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Oracle Retail Regular Price Optimization

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 a 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 of pricing decisions across their assortment.

MAXIMIZE PRICING EFFORTS

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 **category management**, **assortment** planning, and lifecycle pricing, 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 allows pricing rules and optimization to be rolled out in a progressive manner across the business.

Additionally, there are business benefits from building understanding and trust of the application (ultimately complete adaption) while spreading the investment across each progressive stage.
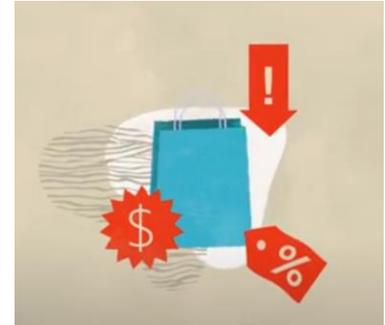
Key Benefits

- *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 the context of enterprise planning objectives*

FEATURES OF ORACLE RETAIL REGULAR PRICE OPTIMIZATION

Align everyday price activity to overall category strategies.

Drive overall category objectives while 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 a common demand forecast. Ensure all decisions are driven by one version of the truth.

TIPS ON MANAGING DISTRESSED INVENTORY

Moving idle inventory to alternate channels or locations. Oracle Retail Solutions can determine if it is more advantageous to shift stock to another store or channel and even potentially price it differently. Secondly, creating a new **location planning** process will ensure inventory is in the right stores to recoup maximum sales and margin.

Planning profitably for future seasons. Planning conservatively now will mitigate future risk and help identify emerging trends as they appear. Oracle Retail's planning solutions support what-if planning to provide users with scenarios to compare and choose which one to promote based on the constantly changing business environment.

Learn more or request a 1:1 demo

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Key Features

- *Optimizes everyday prices*
- *Aligns SKU-level pricing with the overall category*
- *Manages business rules and constraints*
- *Provides overall and item-level forecast*
- *Predicts cross-item impacts*
- *Provides what-if category scenario planning*
- *Leverages a common baseline forecast*
- *Incorporates VAT into margin optimization*