



Control multiple
channel retail chain
across different
countries and
cultures.

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Agenda

Introduction of adidas-Salomon Retail chain AC

- Different Channels
- Different Seasons
- Different Countries
- Different Culture
- Business process

IT landscape

The value chain retail

What drives complexity ?

Summary



The 3 Shop Channels

Performance Store

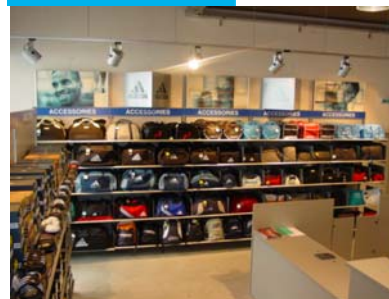
- The „classic“ store for the serious sportsmen
→ **siehe Bilder Stuttgart**

Heritage Store

- Fashion store for a very distinct customer group
→ **siehe Bilder Berlin**

Factory Outlet

- High quality clearance sales
→ **siehe Bilder Cham**

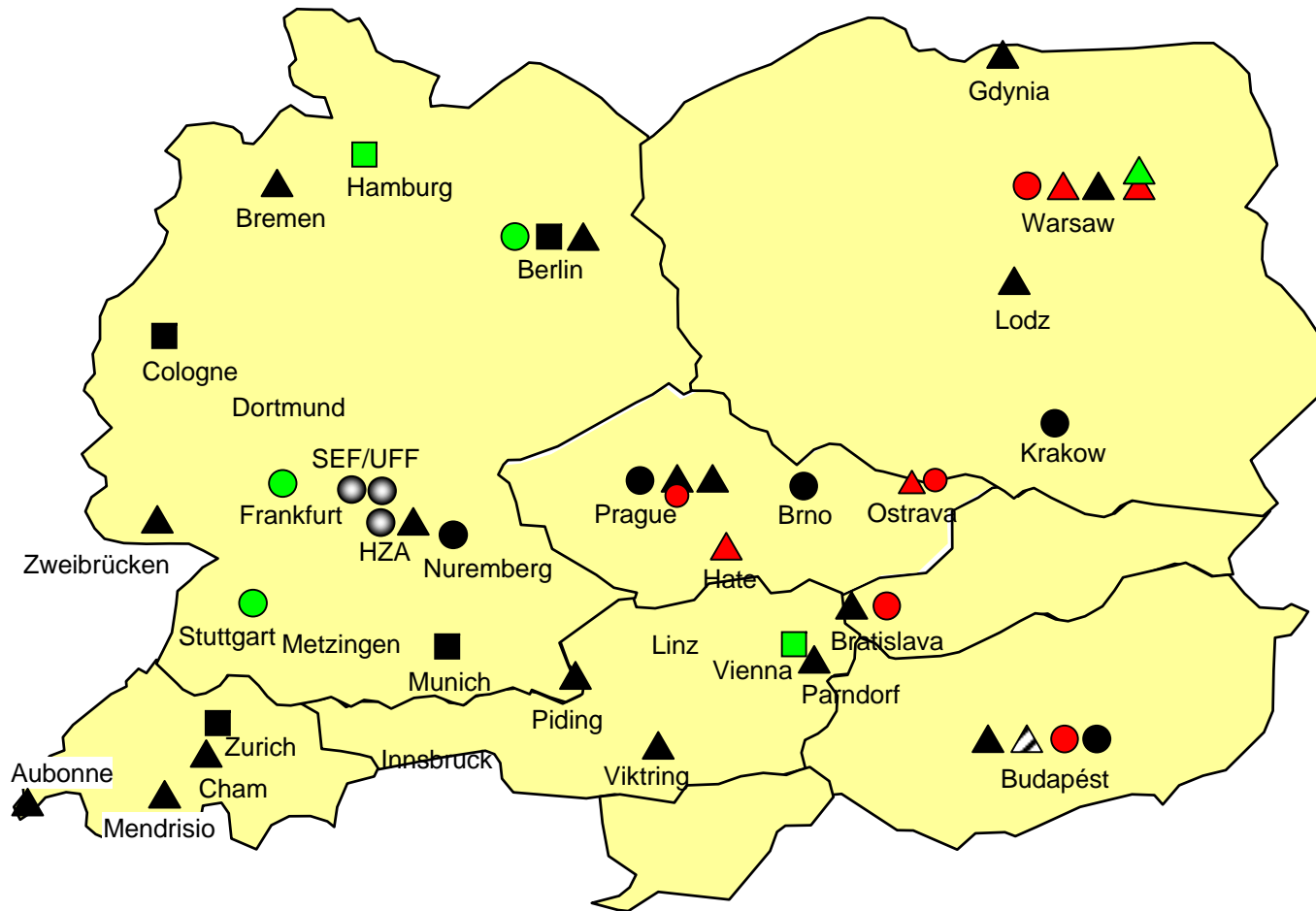


Different Seasonal model (pre- and re-order)

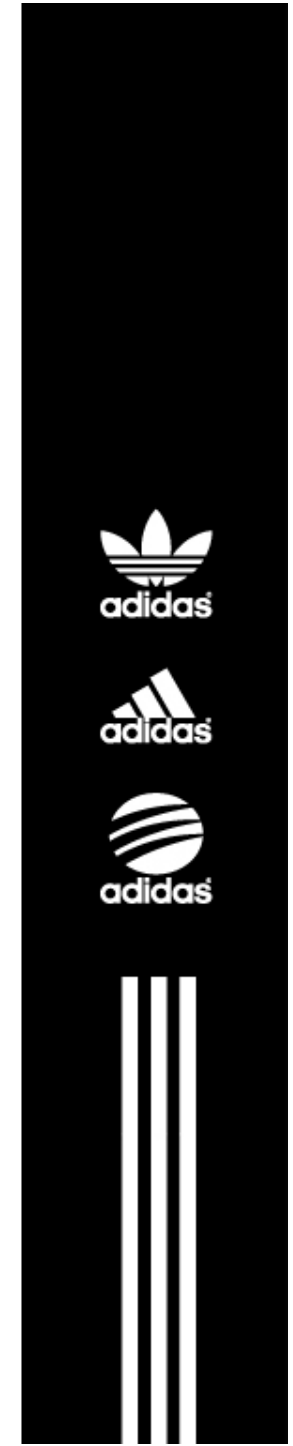
Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Season Q 1						Season Q 3					
Service Artikel						Service Artikel					
Core Range						Core Range					
			Q 2						Q 4		
Teamsport / Replica											
SMU						SMU					
Off Price / Clearance						Off Price / Clearance					
Retail											



... different Countries...



	current situation	openings 05	shut-downs
SPCS	●	●	●
SHCS	■	■	■
FO/FOC	▲	▲	▲

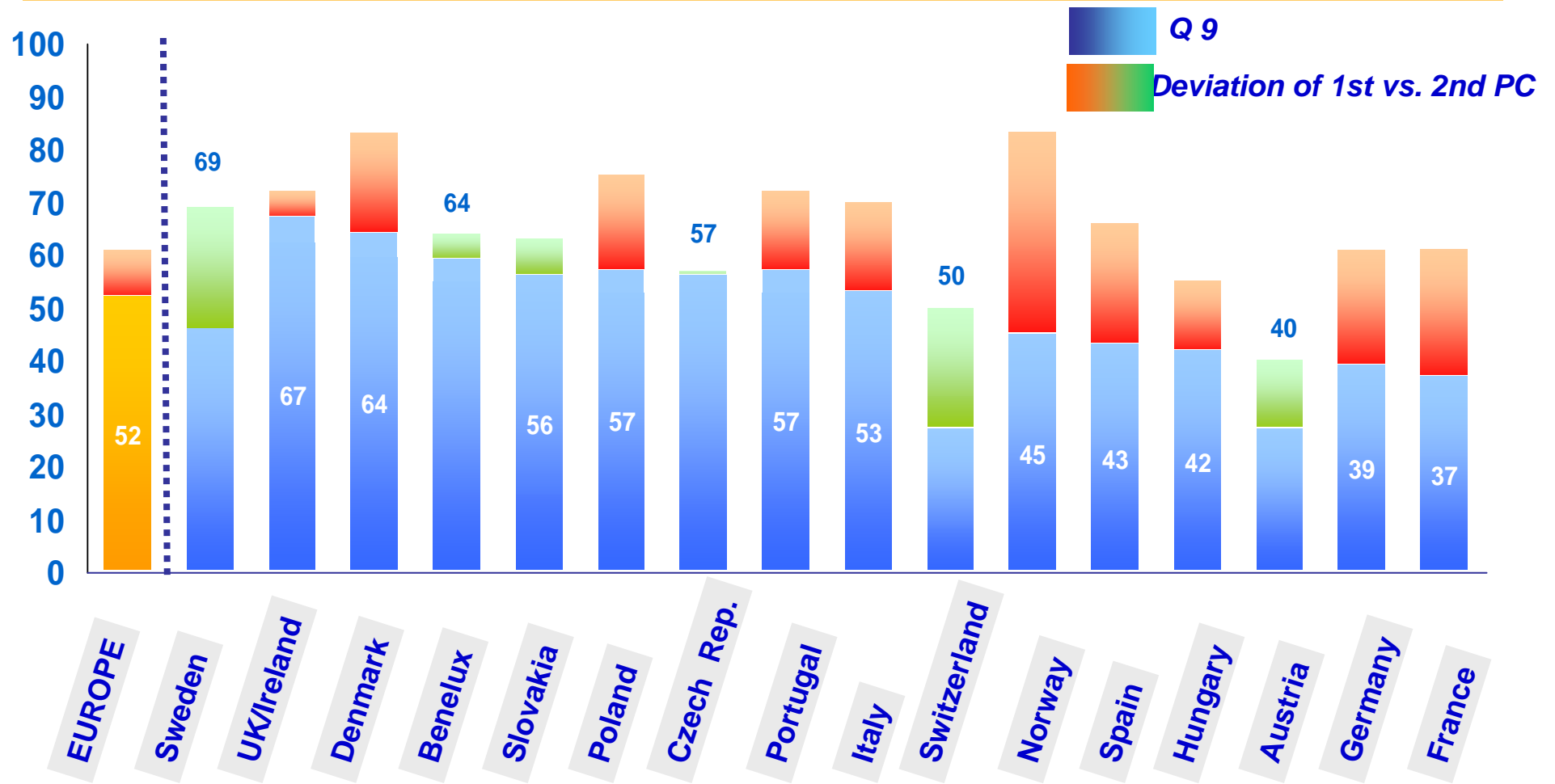


... different Culture

The perceived need to change has been diluted...



Q 9: As an organization we need to fundamentally change the way we operate to ensure our future success

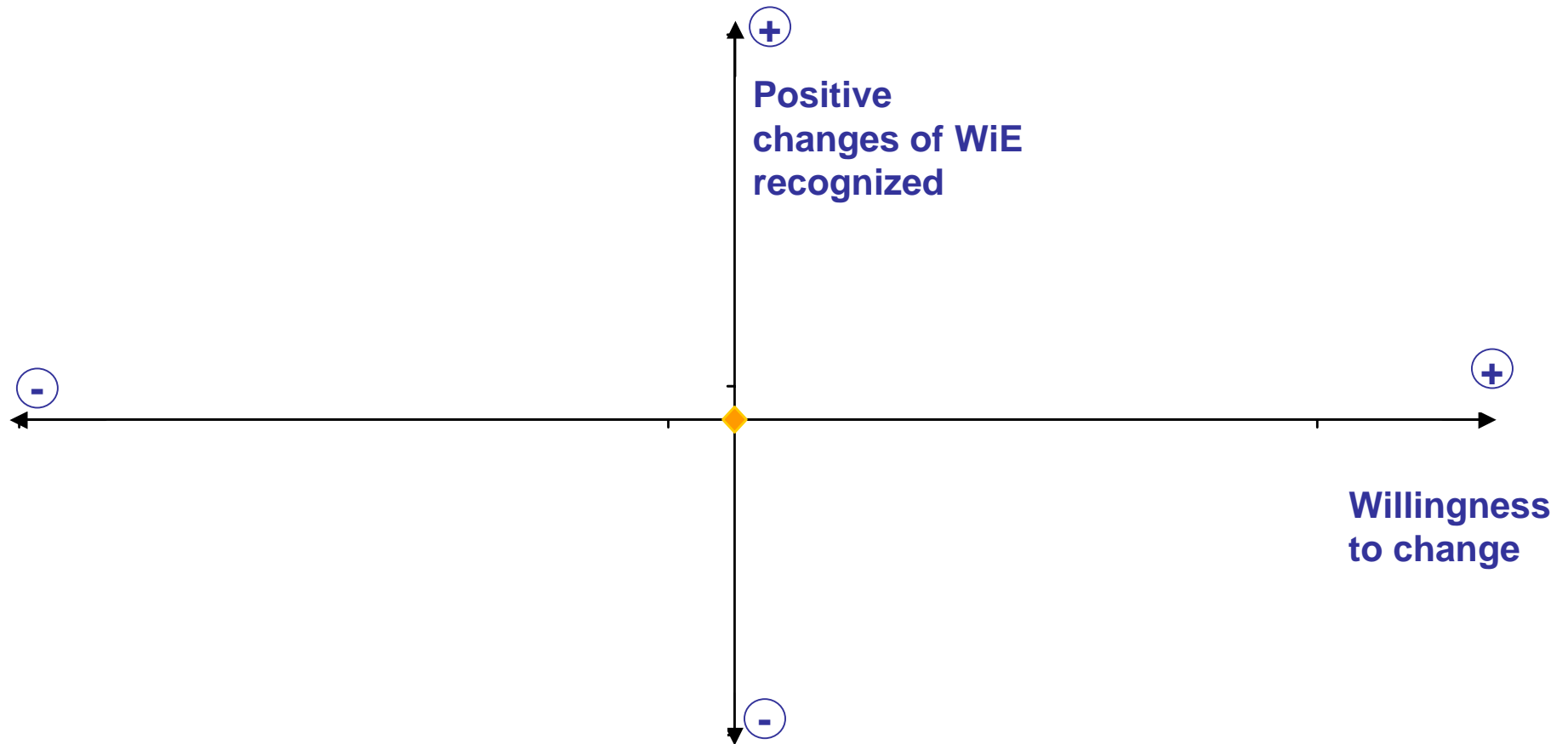


...people do motivate different...

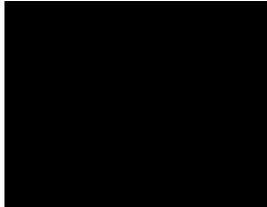


Q 12: Most people in my working area are willing to change.

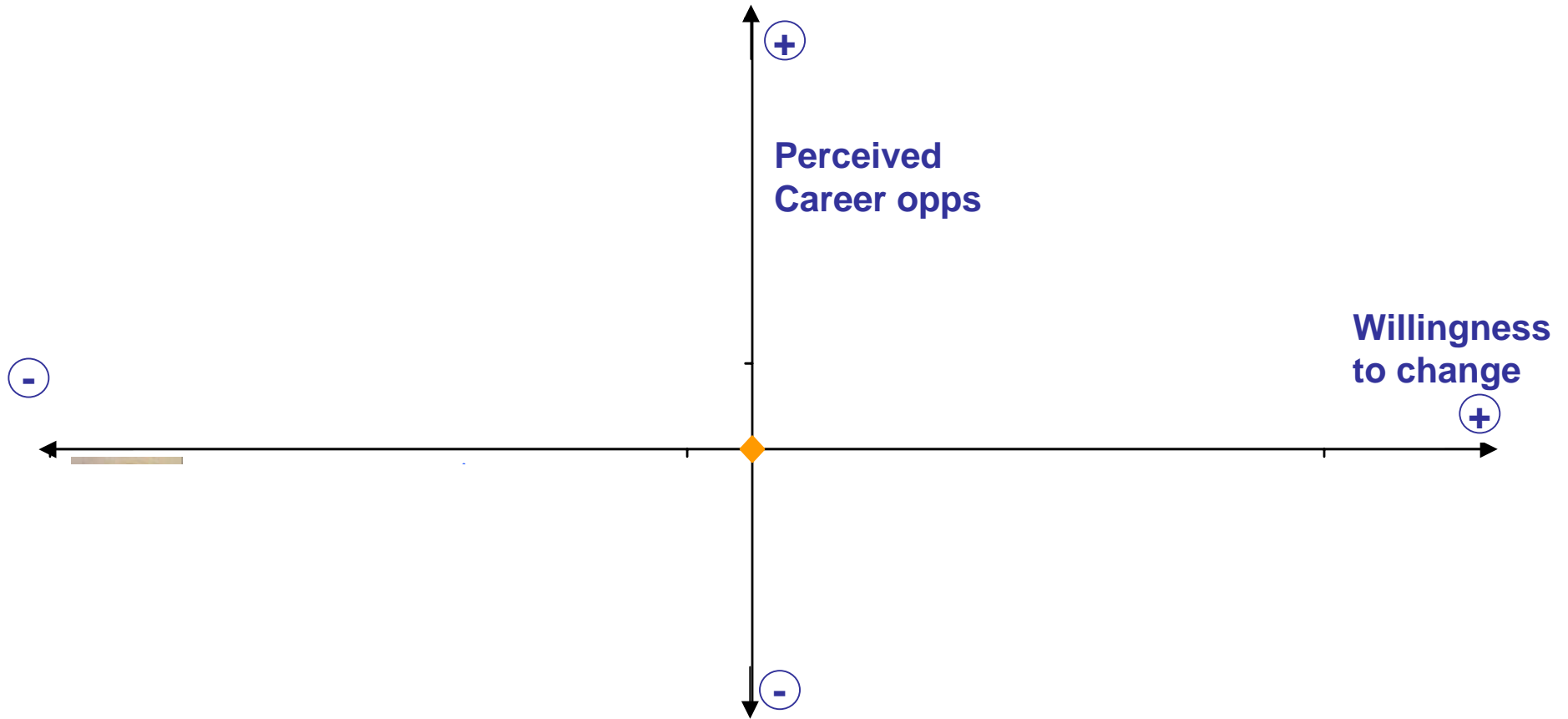
Q 10: People in my country recognize the positive changes of Winning in Europe.



...and react different.

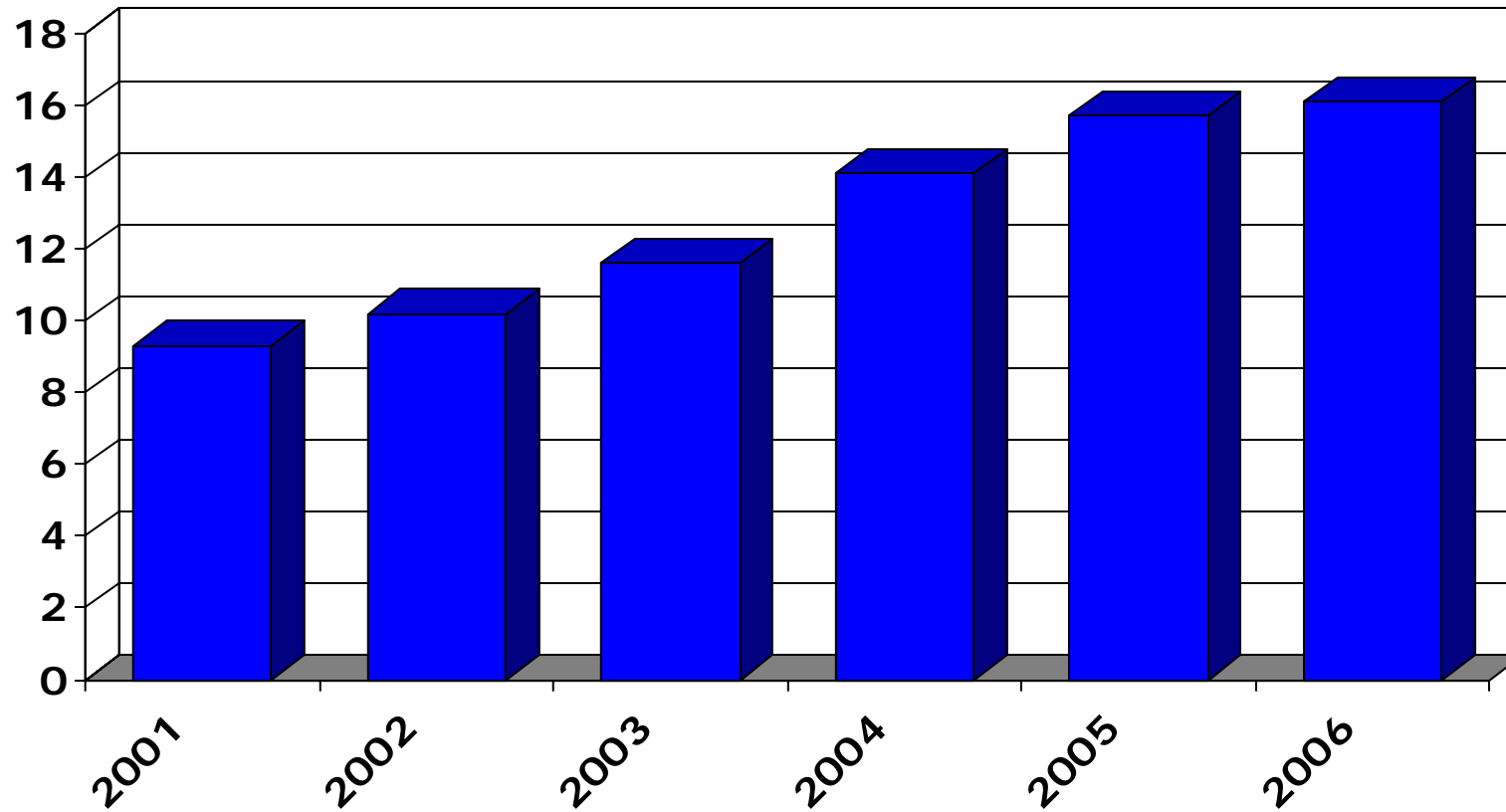


Q 12: Most people in my working area are willing to change.
Q 20: Do you feel that WiE will offer you interesting opportunities for your further personal career development?



... Parallel to Wholesale

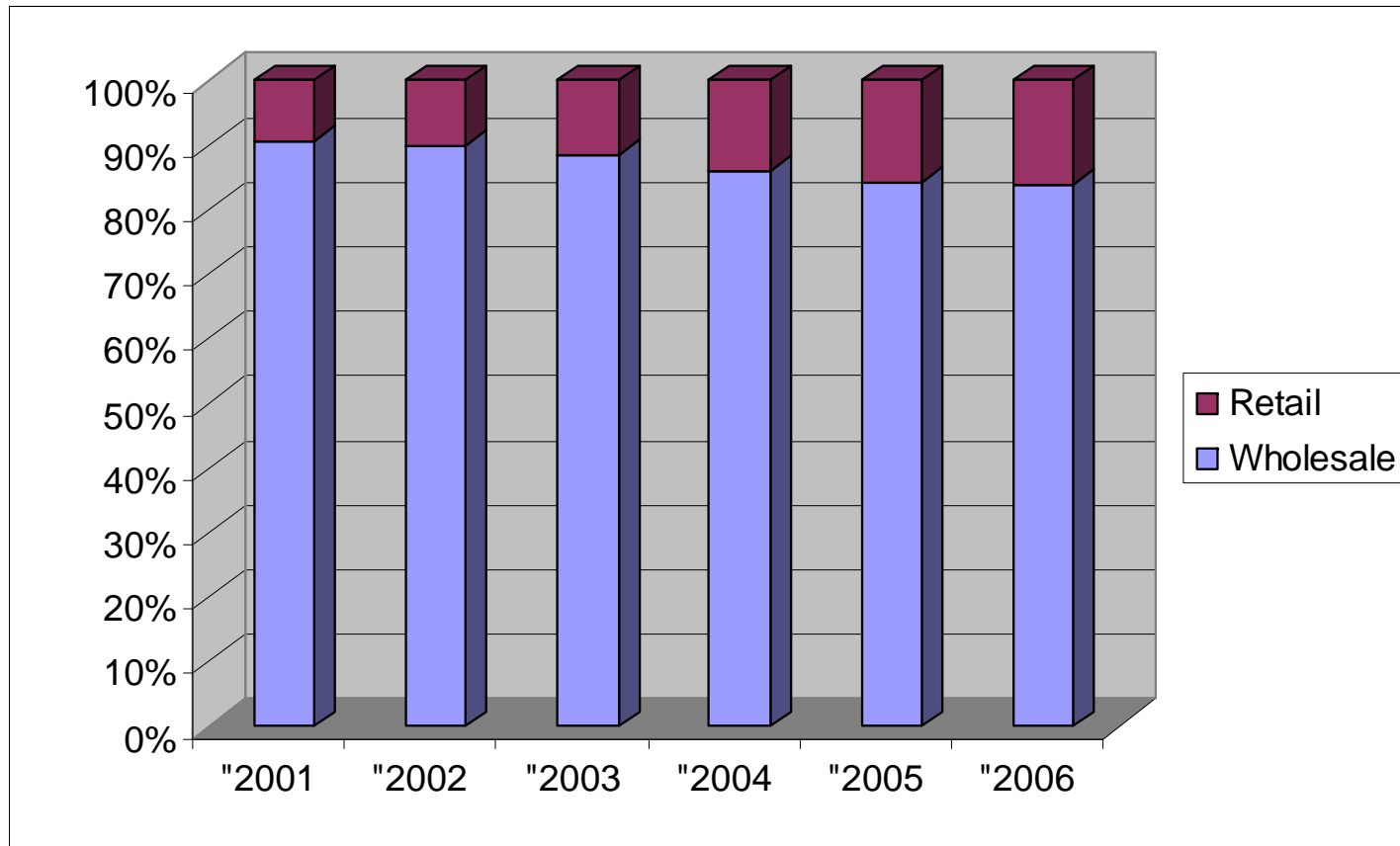
Forecast Retail Net Sales Share in % of Total (2001-2006)



2001	2002	2003	2004	2005	2006
9,3	10,2	11,6	14,1	15,7	16,1



...along wholesale



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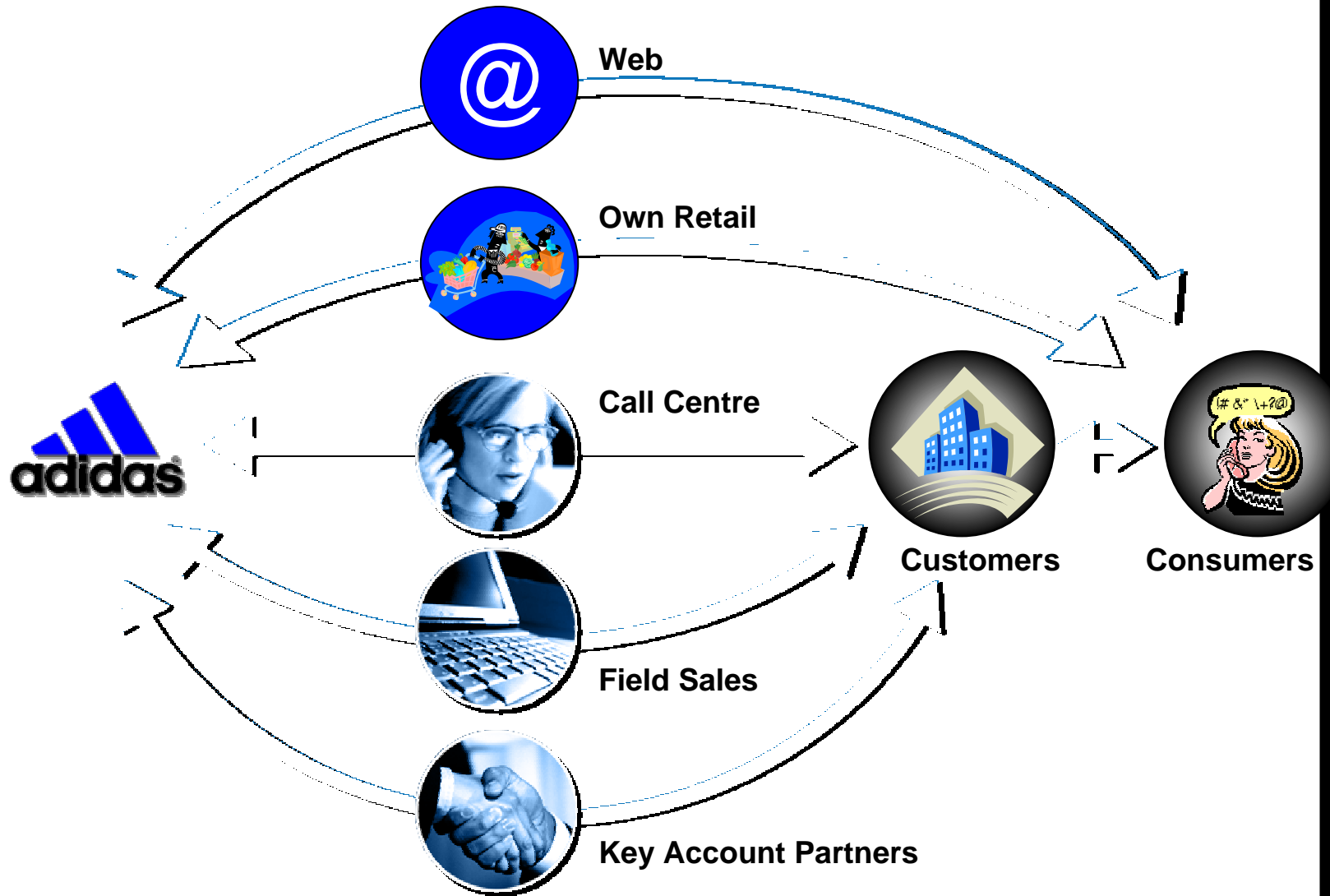
The value chain retail

What drives complexity ?

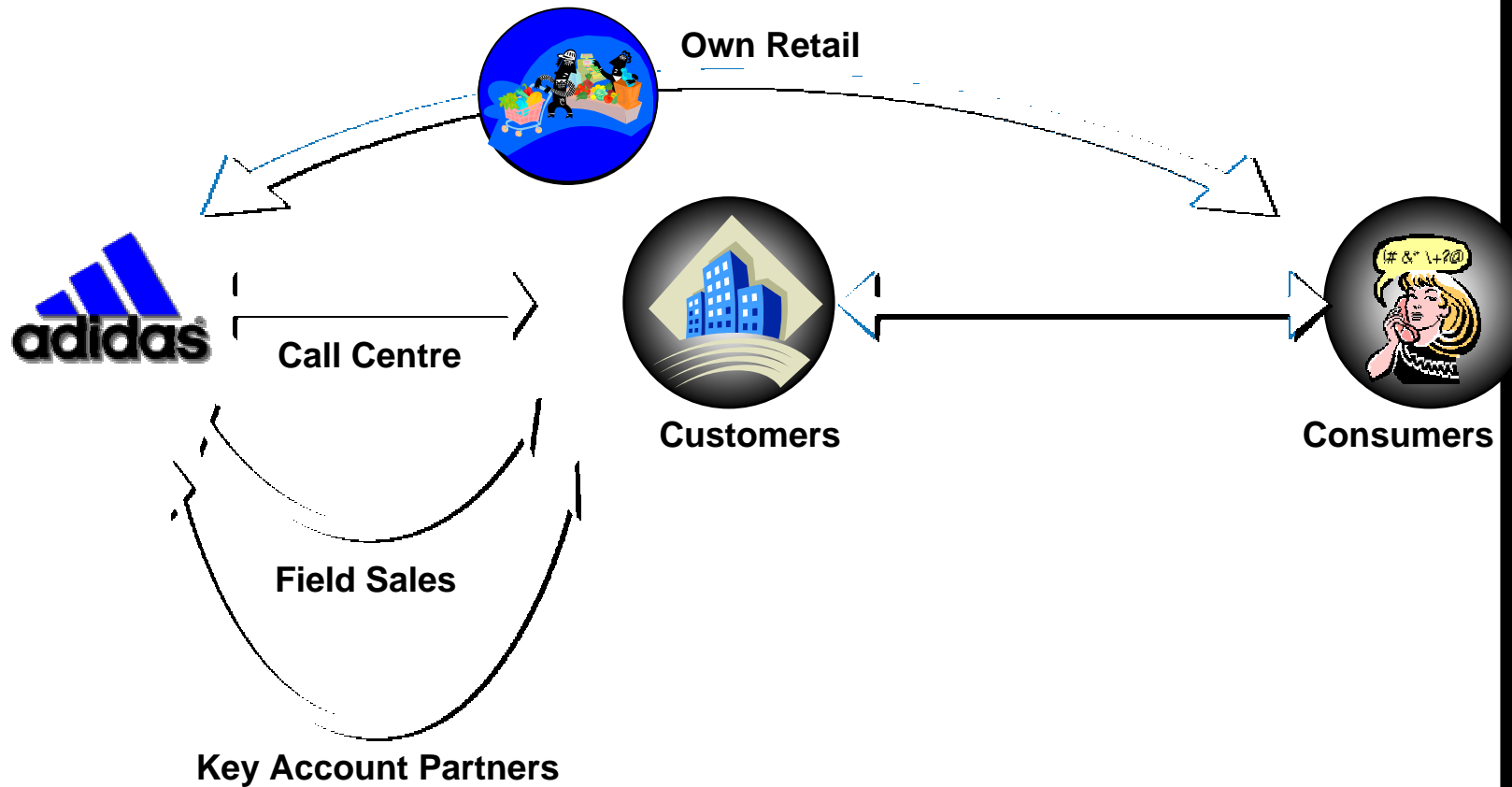
Summary



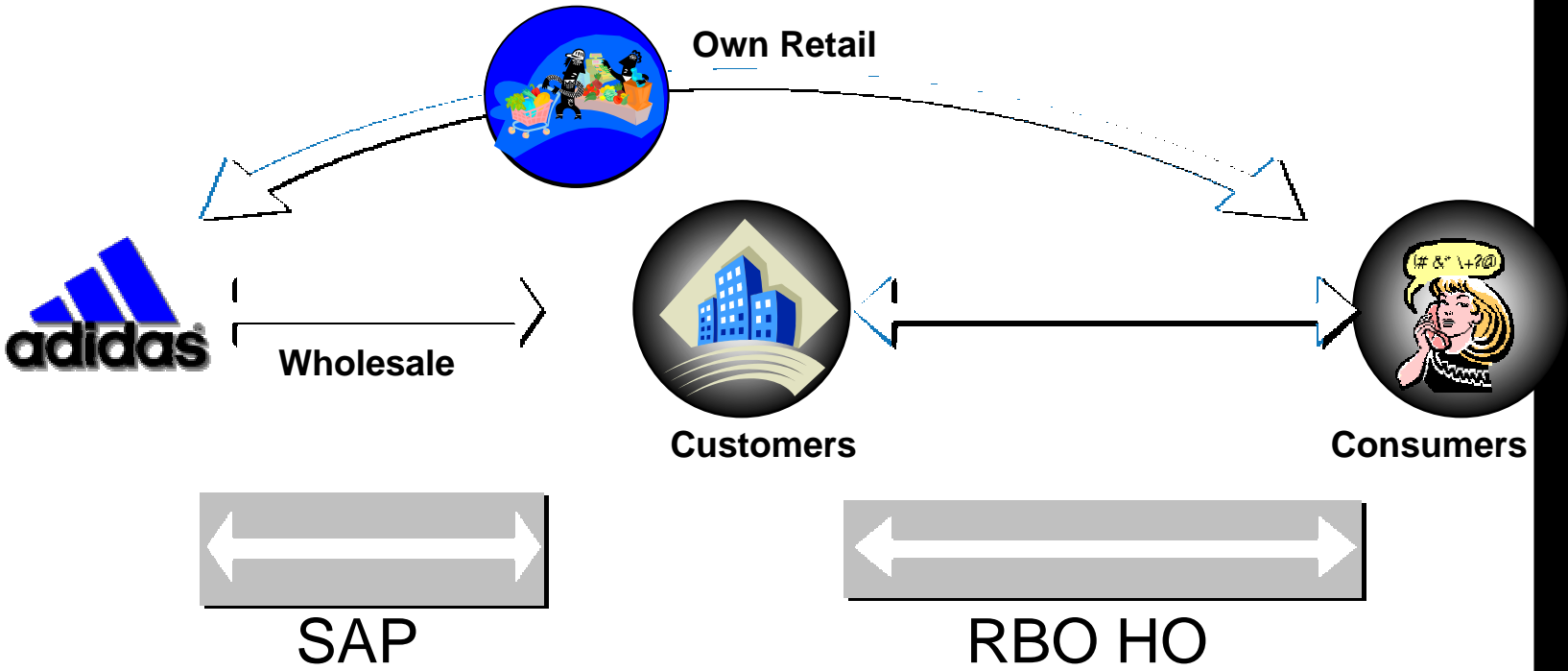
Manage All Customer Touchpoints



Manage All Customer Touchpoints from Retail perspective

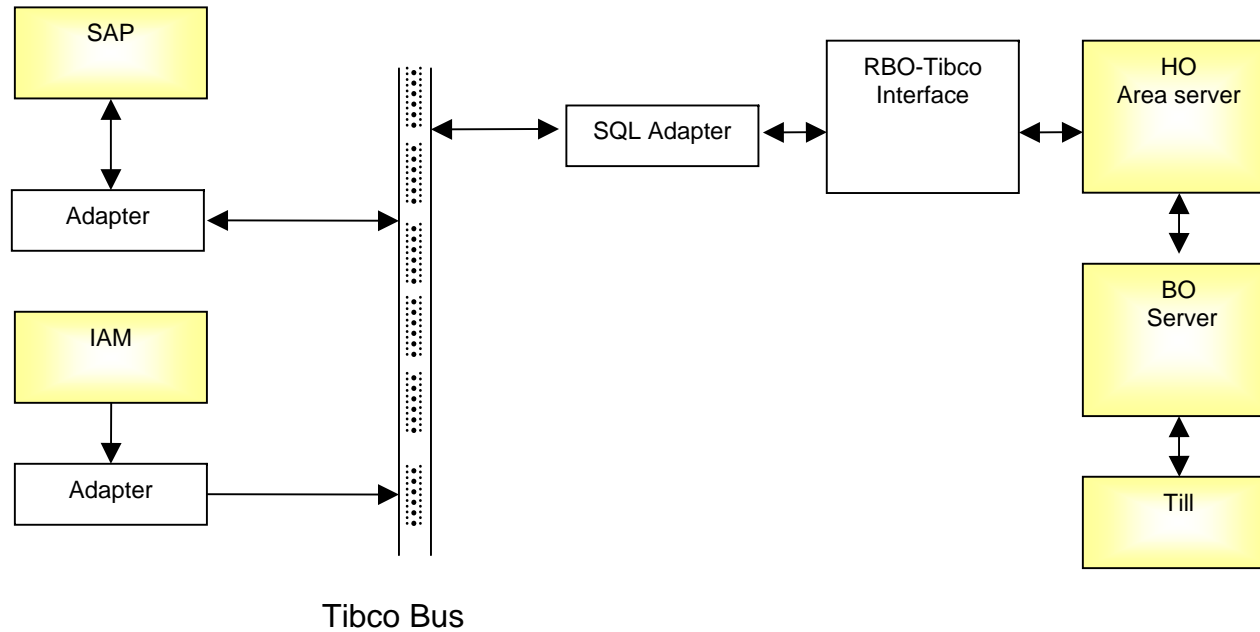


IT Architecture



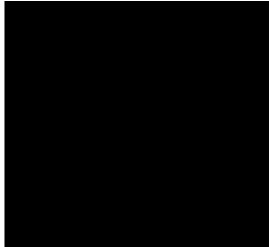
IT Solution

e.g. Master Data Mgmt



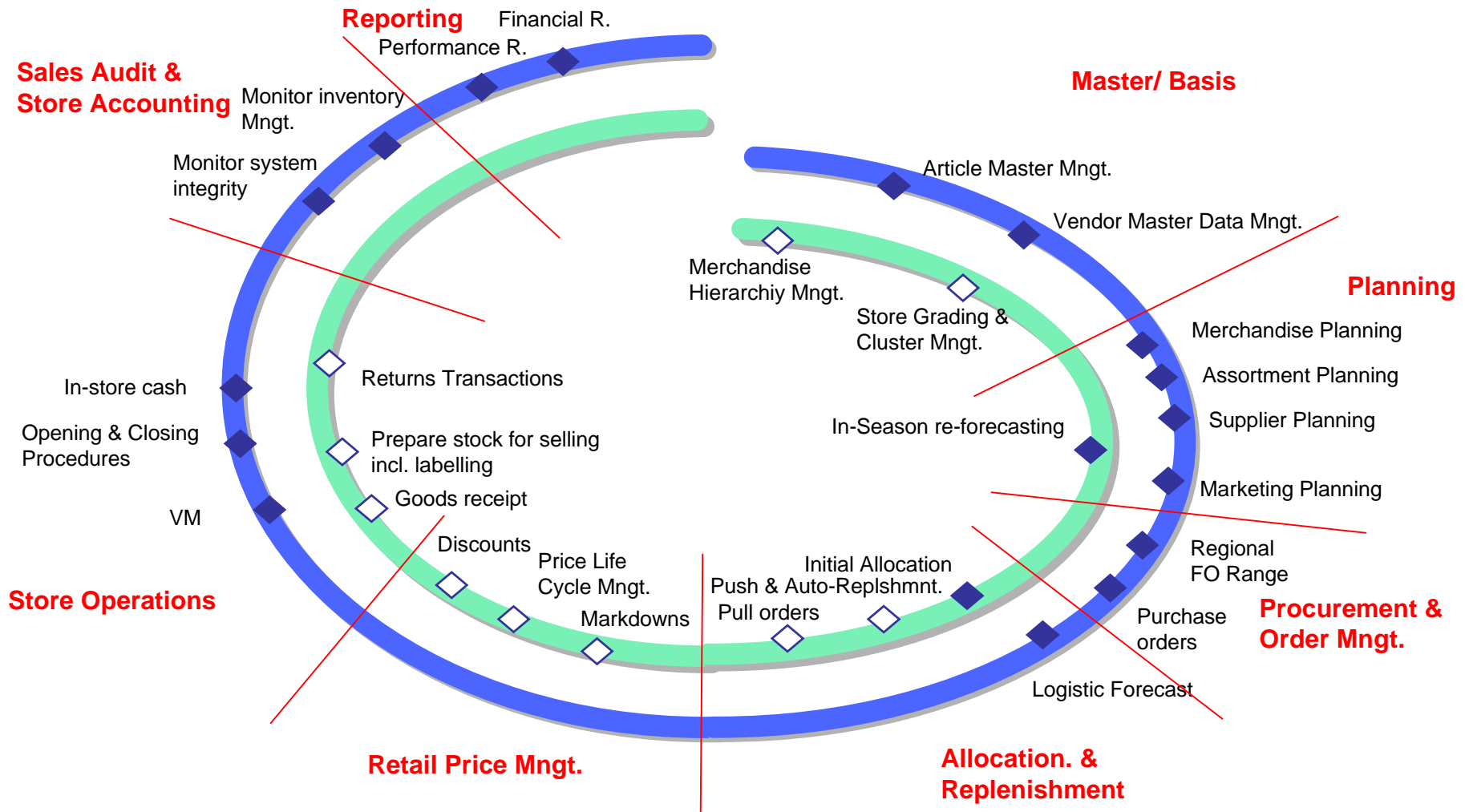
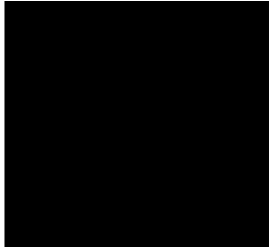
Process overview

Operational Basis



Planning	Merchandise Hierarchy Mngt.	Time Hierarchy	Article Master Management	Location Master Management	Store Grading & Cluster Management	Vendor Master Management
Head Office Retail	Shop openings	Retail Range Management	Sourcing	Price Management	Season Inventory	
POS	Till Opening and Closing Procedures	Sales Transactions	Returns Transactions	Other Transactions	Till Cash Handling	
Store	Ordering	Goods Receipt	Prepare Stock for Selling	Manage In-Store Inventory	Manage In-Store Cash	
Marketing/ VM	Implementation of Marketing Plan	Communication	VM – Concept, Implement. & Planning	VM – POS Materials & Graphics	VM – Cooperation with openings	
Logistic	Transfer of goods – Deadline, Content, Documents	Tracking	Checking of Packing List	Adjustments of Delivery Differences		
IT	Reports	Hardware - acquisition, Installation, Training, Hotline, Maintenance	Infrastructure – PC` s, Server, Network			
Controlling	Line & Store Performance Report	capex & forecasting	Margin Analysis	End of Season Analysis		
Accounting	Retail Accounting					
HR	Staff Plan & Recruitment & Training					

Retail Value „chain“



Core Retail Functions

Controlled Space Capabilities

Retail Operations	Retail Merchandising
Store ops standards	Planning
Staff	Buying
Training	Ranging
KPI's	Analysis
Maintenance	Margin
Store systems	Price / M.D.
Consumer services	Merchandising systems



IT Solution- RBO features

POS terminals can be controlled from RBO

Reliable communication to POS terminals

Network used for communication, but each terminal can operate independently. All needed information stored in each terminal.

Full integration into Navision Finance (adirace2)

Complete solution for multi- and single stores

Comprehensive online reporting features

Filters can be applied as in adirace

Detailed results for each store, shift, clerk, item and item group

All transactions entered on POS terminal are transferred to RBO

Re-construction and tracing of sales transactions

Cash register receipt can be viewed from RBO

label printing

Shelf labels, Posters, Article labels

Definition of

Payment types

Currencies

Multiple Currency handling

Language support

20



Organizational Principles

Global Head Office

- Consolidate regional sales (common currency)
- Global reporting

Regional Head Office

- Consolidate area sales (common currency)
- Regional reporting

Area Head Office

- Create and maintain size curves
- Planning
- Price management
- Purchase orders -> sales contracts in SAP
- Allocation and replenishment via call-off orders
- Consolidate country sales (common currency)
- Area reporting
- Manage shop transfers
- Manage shop staff data - permissions

Country Head Office

- Country reporting

Store Back Office

- Goods receipt
- Sales Operations
- Cash Handling



... how to solve the challenge ?

Master Data Management

Procurement and Order Management

Allocation and Replenishment

Price Management

Store Operations

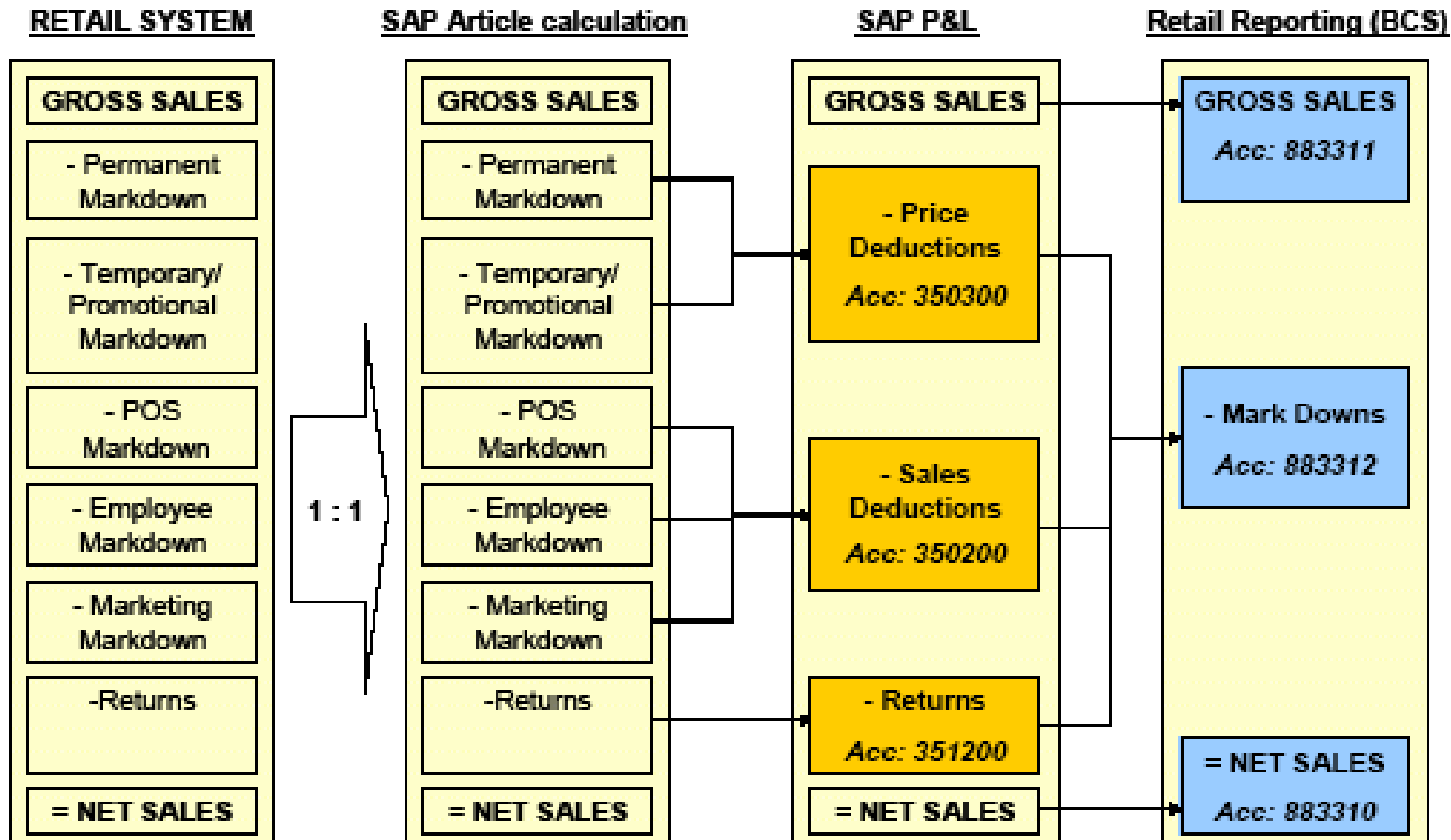
Store Administration

Finance Management



Finance Management

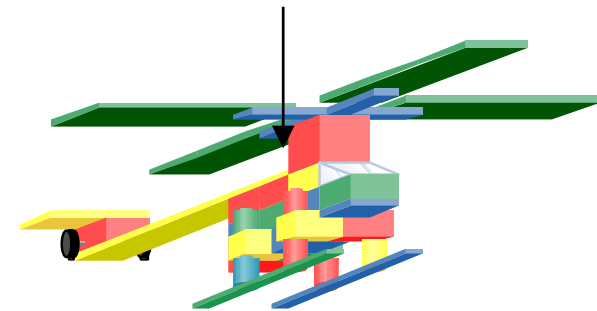
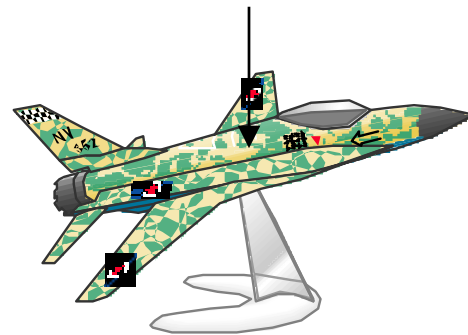
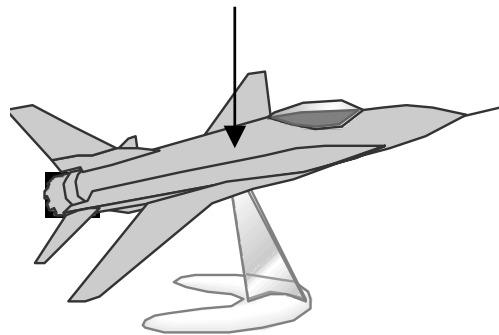
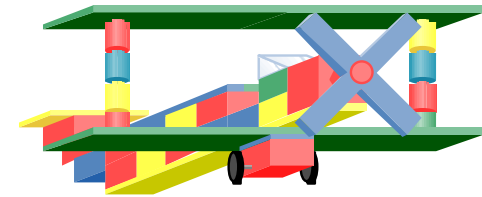
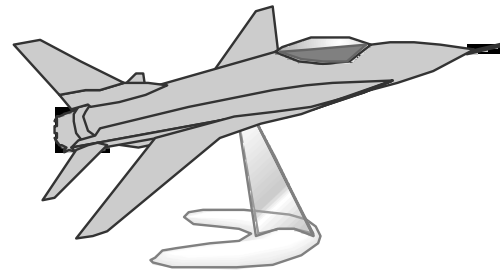
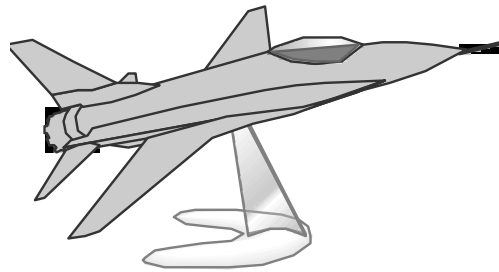
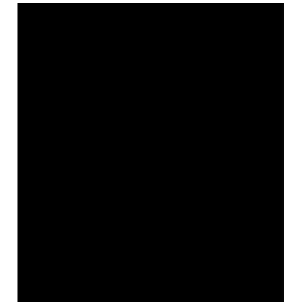
e.g. Markdown



Standard

Configurable

Component



Summary - Q & A

Is it necessary to have different IT system for different shop types ?

→no, from a process perspective a shop is a shop.

How can we serve the same shop type across different countries and law situations ?

→ In being very, very detailed and ultimately clean in master data

How to solve different price structures and assortments with the same support ?

→The EAN “trap”



