

Retail Services at Infosys BPO

The pressures faced by modern retail may be attributed to four retail forces:

Retail forces

Customer challenges >> Retail companies have to manage changing customer preferences and the pressure to deliver better value to customers.

Technological challenges >> Retailers have to deal with disparate systems and applications, limited integration and lack of consolidated infrastructure.

In-store challenges >> Retailers are challenged by non-standard processes resulting in a high degree of fragmentation. In addition, store processes are plagued by inefficient labour management, stock-outs and shrinkages.

External challenges >> Retailers face challenges such as high seasonality in business, intense competition, variable/local regional spending power and pressure on margins.

Infosys Retail solutions are backed by deep domain expertise, operational excellence and technology interventions that help organisations transform their retail businesses. The Retail solutions from Infosys are designed to simplify and ease out the challenges of the retail environment through predictable outsourcing.

Infosys BPO Retail Solutions

Infosys BPO has developed several end-to-end solutions, to help retailers win in the flat world

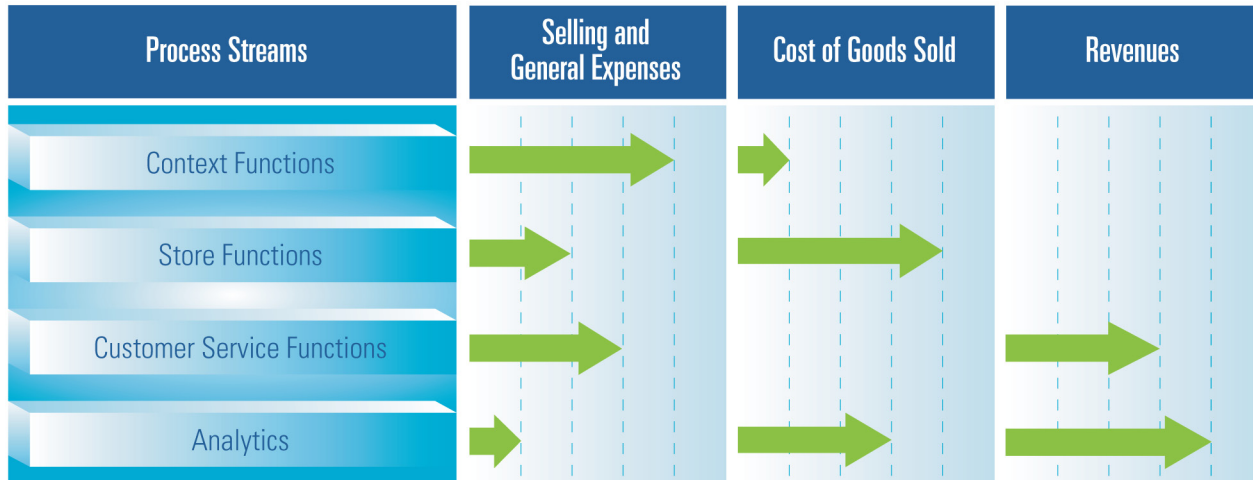
- **Master Data Management Solution** addresses complexities of creating and maintaining product (including prices and promotions), vendor and customer masters to provide multiple users with unified and accurate view of master data.
- **Lean Store Solution** optimises store processes, working with planning elements of store labour, space utilisation and store merchandising leveraging technology and process-expertise to deliver value.

| Context Functions | Store Functions | Customer Functions | |
|---|--|--|---|
| Finance & Accounting | Operations Support | Customer Relationship Mgmt | |
| Accounts Payable, Accounts Receivable, Fixed Assets Accounting, General Ledger Financial Planning and Analysis | Labor Scheduling & Workforce Management Temporary Staffing, Store Layout Planning | Call Center Support Online Sales Support Catalog Sales Support | |
| Human Resources | Category/Inventory Management | Coupon/Loyalty Card Processing | |
| Payroll Processing, Compensation, Administration, Benefits Administration Recruitment & Training Support | Merchandise & Assortment Planning, Forecasting, Replenishment Support and Order Management | Campaign Management Loyalty Program Tracking | |
| Sourcing and Procurement | Master Data Management | Content Design | |
| Spend Analytics Contract Compliance Tactical Procurement and Strategic Sourcing | Item Data Management – Item Creation, Item Maintenance, Item Delete, Item Force-out Vendor/Customer Data Management | Merchandising Collateral Design Catalog Design Online Store Set Up | |
| Analytics Solution Offerings | | | |
| Research | Store Sales Analysis | Product Analysis | Customer Analysis |
| Industry Analysis Competitive Intelligence | Store Revenue & Profitability Analysis Store Promotions Analysis In-Store Intervention Analysis | SKU performance New Product Performance Promotion Effectiveness | Customer Spend Analysis Market Basket Analysis Credit Risk Analysis |

Infosys BPO Retail Functions

- **Context Functions** consist of centralised back office functions like Finance, Human Resource and Procurement which can be key value-drivers in the retail context.
- **Store Functions** include planning functions inside the store, which are important to the efficient running of the store processes on a day to day basis.
- **Customer Functions** refer to functions surrounding the various customer touch-points.

Realised Business benefits would vary across functions and cost buckets



Case Study: Comprehensive CRM Analytics support for a US Specialty Retailer

Approach

- Identifying 3 high impact projects to be delivered - RFMC & Migration Analysis, Market Basket Analysis, Store Loyalty Analysis
- Setup SWAT team, data transfer mechanisms & analytic tools
- Deliver all 3 projects on-time, on-budget

Business Benefits

- Incremental net profit of \$300K+ over 6 months through analytic outputs and strategy recommendations
- Infosys is chosen partner for Analytics Services
- Continuously highlighting opportunities for additional business value

Incremental Response Rates: 5%**
Incremental Sales Potential: \$2.3 MM**

* Potential Business Impact

Sample Output – Identifying Seasonal best Customer Segments

Delivering ongoing business value – Response Models

| | | | |
|---|--|---|---|
| <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Current Selection Strategy</p> | <ul style="list-style-type: none"> No. of mailers : 1million Cost per DM piece : 47cents Total Marketing Cost : \$470,000 Response Rate : 11% Total Responders : 110,000 Avg Cost /Responder : \$ 4.27 Campaign Sales : \$ 4.1 mm | <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Applying Model on top of Current Selection</p> | <ul style="list-style-type: none"> No. of mailers : 1million Cost per DM piece : 47cents Total Marketing Cost : \$470,000 Response Rate : 16% Total Responders : 164,000 Avg Cost per Responder : \$ 2.93 Campaign Sales : \$ 6.4 mm |
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Building Tomorrow's Enterprise

About Infosys

Many of the world's most successful organizations rely on Infosys to deliver measurable business value. Infosys provides business consulting, technology, engineering and outsourcing services to help clients in over 30 countries build tomorrow's enterprise.

For more information about Infosys (NASDAQ:INFY), visit www.infosys.com.

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