

Price Optimization System Selection

Defining future regular and markdown pricing processes and guiding the price optimization system selection in a multi-channel environment with the objectives of improving margin, increasing efficiencies, and enhancing customer satisfaction.



The Client

A \$3+ billion multi-national, specialty retailer of outdoor sporting goods.

The Challenge

The client struggled with managing their regular and markdown pricing activities given their large SKU-base, localized assortments, extreme seasonality, and the complexity of their multi-channel business model.

They recognized the need for well-defined, coordinated business processes, supported by cutting edge analytical software in order to drive increased margins, improve labor efficiencies, and enhance customer perception of their pricing policies. The client also wanted to ensure their pricing solution would accommodate their plans for significant future growth.

The Parker Avery Solution

The Parker Avery Group assessed the client's pricing capabilities, defined the client's future regular price and markdown business processes, and led the client through the system selection process. As part of this effort, Parker Avery performed the following key activities:

- Evaluated the client's current state pricing practices and benchmarked them against industry leading practices
- Defined future state processes, organizational structure, and corresponding roles and responsibilities
- Documented system requirements
- Vetted potential software providers
- Issued an RFP and evaluated responses
- Organized on-site software demonstrations and drafted a detailed demonstration script
- Conducted reference calls with software providers' customers
- Evaluated solutions for business fit
- Developed a multi-faceted scoring assessment and reviewed findings with stakeholders
- Counseled the client during negotiations with software providers
- Provided a detailed plan for implementation

The Result

After completing the evaluation process, the client was able to select the vendor with the best potential to meet their comprehensive price optimization requirements. Parker Avery was tapped to assist the client with the design and implementation of the selected software solution.