

Planning has one objective – better business outcomes. Retailers know that being able to plan faster and with more agility is no longer a good idea; it's necessary in today's challenging climate. Driving resilience in retail planning is a key driver to achieving this.

The challenges to resilience: Four hurdles to the planning ideal.



Uncertainty

Predicting events is increasingly more difficult (and was extremely challenging to begin with)



Volatility

Change is happening at an almost daily rate



Complexity

Sound decision-making is consistently impacted by multiple factors



Competition

Market share is evolving and shifting all the time

What do the trends say?

Major trends retail leaders should be aware of for 2023 and beyond include:



Profitability With high inventors

With high inventory levels and declining profitability, can retailers survive without marking down prices?

of consumers are

of consumers are 'trading down' to save money. 1

However,

of retail executives forecast the cost of goods sold, and SG&A expenses will rise this year. ²

Data

technology in place?

How can retailers possibly sort through it all without the right

exabytes of data exist in retail alone (that's 4,194,304,000 TB). ³

of Tier 1 retailers still rely on spreadsheet-based planning

models as the core means of tracking and analyzing this incredible amount of data.⁴





As consumer behavior continues to rapidly shift towards digitalization and personal experiences, can

Alignment

retailers keep ahead of the trends to remain aligned?

of retail customer journeys start online or through a digital touchpoint. ⁵

of people will spend at least one hour a day in a metaverse to work, shop, learn, or for

entertainment. 6

Planning remains complex and without digital innovation underpinning true transformation,

What's the answer?

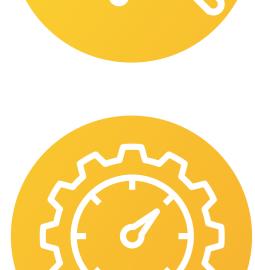
Intelligent Planning is essential for daily retail decisions and promotes resilient retailing. It offers a comprehensive view of the retail landscape, enabling retailers to predict and adapt to market

retailers remain at risk. The answer? Build greater resilience with Intelligent Planning.

changes, and optimize their supply chain and inventory. With Intelligent Planning, retailers can effectively navigate volatility, unpredictability, complexity, and competition.

The core concepts of Intelligent Planning are:

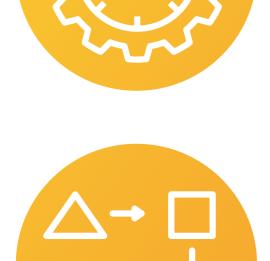
Plan smarter
Understand what drives the business forward and plan for what is coming next.



Drive outcomes

Ensure the contribution of every stakeholder in the business (from leaders and

staff to the consumer) is maximized for optimal business performance.



Lead transformation

Put planning as the spearhead of the organization's transformative efforts and ensure it remains in step with the rest of the transformation project.

Learn more with Microsoft.

in the retail industry with our on-demand webinar "Resilient Retail: How Can Intelligent Planning Drive Resilience"

Discover how Intelligent Planning can help drive resilience

WATCH NOW

⁵ McKinsey, 'Six strategic priorities for modern merchant leaders', March 23, 2022

¹ McKinsey, 'Hitting the mark: Why markdowns matter more than ever', December 2, 2022

McKinsey, 'The State of Fashion 2023: Holding onto growth as global clouds gather', November 29, 2022
 Compiled by: IDC, NRF, US Transport, 'IDC Datasphere 2023', 'Kroger Annual Report 2021', and 'IDC Retail Projection'
 Gartner, 'Gartner Market Guide for Retail Assortment Management Applications', 21 November 2022

⁶ Gartner, 'Gartner Predicts 25% of People Will Spend At Least One Hour Per Day in the Metaverse by 2026', February 7, 2022