allowance types including flat fee, performance (shipment-and consumption-based) and non-performance, while allowing users to track payment methods, and more with the allowance feature.

Promo ID	Promotion Name	Description	VOM	UOM	SKU	Promotion Start Date	Promotion End Date
861	Juicy Juice Tiered Pricing	example	64	FLOZ	2032203	Sep 21, 2014	Sep 27, 2014
522	Hawaiian Punch 128 oz	Hawaiian Punch TPR & Ad	128	FLOZ	2547553	Sep 14, 2014	Sep 20, 2014
506	Ocean Spray 64 oz_2/\$3	TRP \$2/\$3 with Ad	64	FLOZ	469559	Sep 21, 2014	Sep 27, 2014
505	Ocean Spray 64 oz_ \$1.79	TRP \$1.79	64	FLOZ	469559	Sep 21, 2014	Sep 27, 2014
504	Morning Wake Up!! Juice & Coffee Package	Buy 4 Juicy Juice at regular price, and get 1 Peet's Coffee FREE				Sep 21, 2014	Sep 27, 2014
503	Mott's 4 Tots Juice TPR BOGO with Ad & Display (Instructor)	TPR BOGO with Ad & Disp	64	FLOZ	2297879	Aug 31, 2014	Sep 6, 2014
502	Mott's 4 Tots Juice (Instructor)	Sale Price 2/\$3	64	FLOZ	2297879	Aug 31, 2014	Sep 6, 2014
501	Mott's 4 Tots Juice	Sale Price \$1.99 ea	64	FLOZ	2297879	Aug 31, 2014	Sep 6, 2014
485	VT Living Juices 64 oz	TPR 2/\$3-\$4 with Ad & Display	64	FLOZ	469706	Sep 7, 2014	Sep 13, 2014

Figure 1: Promotion Planning

### **Localize promotional activities**

IBM Promotion Planning allows users to vary the pricing, items and merchandising tactics to reflect the needs of the local markets. The system allows users to map stores to different locations and then group those location into logical groupings to be used in planning different pricing, item and merchandising actions. Localization is handled in a hierarchical fashion, allowing users to work down to the individual store/market level if available/needed. Localization helps retailers to ensure good promotional performance by allowing a user to adjust pricing if a store is close to a competitor, or if certain stores have higher costs, and also to manage content such as product swaps and different merchandising tactics to reflect differences such as varying store formats.

### **Track performance and manage forecasts**

IBM Promotion Planning also supports User Entered Forecasts (UEF), which can be used in conjunction with IBM Promotion Optimization or independently, to help retailers track performance through various financial reports available in IBM Promotion Planning.

With the UEF feature, users can track a forecast for the total promotion, as well as for the promoted products, and allocate that over individual promotion weeks and individual products per week. The system also tracks individual products per location per week. Once a forecast for the total promotion is entered, the system automatically apportions that forecast to different locations, products and weeks according to user definitions.

### **Why IBM?**

In summary, in the new era of retailing the changing market dynamics of retail promotion is very complex. It requires actionable insights, analytics, cross-organizational collaboration and transparency at every stage of the promotion planning process to deliver seamless, personalized shopper experiences across all channels. You need a solution that is based on your defined promotion objectives and can develop promotion strategies that will enable you to achieve your business objectives and meet evolving customer expectations for your digital commerce activities. With Promotion Planning, you can promote effectively, remain competitive, and achieve significant financial and productivity improvements.

For more than a decade, IBM solutions have helped retail organizations develop and continuously enhance their capabilities. IBM's many years of deep retail pricing experience, combined with leading optimization science and research resources, delivers true omni-channel promotion planning capabilities that allow our retail clients to set, manage and execute optimal and coordinated promotions across their physical and digital channels.

### **For more information**

To learn more about IBM's Omni-Channel Merchandising solutions, please contact your IBM representative or IBM Business Partner, or visit the following website:  
[www.ibm.com/software/products/en/ibm-promotion-planning](http://www.ibm.com/software/products/en/ibm-promotion-planning).



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Produced in the United States of America  
July 2017

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