

MANHATTAN ACTIVE™ HQ

Active Solutions that Exceed Modern Shoppers' Expectations

Serving modern shoppers requires a comprehensive approach that extends across the many layers of the shopping journey.

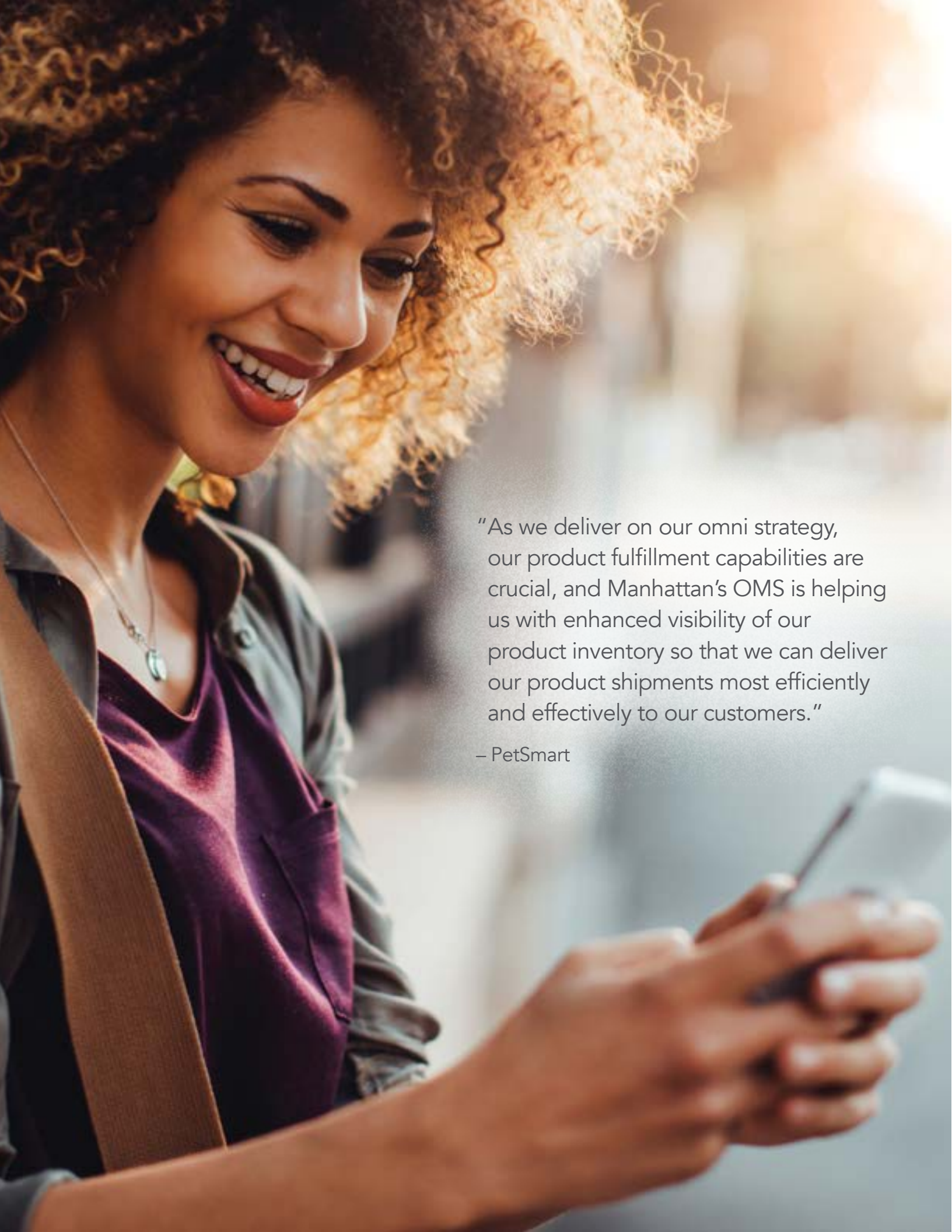
Modern shopping scenarios are as diverse as store assortments, and the sequence in which a shopper engages channels varies widely. One customer may make a purchase through a mobile app but return an item to the store. Another customer may have a more complex journey: She starts by browsing a retailer's e-commerce site, filters the list of items so she sees what's available to buy and pick up today at the nearest store, and places goods in a virtual shopping cart. She pauses to go out for a coffee, and at the coffee shop, opens a retailer's mobile app to pay for the items in her cart, and stops by the store to pick up merchandise on her way home.

One shopping channel can affect another. For instance, if you highlight a particular product line in your social channel, your stores need to be prepared for a spike in demand. If you pilot digital signage in your stores, you should ensure consistency in product availability within your online channels. Your call center should be able to see which stores offer same-day delivery.

To exceed shopper expectations for personalized selling and service, omni-channel commerce requires a seamless approach, going from browsing to capturing an order to accepting returns via any channel. In this way, customers don't need to bend their shopping behavior to match the contours of a retailer's capabilities.

Comprehensive and Seamless Solutions

With the Manhattan Active™ HQ suite of solutions, any retailer can implement a technology foundation that centralizes the management of customer transactions, visibility and availability of inventory, and orchestration of orders across the enterprise—all in real time. At the same time, they can weigh all fulfillment options and consider the impact of each option, such as financial costs, operational costs and customer satisfaction impact.



“As we deliver on our omni strategy, our product fulfillment capabilities are crucial, and Manhattan’s OMS is helping us with enhanced visibility of our product inventory so that we can deliver our product shipments most efficiently and effectively to our customers.”

– PetSmart

Manhattan ACTIVE™ HQ Solutions for the Active Enterprise

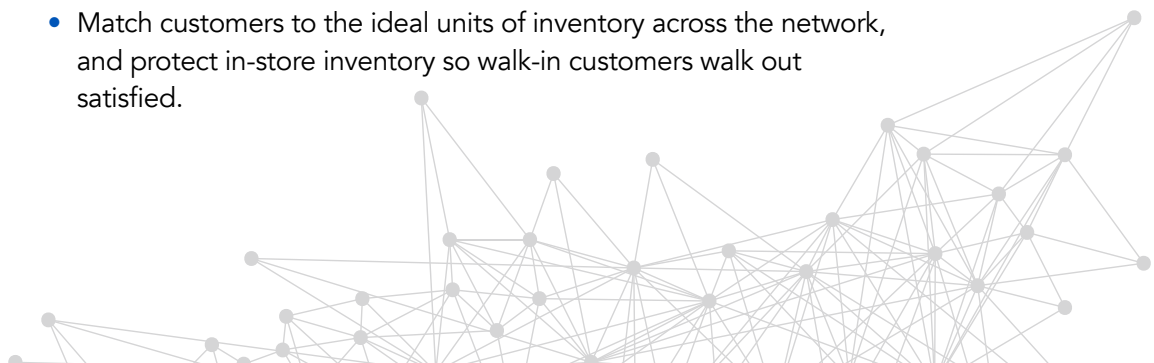
The Manhattan Active HQ solution suite provides the tools retailers need—in a wide range of deployment models—to build an agile, highly adaptable and fully optimized, yet collaborative, organization tailored to the realities of shopping today.

Store, online and mobile shopping have converged and expectations for rapid fulfillment are increasing. Customers expect to receive an order in a few days, to pick up in store, see store inventory online, initiate a return online, know the retailer sees past purchases and returns along with style preferences, use the payment method of their choice—and have certainty that an item is available with an accurate delivery date.

The store is an integral part of omni-channel retail now. As part of the omni-channel network, it needs to be integrated into an overall omni-channel solution. This means centralizing store transactions, store returns, store fulfillment and store operations. Store inventory visibility alone falls short of meeting consumer expectations.

Retailers must also:

- Provide engaging customer service, giving associates who are responsible for service a complete view of transactions, customer preferences, network-wide inventory and comprehensive fulfillment options.
- Weigh options for fulfillment in order to optimize profitability, using variables such as shipping and handling costs, selling price, store capacity, inventory levels, time to deliver and historical fulfillment success rates, as well as profits lost due to customer satisfaction issues like late shipment and over-promising.
- Match customers to the ideal units of inventory across the network, and protect in-store inventory so walk-in customers walk out satisfied.



Solution Components

Enterprise Inventory & Available to Commerce

When faced with the challenge of order fulfillment, it's not helpful to see a product availability picture from a standalone perspective. For example, if a consumer is interested in a value-added service like gift wrapping or next-day delivery, those requests affect the availability picture. Incorporating a dedicated order management system (OMS)—which considers order constraints when providing inventory availability—enables retailers to furnish customers with a more realistic inventory picture. This prevents disappointment for customers and provides consistency in setting expectations throughout their ordering experience.

Simply being able to see items online is no longer sufficient to meet changing consumer demands. Retailers also want to provide different tiers of availability for their shoppers: Is an item available right away? In two days? If it's on backorder, then when is the earliest it can be available? Can it be shipped the next day if the customer adds gift wrapping? Can it be shipped to a store close to the customer?

Manhattan's solutions enable retailers to show product availability based on network availability and order constraints, delivering a level of visibility that a native e-commerce systems cannot provide. Typical order management capabilities already built into an e-commerce platform aren't

powerful enough to ramp up to omni-channel needs.



Enterprise Inventory provides a powerful real-time view of perpetual inventory across fulfillment locations in the enterprise, including in-transit, on-order and third-party owned/fulfilled inventory. By aggregating inventory data across their fulfillment network, retailers maximize opportunities to convert via all selling channels.

Features + Functions

- Provide visibility into on-hand, in-transit and on-order inventory at the distribution center (DC), stores and suppliers in real time
- Disposition returned goods or on-hand inventory, such as defective or damaged goods, for managing quality control
- Manage store inventory holistically by separating back-room and floor inventory
- Use a standard event to publish inventory events and synchronize inventory positions across the network and external applications in real time
- Control a virtual division of on-hand inventory across multiple channels, while maintaining a single pool at the DC
- Manage on-order and in-transit inventory per channel while keeping intact a single, consolidated purchase order across channels

Available to Commerce is an advanced rules engine that complements Enterprise Inventory to allow retailers to quickly define and reconfigure views or scenarios to match the right customer to the right units of inventory. This innovative engine simultaneously factors merchandising, logistics, finance, store operations and other user-defined characteristics to turn inventory visibility into true availability, and all in real time.

Features + Functions

- Set rules around inventory availability based on a variety of factors, including selling channel, retail brand, delivery method, seasonality, store capacity/capability, inventory accessibility, inventory disposition, presentation stock rules, safety stock levels, etc.
- Manage availability through operational constraints such as fulfillment outages and store workload
- Enable selling change to view global and location inventory through REST-based APIs
- Publish real-time inventory availability to commerce channels and send updates when availability changes
- Protect store inventory levels so walk-in customers aren't disappointed

Adaptive Network Fulfillment

It's no secret that optimizing order fulfillment is a critical capability. That's why Adaptive Network Fulfillment was designed to orchestrate and optimize fulfillment based on customer service and profitability guidelines even while considering hundreds or thousands of potential fulfillment points, including stores.

It is no longer acceptable to ship an order in two days; delivery dates continue to get more and more aggressive. In fact, same- or next-day free shipping offers continue to increase. Keeping up with faster shipping can place downward pressure on product margin. To stay profitable, retailers must stem margin erosion by keeping inventory and fulfillment costs in check. So when free shipping is offered, which is sometimes necessary to compete, it's a more profitable proposition.

Our industry-leading order fulfillment capabilities include data visualization and fulfillment optimization that allow digital, store, merchandising and operations personnel to anticipate the impact of selected order fulfillment priorities using revenue, service and shipping costs. With the ability to quickly analyze all these factors, retailers are equipped to optimize and manage the fulfillment of orders across a complex network.

Fulfillment Suited for Stores

Stores play an important role in an omni-channel retailer's fulfillment network. But the requirements of a store when used for fulfillment are different from a DC. The store drives the need to evaluate additional considerations such as capacity for fulfillment, inventory levels and markdowns.

Optimizing how stores are leveraged for fulfillment opens the opportunity for:

- Quicker delivery times by leveraging proximity to customer
- Better inventory usage optimization
- Service-level downgrades and/or avoidance of service-level upgrades
- Expanding fulfillment capacity during sales, promotions and other peak periods
- Increased fulfillment success by saving the sale when a product is not available at a DC but is available in store
- Increased order margins from leveraging local/ marked-down inventory
- Reduced risk of markdowns by leveraging locations with high inventory
- Optimization of surplus inventory



Features + Functions

Fulfillment

- Efficiently route orders to a distributed network of DCs, stores and suppliers, and track status updates in real time
- Orchestrate complex merge-in-transit fulfillment flows to provide a single delivery to the customer
- Enable vendor drop-ship order fulfillment
- Manage retail/replenishment order fulfillment through purpose-built strategies
- Handle multiple fulfillment constraints such as fulfillment outages, capacity constraints and inventory protection

Measuring, Understanding and Adjusting Fulfillment Optimization

- View every fulfillment decision, the overall cost breakdown and decision parameters
- Utilize a Network Performance Dashboard and Single Order Analysis

Fulfillment Optimization

- Maximize profitability and customer satisfaction for every order with the ability to evaluate multiple fulfillment considerations in parallel and convert each to a cost of fulfillment, including shipping/handling cost, capacity utilization, rejection rate, inventory levels, margins and proximity to customer in order to:
 - › Balance fulfillment workload across facilities
 - › Proactively address surplus units
 - › Protect last units for in-store purchase
 - › Reduce fulfillment risk by leveraging historical rejections rates and inventory accuracy
 - › Manage retail/replenishment order fulfillment through purpose-built strategies
 - › Increase order margins by shipping from stores with price markdowns
 - › Provide incentives or deterrents as an option based on real-time data, such as an incentive to fulfill from a location with surplus inventory or deter a location that is at maximum fulfillment capacity
- Define different optimization strategies based on specific business needs, such as strategies for various types of orders, service levels or customer classifications
- Prioritize fulfillment from facilities that are designed to more easily handle fulfillment, such as DCs and larger footprint stores



Distributed Selling

Manhattan's Distributed Selling application provides the ability to manage the entire lifecycle of customer transactions regardless of source—call center, e-commerce, marketplaces such as Amazon and Jet.com, and other channels. Retailers rely on Distributed Selling to manage the complete, end-to-end life cycle of the customer order from initial fraud check to payment settlement and sales posting.

With Distributed Selling, call center agents and store associates alike have a real-time view of transactions and network-wide inventory. With this single system of record for customer orders across all channels, brands and geographies, retailers can greatly improve omni-channel capabilities and the customer experience.

Features + Functions

- Aggregate orders originating from various channels to provide a single source of truth for the enterprise
- Reserve inventory and provide expected ship dates for orders captured via channels like e-commerce and stores
- Support dynamic kitting by automating substitutions based on business rules
- Own the entire financial and payment life cycle for every order, including omni-orders which span across channels
- Provide support for split tender, split shipment and resulting split settlements
- Support multiple delivery methods like ship to home, pick up in store, and ship from store
- Support tax calculations for orders by integrating with third-party tax applications
- Support both DC and store returns, along with the appropriate refunds back to the customer
- Track inventory adjustments due to customer returns and manage enterprise inventory levels based on appropriate disposition codes
- Efficiently handle both even and uneven exchanges originating from online, call center and fulfillment centers via blind returns
- Leverage out-of-the-box integration with payment gateways like CyberSource® and tax engines like Vertex®
- Provide support for multi-brand, multi-country rollouts
- Support a customer-facing self-serve console offering capabilities like customer order status inquiry, returns and exchanges
- Seamlessly integrate with Manhattan's Point of Sale application to enable true omni-channel customer service
- Integrate with industry-leading Point of Sale systems using the appropriate callable REST services to enable capabilities like customer history lookup, save the sale and cross-channel returns/exchanges



Omni-Channel Customer Service

Give your Customer Service Representatives the information and capabilities necessary to create indelible omni-channel service and selling experiences—right at their fingertips. Manhattan's Customer Service application provides all the right tools to help your customer care center transition into a customer engagement center. And that means increased engagement, sales and productivity across all channels.

Features + Functions

- Enable a rich user experience through an intuitive user interface
- Provide CSRs fast and easy access to a customer's most recent transactions originating from any channel
- Get a single view of supply and demand across channels which helps CSRs make more informed decisions resulting in a superior customer experience
- Make order inquiry calls shorter by providing the most requested order and return-related information with fewer clicks
- Capture sales originating across any call center channel by providing robust item search and order capture features
- Support order capture functions like pricing, promotions, taxes and payment processing
- Enable customer order modifications including update line quantity, add item, order/line cancellations, modify shipping address, add/remove payment tenders, gift instructions, etc.
- Provide appropriate access controls across various user roles for functions like appeasements, returns, etc.
- Seamlessly navigate between customer orders, returns and exchanges which reduces the Average Response Time in a call center
- Leverage an intuitive user interface to support returns as well as even/uneven exchanges for orders across channels
- Give CSRs the ability to sell across the entire network using multiple delivery methods like ship to address, pick up in store and ship to store
- Enable buy online, pick-up in-store conversations with customers and accommodate their preferences by providing features like store locator and store-level inventory visibility
- Access the application through a flexible and easily extensible UI built on top of our extensive REST services platform built across our Manhattan Active Omni applications





Manhattan **ACTIVE™** HQ Solutions for the Active Enterprise

Over the past decade, as we've developed the Manhattan Active HQ suite—built on the foundation of our Order Management products—we've kept the requirements of digitally-empowered consumers squarely in focus along with retailers' requirements to optimize profitability. The suite allows retailers to create a holistic selling, service and fulfillment experience across every channel with a focus on profitability.

Dedicated to helping retailers compete more effectively, Manhattan Active HQ solutions manage the complete omnichannel order lifecycle with Enterprise Inventory, Available to Commerce, Distributed Selling, Adaptive Network Fulfillment and Customer Service. This powerful platform centralizes the management of customer transactions, visibility and availability of inventory, and orchestration of orders across all channels—all in real time. And that means retailers can increase profitability, responsiveness, and speed of delivery, ultimately exceeding shopper expectations.

Ready to get Active? Manhattan Active™
Learn more at manh.com



