

Regular Price Optimization and Competitor Price Management System Selection

In-depth review of existing pricing practices and identification of future state capabilities and requirements to select a solution that will drive more competitive, data-driven pricing decisions.



The Client

The U.S. division of a multi-billion dollar international discount grocer.

The Challenge

With heavy reliance on an Excel-based solution, the client was having difficulty managing the growing complexity of pricing in a highly competitive market. The client struggled to keep pace as competitors adopted advanced pricing systems and price discrimination strategies. The company's own pricing strategy was dependent on obtaining accurate competitive price data; however, the existing approach to creating and managing shopping lists, as well as handling data feeds from their third-party price auditor, was not capable of supporting the rising number of competitors and locations being tracked.

Further, while some key pricing decisions were delegated to divisional offices, others were consolidated in the buying organization, creating challenges with alignment on pricing.

The Parker Avery Solution

The Parker Avery team reviewed the client's 'current state' pricing capabilities, identified competitor data management as a significant pain point, documented the gap between current and leading practices, defined the client's future regular price business processes, identified non-system critical success factors required to drive business benefit, and led the client through the system selection process. As part of this effort, Parker Avery performed the following key activities:

- Evaluated current state pricing and competitor data gathering and benchmarked against leading practices
- Defined future state processes and non-system dependencies
- Vetted potential software providers
- Documented system requirements, issued an RFP, and evaluated responses
- Organized on-site software demonstrations and drafted a detailed demonstration script
- Conducted reference calls with vendors' customers
- Coordinated technical evaluation of the potential solutions, including a detailed security assessment
- Developed a multi-faceted scoring assessment and reviewed findings with stakeholders
- Drafted a detailed business case
- Counseled the client during negotiations with vendors

The Result

The client successfully concluded negotiations with the recommended providers. In addition, Parker Avery was contracted to support the implementation phase of the initiative.