Oracle Retail Regular Price Optimization

Today's retail environment is extremely competitive and complex. Merchants face mounting challenges to maintain market position while maximizing profitability. While pricing can be a key lever for differentiating against competitors, uninformed pricing decisions can have significant negative impact on revenue, profitability and customer satisfaction. Many retailers must make pricing decisions without an understanding of demand or the impact of price changes on sales and margin, while simultaneously responsible for making tens of thousands pricing decisions across their assortment. Oracle Retail Regular Price Optimization allows retailers to take control of these pricing decisions and maximize their pricing efforts.

**Regular Price Optimization**

Oracle Retail Regular Price Optimization enables retailers to maximize revenue and margin through an insight-driven understanding of the most optimal everyday pricing. The everyday price recommendations are based on predictive demand forecasts and optimization routines, considering cross-category and market basket effects. Oracle Retail offers this capability as part of an end-to-end retailing approach that aligns Oracle Retail Regular Price Optimization to overall category planning and extends through downstream supply chain activities to in-store execution.

Oracle Retail Regular Price Optimization is part of Oracle Retail Merchandising Planning & Optimization Suite which is a complete end-to-end portfolio that encompasses assortment, lifecycle pricing and space all utilizing the same common science platform to drive all supply chain forecasting. While all the applications draw their strength from the interdependencies on all forecasts, they remain modular and allow customers to start anywhere and grow as necessary.

With Oracle Retail Regular Price Optimization, retailers can begin realizing a return on investment in three months then grow the footprint as the organization adapts. A crawl-walk-run implementation approach allowing pricing rules and optimization to be rolled out in a progressive manner across the business. Additionally, the business benefits by building understanding and trust of the application (ultimately complete adaption) while spreading the investment across each progressive stage.

**Key Features**

- Optimize everyday prices
- Align sku-level pricing with overall category
- Business rules & constraint management
- Provide overall & item-level forecast
- Predict cross-item impacts
- What-if category scenario planning
- Leverage common baseline forecast
KEY BENEFITS

- Increase gross margin dollars
- Drive localized, more profitable, and easier everyday pricing decisions
- Respond intelligently to competitor pricing strategies
- Ensure all pricing recommendations and approvals adhere to core business rules
- Make pricing decisions in context of enterprise planning objectives

Key Features of Oracle Retail Regular Price Optimization

Align everyday price activity to overall category strategies. Drive overall category objectives with supporting item-level price recommendations that maximize revenue, margin, or competitive strategy.

Perform analysis using highly evolved “what if” capabilities. Compare any number of pricing scenarios side-by-side and see both the overall as well as the item-level impact on demand and key financial metrics.

Price at channel, zone, chain, region, and store level. Group stores and make pricing decisions based on a granular understanding of demand at any level of the location hierarchy.

Understand item & cross-item price elasticity. Gain insight into the halo and cannibalization effects of one item’s price changes on all other items in the category.

Account for a multitude of business constraints. Maximize financial results within a set of constraints needed to support a retailer’s strategies, including brand constraints, price ranges and price holds, inter-item constraints, and competitive rules.

Leverage a common demand forecast. Influence all category planning, tactical pricing, and supply chain activities from common demand forecast. Ensure all decisions are driven by a single version of the truth.

Key Benefits of Oracle Retail Regular Price Optimization

- Increase gross margin dollars by 3-5%
- Increase sales
- Drive localized, more profitable, and easier everyday pricing decisions
- Respond intelligently to competitor pricing strategies
- Ensure all pricing recommendations and approvals adhere to core business rules
- Make pricing decisions in context of enterprise planning objectives