Retail Glossary

SAP for Retail Community Page – Retail Glossary

Please keep the descriptions short and precise as they are just supposed to give a general idea about each term. Give links where appropriate for more information.

Retail Acronyms

ABAP Glossary

A

ABAP (Advanced Business Application Programming)

Have you seen the SAP for Retail Business Process Expert wiki homepage on SCN? It is the central entry point to an elaborate knowledge repository for SAP for Retail. It contains not only a wealthy resource of information provided by business experts at SAP, but also contributions from community members, such as this page, as well!

Originally it was referred to as ABAP/4 indicating 4GL. NW ABAP has outgrown its predecessor in that the language has evolved to provide a Object Oriented approach.
For more information lookup wikipedia.

Article

An Article in SAP Retail is synonymous to Material/Product in SAP ERP. An Article has another major difference in that it can take on different types such as a single, generic, empty or such like.

ARTS (Association for Retail Technology Standards)

International organization that has developed four standards for the retail industry: Retail Data Model, Unified Point of Service (UnifiedPOS), IXRetail XML schemas to integrate applications, and the Requests for Proposal (RFPs) standard. Solutions based on the Retail Data Model have been prepared for almost all possible business processes. The main advantage of this data model is that different applications - from the cash register, to store retailing, right through to financial accounting and workforce management - use the same database to store, exchange, and access data.
UnifiedPOS focuses more on the exchange of data between point of sale devices and business applications. IXRetail XML consists of 11 schemas for application-to-application (A2A) integration in the retail sector; RFPs help retailers to select the right applications and serve as a development guide for software providers.

ASN (Advanced Shipping Notification)

Contains the anticipated delivery date, the quantities, and details of the materials (and/or services). A shipping notification can be sent by means of an EDI message, fax, or using other media. An incoming shipping notification is stored in the SAP system as an inbound delivery document. An outgoing shipping notification can be generated on the basis of an outbound delivery.

B

BAAdl (Business Add-In)

Enhancements to the standard system that combine the advantages of customer exits and business transaction events. BAdls enable users to carry out functions in the SAP system that are outside the scope of the standard system but are required frequently enough to be predefined in the SAP system.
The principle of the enhancement technique is to enable interfaces to be defined that SAP customers can use to integrate their own enhancements into the standard system. The interfaces required to carry out a particular task are combined to form a Business Add-In.
BAPI (Business Application Programming Interface)

BAPI is a remote enabled function module with subtle differences with RFC. An RFC is primarily for internal use (ie: within SAP applications) whereas a BAPI is exposed for making remote calls to SAP applications from non-SAP applications. A version of BAPI once released will not be modified. Changes will always be made in a new version keeping the earlier version intact. This ensures integrity and guarantees that a program using a released BAPI need never be changed due to change in BAPI logic or interface. For more information lookup wikipedia.

BI Content

In terms of SAP NetWeaver Business Intelligence (SAP NetWeaver BI), this refers to predefined information models for processes in various SAP applications. BI Content is shipped with SAP NetWeaver BI.

Business Configuration (obsolete synonym for Customizing)

The process of adjusting an SAP component to meet specific customer requirements by selecting variants, parameter settings, and so on.

Business Transaction Event

An event with which an SAP program executes a modification-free enhancement according to the business configuration settings. SAP works with two types of business transaction event: Process events, which are used to implement program flows that differ from the standard application, and Publish and Subscribe events, which are used to implement additional functions previously not delivered by SAP, or to pass data to a linked application.

C

Cannibalization effect

When a new article is marketed, sales of a similar article already in the portfolio may drop. One of the two articles (usually the more expensive) may then be forced out of the market, leading to loss of sales.

C/C++

High-level standardized programming language that supports multiple programming paradigms (object-oriented, generic, and procedural programming). C/C++ is one of three programming languages in SAP's product portfolio for the retail sector (SAP POS was programmed in C/C++, for example).

Closed loop

Indicates that the loop between reporting and business processes is closed; important for integrated planning.

Composite Application

A composite application consists of functions from several different sources within a service-oriented architecture. Components can be individual Web services, selected functions from different applications, or entire systems for which outputs are packaged as Web services (often legacy systems).

Consignment goods

The vendor maintains material stocks at the ordering party's site at his or her own expense. These materials remain the property of the vendor until removed from the consignment store. The vendor is regularly informed of any materials removed and any outstanding payments are settled.

Cross-docking

Transportation of goods through central or regional distribution centers. Goods received from manufacturers are unloaded on the entry ramps of the distribution center, picked according to store, reloaded, and transported to the stores. The manufacturer packs some goods according to store so that they do not have to be repacked in the distribution center. As in central warehouses, buffer stock and safety stock is omitted to reduce storage costs, handling costs, and capital lockup during cross-docking.

Cross-selling

Selling goods or services in addition to those the customer already wishes to buy.

CRUD

Basic database operations relating to data records are referred to as Create, Read, Update, and Delete.

Customer enhancements (obsolete synonym for customer exits)

An option provided by SAP to enhance delivered standard programs without modification of the original program at the customer site. If there are
any possible customer requests that are not contained in the standard version, SAP provides empty structures that can be filled by customers for their own specific functions. Customer enhancements have been replaced by BAdIs and enhancement spots.

E

EAN (International Article Number - formerly European Article Number)

Identification for merchandise. The EAN is made up of 13 or 8 digits, managed centrally, and allocated to the manufacturer on request. The EAN has several advantages: Quick registration of goods at the cash register (less time to wait), increased security (fewer errors), simplified movement of goods due to automatic stockholding, elimination of labeling, and transparent standardization.

E-business and e-commerce

E-business refers to all forms of electronic business process. E-commerce refers solely to the trading of goods and services using electronic media such as the Internet. Since e-business has a broader scope than e-commerce, this term is given preference even though this book deals specifically with the retail sector.

EDI (Electronic Data Interchange)

Cross-company electronic exchange of structured data on a national and international level between business partners that use a variety of hardware, software, and communication services. In most cases, EDI replaces hardcopy.

Enhancement spots

Until now, SAP customers could add new or specific functions to the core functions of their ERP installations using user exits, customer exits, business transaction events, and business add-ins (BAdIs). The SAP Enhancement Framework now brings together the different enhancement options under one roof. These include ABAP source code, function modules, and global classes, as well as interfaces and kernel BAdIs, an improvement of the classic BAdI technique. However, enhancements can only be added at specific defined positions (enhancement options) in a source code or method. These are the starting points at which new source code or attributes can be inserted. Enhancement options can be defined explicitly or they can exist implicitly. In turn, enhancement spots allow you to group together and manage explicit enhancement options as in a container. At the same time, enhancement spots specify the structures for the enhancement; within the container, enhancements are developed, for example in the form of a BAdI, as they are later to take effect in the ERP system.

F

Fast seller

Goods that sell out within a few days and cost very little to store (the proverbial "hotcakes").

Flow-through

Method of processing merchandise in a distribution center. The goods are transported at goods receipt to a zone for repackaging and are then brought to the goods issue area. There is no placement into storage between being received and issued from the distribution center. The extra repackaging step differentiates the flow-through process from that of cross-docking. Example: 50 stores are to receive 2 boxes each of a particular article. The articles arrive in the distribution center on a pallet containing 100 boxes. In the repackaging zone, the pallet is unpacked and the boxes put into wheeled baskets destined for each store.

G

GLN/ILN (Global Location Number/International Location Number)

Identifies the full company/site name and address internationally. The global location number is issued to retailers by the GS1 organizations. In Germany, for example, this is GS1. This number is used to identify pallets and packages and specifies, for example, where a pallet is to be sent.

GTIN (Global Trade Item Number)

A unique, global identification number for articles and packages. GTINs will replace EANs and Universal Product Codes and are allocated and managed by GS1.

H

Handling unit (HU)

Logistics unit consisting of trading goods and packaging (such as pallets, containers, and boxes containing goods) that is identified across all processes by means of a unique number.
IDoc (Intermediate Document)

Standard SAP format for electronic data interchange between systems. Different message types (such as delivery notes or purchase orders) normally represent the different specific formats, known as IDoc types. Business data is exchanged between systems by means of Electronic Data Interchange (EDI) and Application Link Enabling (ALE). The IDoc interface, in which a data structure and corresponding processing logic is defined, is required for both forms of data transfer. The structure of an IDoc is described by the IDoc type. This contains, for example, information about where data is stored (line and position offset).

Incoterms (international commercial terms)

Incoterms are internationally standardized rules for the interpretation of the most commonly used terms in international trade. They were developed by the ICC (Paris), adopted in 1936, and have subsequently been updated many times. Incoterms regulate solely the rights and obligations of the seller and buyer; they do not affect contracts of carriage or shipping. Incoterms are not equivalent to laws. They only become legally binding when set down in the purchase contract by the buyer and seller.

L

Layaway

The act of taking a deposit to store merchandise for a customer to purchase at a later date.

Loss Leader

Merchandise sold below cost by a retailer in an effort to attract new customers or stimulate other profitable sales.

Loss Prevention

Loss prevention is the act of reducing the amount of theft and shrinkage within a business.

M

Multichannel retailing

Coordinated controlling of parallel sales types (stores, field sales, e-business, and so on) that requires targeted management of the channel portfolio. This is used if a single distribution channel is insufficient to maximize market potential.

O

Open-to-buy (OTB)

Evaluation of key figures in the planning of open to buy. Both updated actual figures and planned figures taken from flexible planning are evaluated. The central key figure here is OTB, which shows the budget still available to spend, calculated at runtime as the difference between the planned budget and expenditure so far.

P

PLU (price look-up)

System-supported definition of sales prices for selected articles at the point of sale.

PRICAT (price/sales catalog)

Message specifying details of goods deliveries and services to be agreed between the buyer and seller. A PRICAT pricing-group or item may refer to either goods items or services. Prices are sorted into industries or commercially related groups.

R

Retail Price

Price at which a material is sold to the consumer.

Recipient-driven flow-through

Special form of flow-through procedure in which the data in merchandise distribution is analyzed after goods receipt and the relevant deliveries
are generated for the recipients. Merchandise is then picked for the deliveries. With merchandise-driven flow-through, on the other hand, merchandise is picked first and then deliveries are generated.

Replenishment master data

All basic data in the article master required for automatic replenishment by SAP F&R.

RFC (Remote Function Call)

Call of a function module in a partner system. The calling system is the RFC client; the system called is the RFC server. RFC is based on the RPC (Remote Procedure Call) model of the UNIX TCP/IP environment. RFCs manage the communication process, parameter transfer, and error handling. Before an RFC module can be called from an SAP system, the import/export parameters must be known and a technical connection must exist. This is known as an RFC connection or RFC destination.

RFID (radio frequency identification)

Technology used to identify objects that does not affect the objects concerned or require their RFID tags to be visible. RFID technology is already used in many areas, such as central locking systems for cars. The automatic tracking and localization of articles in supply chains is known as tracking and tracing. RFID antennae and readers are required to use RFID technology.

S

Safety stock

Covers both extra stock required during the replenishment lead time and any additional stock required if delivery is delayed. Therefore, when the safety stock level is determined, previous or future stock requirements and the vendor's on-time delivery performance must be taken into account.

Site/Store

A Site or Store in SAP Retail is synonymous to Plant in SAP ERP. The site contains data on sites such as the address, assignment to other organizational units, size, opening hours, control information, classification information, departments and merchandise categories.

SKU (stock keeping unit)

Unique identifier for the different articles (units) in the warehouse (stock).

Stock

In the retail sector, this primarily refers to the warehouse stock determined by carrying out a physical inventory or consulting the accounts.

Stock type

In inventory management, this is a means of categorizing warehouse stock or special stock. The stock type indicates the usability of an article. The storage location stock and special stocks available on a company’s own premises are divided into three different types: Unrestricted-use stock, stock in quality inspection, and blocked stock. Special stocks with the vendor or customer are divided into two different stock types: Unrestricted-use stock and stock in quality inspection. If batch status management is active, a further stock type is supported: Restricted-use stock. The stock type is relevant to the process of determining the available stock in requirements planning and to material withdrawals and the physical inventory process in inventory management.

Stock exception

In SAP Forecasting and Replenishment, this refers to undesired stockholding events such as understock, loss of sales, undelivered articles, and overstock.

T

Tender types

credit, debit, loyalty and smart card etc

U

UPC (Universal Product Code)

The Universal Product Code, a 12-digit number for identifying articles, was introduced in the USA in 1973.