PRICESTRAT™

Make Smart Merchandising Decisions that Put Your Customer First

Rules-Based Pricing · Regular Price Optimisation
Promotions Optimisation · Real-Time Scenario Modelling
Automated Pricing · Advanced Analytics

THE BEST IN DEMAND SCIENCE FOR RETAIL PRICE AND PROMOTION OPERATIONS

Retail has never been so volatile, and the battle for shoppers is fought using price as a weapon. Knowing how consumers will respond to your pricing and promotions is essential to making smart decisions that improve your bottom line and avoid losses, while solidifying your price image with the customers that matter most.
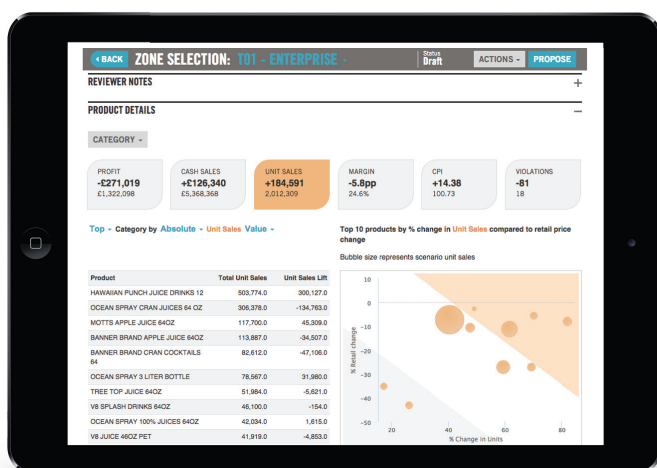
How do you translate your value proposition and plans into actual prices and relevant offers online and in store? It's no easy task to price millions of store and product SKU combinations typical in consumer goods markets. Not to mention you need to manage external factors like price zones, changing costs, trade funds, competitive data, and marketing plans – while under constant time pressure.

If you're still relying on spreadsheets and simple pricing rules, or an unwieldy bespoke solution, you could be leaving money on the table. You need a sophisticated, unified price and promotions optimisation solution built on the best in demand science, so you can reach target objectives based on actual customer behaviour. Or, if you have a legacy optimisation solution and just aren't seeing value, learn why many retailers have replaced their outdated, inefficient tools with PriceStrat.

Specifically designed in partnership with the world's leading retailers, PriceStrat has been proven to deliver measurable lift in sales and margins for both large and smaller organisations. Here are a just a few reasons why.

With PriceStrat you can drill into a scenario to see its potential impact on critical metrics like sales and profit. This can be done at the category level or by groups of products, such as KVIs. You can also see which products or price changes may need a closer look before you make a costly mistake.

ONLY PRICESTRAT GIVES YOU:

- A single, fully integrated platform that combines rules-based pricing, everyday pricing, and promotions forecasting so you can understand their impact on each other

- An easy way to balance a variety of competing priorities, including profit, sales volume, revenue, competitive positioning, and customer price image, using science instead of gut feel

- A highly sophisticated and flexible rules engine that can handle your most challenging requirements

- Real-time modelling and interactive scenario creation so you can build and compare options in just seconds

- Continuous model updates, so you can always create scenarios with the freshest data possible. (Other solutions only do this quarterly, or even longer!)

- The latest in machine learning, which automatically updates your models, too, based on new data

- Built-in business intelligence dashboards to help you easily see trends and patterns and identify what needs to change – quickly.

IMPROVING ACCURACY & LOYALTY WITH CUSTOMER SEGMENTATION

When you apply shopper insights into your decision-making process, you can solidify your price image with customers who matter most. To help you improve forecast accuracy, PriceStrat uniquely enables you

> "PriceStrat is really a strategic tool that helps our merchandising team optimise results at the category level across the company, providing us with a broad view of pricing decisions on the totality of our business."
>
> —Vice President of Merchandising, SpartanNash

PROVEN ROI

Most PriceStrat users see a 1–5% sales increase and improved margin rates. Every $1 invested can generate $10 to $20 of ROI.

to set targets and track customer reaction at the segment level. It's the only solution truly built around a customer-first approach, like all of our dunnhumby solutions.

PRICESTRAT: A SINGLE UNIFIED OPTIMISATION PLATFORM

Since data science experts from the University of Manchester pioneered PriceStrat 20+ years ago, we've been perfecting the way it helps retailers transform insights into action. Every day we work with our clients to develop new innovations to take your pricing and promotion efforts to the next level.

Because PriceStrat integrates rules-based pricing, everyday pricing and promotional pricing in one platform, you can forecast the total impact of your offers on customer demand, and see potential category cannibalisation and halo effects. Whether you want to protect your Key Value Items, promote your private-label business, or make other strategic moves, PriceStrat makes it easy.

This unified approach empowers merchants and buyers to build a holistic price and promotion plan that drives growth and loyalty at a category level, unlike other solutions that reinforce working in silos instead.

RULES-BASED PRICING

Put an end to the rigidity of spreadsheets and basic rules-based solutions with our sophisticated, flexible rules engine that lets you set and relax rules as needed. PriceStrat supports a rich class of constraints, including linear (e.g. brand and size-parity rules, maximal price differentials, and competitor pricing) and non-linear constraints (e.g. minimum unit forecasts). PriceStrat will show you where you need to address infeasible scenarios, and the impact of your choices. Let PriceStrat simplify your decision making and ensure that your shoppers are rewarded with consistently logical prices on the shelf.

EVERYDAY PRICE OPTIMISATION

Determine the ideal regular price for an item, a set of items, or an entire category in real time, based on current market data. PriceStrat works with your business rules and objectives in mind, while incorporating elements like seasonality, customer segments, and promotional effects. And you can trust PriceStrat: clients routinely see very high levels of forecast accuracy. You can also compare your forecasts to budgets directly in PriceStrat to easily discover how to hit your numbers.

PROMOTIONS OPTIMISATION

Model what-if scenarios and create accurate forecasts based on the very latest market data, your business objectives, and customer segmentation, so you can mitigate the risk of bad promotions and generate the intelligence you need to negotiate trade funds on the fly. Manage your Temporary Price Reductions with ease. Simulate the effects of advertising, display, and other marketing tactics on your financial performance, before you roll out your campaigns. And, because of PriceStrat's integrated model, see how your promotions will affect overall category metrics given base prices and other rules-driven changes planned during a promotional period.

WORK FASTER AND WITH MORE PRECISION

We know pricing teams need to be nimble. PriceStrat helps you streamline your workflows and improve collaboration, so you are more efficient and effective every day.

RAPID REVIEWER: Forget spending hours of tedious work pulling data. Our easy-to-use web dashboards speed decision-making on everyday pricing scenarios and make it easy to share summarised facts and other reports for improved collaboration.

AUTOMATED PRICING: Send the right prices to the market sooner using PriceStrat's Automated Pricing feature to trigger actions based on predefined policies, market events, and specified data inputs. Let the system help you respond to changes in costs and competitive data, with straight-through processing and exception handling. Dynamically created scenarios also reveal where you should take steps right away to improve performance, improving market agility.

PRICESTRAT ANALYZER: Get a world of analytics right at your fingertips – and share it with ease. PriceStrat Analyzer complements PriceStrat's superior price optimisation capabilities with a highly visual reporting platform that enables you to closely monitor and track the performance of your pricing and promotion decisions over time, and easily share that information across your organisation. Assess business performance, view trends, identify exceptions and outliers, and respond even more quickly to market changes.

OUR PRICING EXPERTS: YOUR STRESS RELIEVERS

No software tool can be effective without a good pricing strategy. Our dunnhumby Price and Promotion team offers decades of experience helping retail and CPG companies with strategies and plans to improve brand loyalty and customer price perception. We can help you gain proper alignment among merchandising, marketing, category management, and other commercial operations, improving your use of people, processes, and analytics tools across the enterprise.

Furthermore, if you've struggled with technology implementations before, our team can bring you proven methodologies for success. Our PriceStrat advisors can help you manage change and avoid common pitfalls, enabling you to achieve ROI more quickly and cost effectively than what's possible on your own. Trust us to help you simplify the complexity and stress of right pricing, while empowering your team to succeed, whatever your level of organisational maturity.

> "PriceStrat was the only solution that included integration of both everyday and promotional pricing. We believe that a data-driven, scientific approach to making decisions about pricing and promotions will contribute to our continued success and our customer-first model.

—Vice President of Merchandising, AutoZone

> "PriceStrat is a pivotal tool for our category managers and buyers, giving us the visibility and control we need to maintain and fine-tune our pricing, so that we continue to win in our markets and on the products that matter most to our shoppers.

—Commercial Director for IT, Sonae

dunnhumby
PRICE AND PROMOTION

MAKE YOUR PRICE AND PROMOTIONS STRATEGIES WORK SMARTER

To transform your pricing and promotions to a powerful customer-focused, data-driven strategy, contact us today. Find out how PriceStrat software can help grow sustainable sales, price perception, and customer loyalty for your business.

Discover how PriceStrat can help you:

- **Improve** customer perception and loyalty

- **Sharpen** day-to-day pricing tactics through precise consumer behaviour modelling

- **Maximise** forecasting accuracy and minimise risk

- **Avoid** ineffective promotions and elevate your negotiating power with vendors

- **Boost** category and store revenue, and surpass your profit goals

- **Minimise** operational inefficiencies and accelerate decision making so you can focus your efforts on growing revenue

- **Standardise** pricing rules across your organisation for greater control

- **Respond** to the market quickly based on the most current sales data

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dunnhumby is the world's leading customer science company. We analyse data and apply insights from nearly one billion shoppers across the globe to create personalised customer experiences in digital, mobile, and retail environments. Our strategic process, proprietary insights, and multichannel media capabilities build loyalty with customers to drive competitive advantage and sustained growth for clients. dunnhumby employs over 2,000 experts in offices throughout Europe, Asia, Africa, and the Americas and works with a prestigious group of companies including Tesco, Monoprix, Raley's, Macy's, Coca-Cola, Procter & Gamble, and PepsiCo.