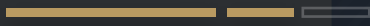


# PRICING SCENARIO WORKBENCH FOR A RETAIL MAJOR



# THE CLIENT PROBLEM

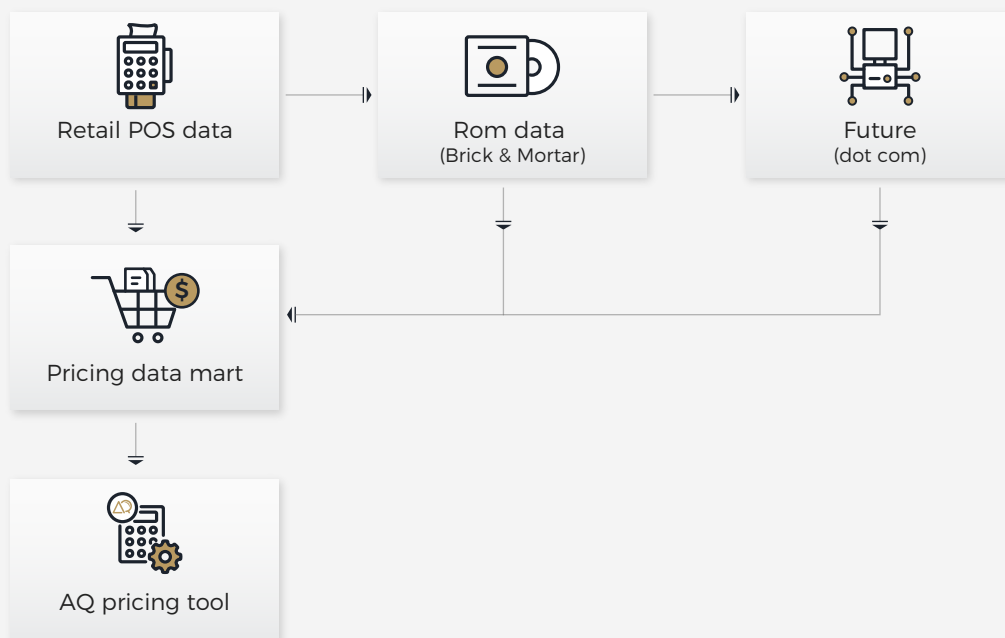
Our client, one of the **largest warehouse club format retailers** in the US wanted to **build a tool to help them understand granular pricing vs. competition** across thousands of SKUs. They also wanted **pricing recommendations/profitability scenarios**. They specifically wanted to:

- Collate item pricing related data from disparate sources
- Categorize and price items based on their importance to the retailer and the customers
- Run various price scenarios and estimate the impact on portfolio profitability

# THE AQ SOLUTION

AQ built a customer attribute database and an associated dashboard that captured comprehensive information about customers. This helped our client identify customer personas, build campaign targeting strategies, plan proactively for churn management and get quick alerts on behavioural changes across stores and regions. Our process was as follows:

## DATA GATHERING, EXTRACTION & STAGING BUILT A DATA MART BY INTEGRATING MULTIPLE DATA SOURCES



Data was pulled in standard formats from various data sources and transformed.

Both internal (retail POS) & external data (ROM and future data) were used for the analysis.

The price-elasticity of items was incorporated in the analysis to understand the impact on volume changes.



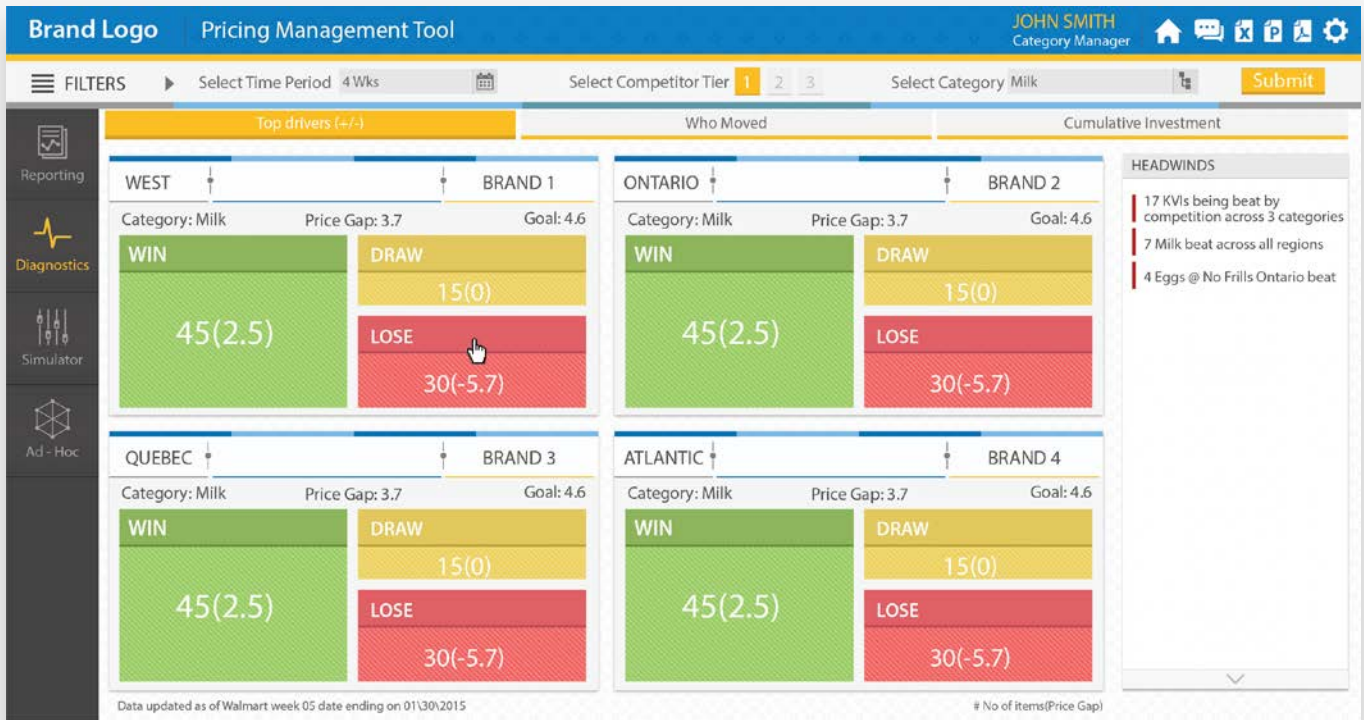
## THE DATA MART WAS USED TO BUILD A TOOL FOR EASY REPORTING

- 1 The user could select any category, department or portfolio for analysis.
- 2 The user could review key performance and results vs. targets.
- 3 The user could analyse the results in detail at an item level, with an option to filter by brand, category etc.
- 4 The user could manually override the scenario price of an item, based on the importance of the item.
- 5 The user could compare/review impacts and lock in changes for further implementation at the store level.
- 6 The user could generate multiple reports catering to specific business needs.

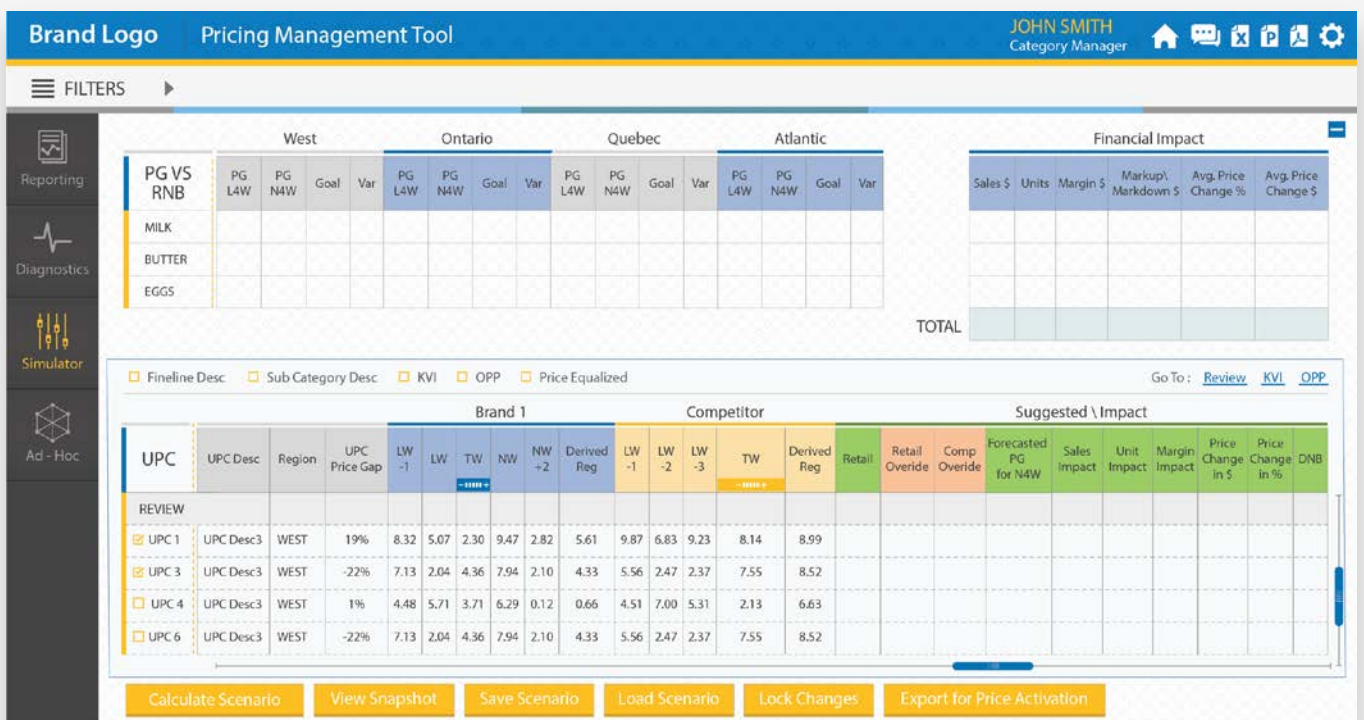
## THE CLIENT BENEFIT

This price management solution provided a platform to run and evaluate multiple pricing scenarios. A one-stop-solution was created for pricing reports and price change recommendations. This helped bring down the time required to manually create different pricing scenarios and simplified the comparison process. The pricing process across different departments was standardized.

# KEY PROCESS AND OUTPUTS



**Pricing Diagnostic:** The diagnostics section identifies drivers and price integrity issues.



**Price Simulator:** The simulator section assesses the financial impact of UPC level price changes.



**Thank You**

For any queries, get in touch with us.

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