

Scan Based Trading

SOLUTION BRIEF

THE NEXT GENERATION OF SCAN BASED TRADING

The first Scan Based Trading pilot, sponsored by the Grocery Manufacturers of America in conjunction with several retailers, was conducted almost 10 years ago. From the beginning SBT brought benefits in the form of increased sales and the elimination of invoice deductions. The pace of change is accelerating, and the practices of a decade ago have to evolve if companies expect to remain strong and profitable.

Prescient's **Scan Based Trading (SBT)** application has done just that. We are pioneers in SBT, and are the only company to offer a SBT application. This powerful application helps retail trading partners drive operational efficiencies, increase distribution, and extract top-notch performance from their supply chains.

Take a minute to assess whether your company should be considering SBT:

- ▶ Are you losing sales because you're spending too much time checking in, and not enough time merchandising your products?
- ▶ How would your ordering and replenishment process change if you had greater visibility into shelf-level inventory and POS data?
- ▶ Could you expand distribution if you had a risk-free way to put more product on your trading partners shelves?
- ▶ Is your back room costing you margins because of inaccurate counts, unauthorized deliveries, and the labor needed to staff it?
- ▶ How much time and resource power do you put into resolving invoice discrepancies?
- ▶ How do you currently manage shrink with your trading partners? What challenges do you have around shrink?

COLLABORATION IS KEY

Operating in an increasingly competitive marketplace, one thing is clear: retailers and suppliers can no longer afford to go it alone. Prescient's SBT application enables collaboration between trading partners and provides a more efficient way to do business.

Our web-based application provides visibility into store-level product movement, allows suppliers to spend more time merchandising product, and removes time-consuming operational drudgery from the retailer-supplier relationship. This way, trading partners can focus where it matters most – at the store shelf.

Retailers who are actively engaged in SBT have:

- ▶ **Increased sales** by almost \$6000/year/store in some categories
- ▶ **Reduced inventory** by 10% - 30%
- ▶ **Reduced back room hours** and trimmed payroll costs significantly

Suppliers who have embraced SBT have:

- ▶ **Increased sales** through expanded distribution
- ▶ **Gained an average of 14 minutes** more for merchandising
- ▶ **Increased route efficiency** by 60%
- ▶ **Shortened delivery time** by 300%
- ▶ **Reduced shrink** by over 50%



Prescient Family of Products

Foundation

- ▶ Demand Signal Repository

Supplier Solutions

- ▶ Scan Based Trading
- ▶ Data Synchronization
- ▶ Vendor Managed Inventory
- ▶ Store Level Replenishment
- ▶ Enterprise Supply Chain Planning

Retailer Solutions

- ▶ Scan Based Trading
- ▶ Data Synchronization
- ▶ Store Level Replenishment
- ▶ Computer Aided Ordering

Business Intelligence

- ▶ Visibility & Analytics



PRESCIENT, PIONEERS IN SCAN BASED TRADING

In an industry where competition is fierce and margins are slim, Prescient's Scan Based Trading application eliminates supply chain inefficiencies and helps retailers and suppliers get product to the store shelves more quickly, efficiently, and profitably.

With SBT, partners agree ahead of time on the structure of their relationship – which items are authorized to be sold, which are being promoted, and what the selling price is, eliminating discrepancies and long, drawn out reconciliation at the back end when it's time to get paid. The Prescient system receives the scan sales data and maintains it in a repository to ensure that product movement data is available to all members of the trading community.

Shrink control ... and its costs ... are critical to a successful SBT program. A shrink agreement is crafted at the onset of an SBT relationship, and can take various forms, based on trading relationships and best practices.

A MEANS TO AN END

But SBT isn't just a transactional process, it's a competitive advantage. But don't take our word for it, here are some real-life customer results:

- ▶ Increased sales by 800%
- ▶ Increased route from eight stores to twelve
- ▶ Average delivery time dropped from one hour to 18 to 20 minutes
- ▶ Annual sales lift of almost \$6000/store/category
- ▶ 11% lift on space adjusted products

Suppliers who are Prescient subscribers can still conduct SBT with a retailer who is not currently a member of Prescient's community of subscribers. The application enables the retailer to transmit point of sale data directly to Prescient. Suppliers can access the data and are then able to utilize the strength of the Prescient SBT application to conduct business as they would in a standard SBT relationship.

Best of all, Prescient's SBT application is a subscription-based service, so you can be up and running in no time. Our controlled hosted environment ensures that our SBT applications and reporting tools are always available.

So put the next generation of SBT to work for you. It can take you where you need to go.