

STRATEGY	IMMEDIATE (0–3 Months)	SHORT TERM (3–12 Months)	LONG TERM (12–24+ Months)	POTENTIAL ROI
Markdown Optimization	Quick wins by clearing tariff-impacted inventory; tactical markdowns to protect margin dollars	Build predictive markdown models to maximize revenue recovery	Institutionalize markdown cadence tied to tariffs & demand elasticity	HIGH ★ ★ ★ ★ ☆
Dynamic Assortment Ranging	Adjust allocations quickly based on store productivity; remove tariff-heavy SKUs from low-ROI doors	Implement store clustering and localized assortments	Build AI-driven assortment models adjusting for tariffs-related demand shifts	HIGH ★ ★ ★ ★ ☆
Dynamic Pricing	Tactical price lifts in key SKUs; A/B testing to minimize volume loss	Roll out dynamic pricing engines by category and geography	Fully integrated demand-based pricing linked to tariffs and elasticity	VERY HIGH ★ ★ ★ ★ ★
Sourcing Strategy	Divert in-season chase buys to lower-tariff countries where feasible	Negotiate reallocation of production for future seasons (6–12-month lead)	Restructure supplier base toward multi-origin sourcing resilience	MEDIUM TO HIGH ★ ★ ★ ☆ ☆
SKU Productivity	Immediately cut poor-performing SKUs to reduce tariff exposure	Implement SKU rationalization programs with tariff weighting	Drive a smaller, more profitable SKU base designed for tariff and working capital efficiency	HIGH ★ ★ ★ ★ ☆
Assortment Mix	Rebalance mix toward high-margin, low-tariff, or tariff-exempt categories	Develop tariff-smart line plans (materials, classifications)	Redesign future assortments with built-in tariff risk mitigation (e.g., fabric content, duty-free programs)	HIGH ★ ★ ★ ★ ☆