

## Grocer Expects Massive ROI from Its Successful Price Optimization **Implementation**

## Client Challenge

The client is a rapidly expanding North American division of a multi-billion-dollar international discount grocer. They had selected a new pricing solution, but due to a major system infrastructure transformation in the coming years, the client did not allow any changes to legacy systems to accommodate the new software. In addition, the company needed to integrate newly obtained web-scraped competitor price data into the pricing solution.

Further, retail pricing decision-making responsibility was shifting from senior executives and store operations leadership to the central buying and pricing teams, making change management crucial to the success of the implementation.

Finally, certain categories such as produce, dairy, alcohol, and fresh meat, faced local laws and distinct data and procedural characteristics related to pricing that necessitated the development of different data feeds, business rules, and process designs.

## Parker Avery Solution

The Parker Avery team provided retail pricing leading practices and project oversight while guiding technical discovery, business process design, configuration, change management, data validation, testing, and rollout support to ensure a successful price optimization implementation.

Working closely with the client, Parker Avery performed the following project activities:

- Facilitated technical discovery activities to review data and system infrastructure needs and to identify required transformations and gaps
- Determined methods for providing required data to the pricing solution without disrupting current core merchandising systems

- · Led business process design, including futurestate processes and roles & responsibilities for multiple categories
- Managed system configuration workshops and assisted in setting configurations
- Coordinated change management and training activities including stakeholder assessment, strategy development, enterprise communications, training, and postimplementation support
- Developed user acceptance testing (UAT) plans and oversaw system testing
- Supported the client through implementation and roll-out

## RESULTS



**SUCCESSFUL PILOT IMPLEMENTED** 



**ANNUAL** MARGIN\* **INCREASED** 



**MASSIVE** ROI\* **ACHIEVED** 

After launching on schedule, the pilot category alone produced enough financial benefit to pay for the 5-year software license in about 10 weeks. After complete roll-out, the client expects to achieve a margin increase of more than \$110M a year, translating to project ROI of over 1,000%.











