Luminate Commerce

Luminate Market Pricing

Automate Strategic Grocery Pricing with Intelligence and Precision

Business context

Grocery Retail is a fast-moving market with rapidly evolving customer demands and competitive landscape. It's imperative to be as agile as possible when it comes to pricing, learn quickly and most importantly implement quickly. Finding that tipping point of margin is a key topic for many retailers to ensure competitiveness and customer loyalty, with the added complexity of localization (customers and competitors are different in different locations). Getting Price right is one of the core strategies to drive growth, especially for key value items.

The ability to consume, process and share large quantities of data has led fundamental disruptions in strategy and business models. Retailers must balance inventory, prices and promotions to maintain profit levels that are under constant pressure. Every day, dynamic pricing is an important part of the strategy to maintain the loyalty of customers increasingly seeking value or shifting their shopping dollars to more aggressive competitors. Grocers must build distinctive offers that resonate with today's consumers across growing private label assortments or increasing online channels.

Luminate Market Pricing

Luminate Market Pricing is designed to deliver optimized prices for every channel and product according to consumer demand, brand loyalty and local conditions. Learning the relationship between price changes and demand while respecting the business strategy, it rapidly senses vital demand signals from changing market conditions and data such as sales, promotions, weather and events to deliver automated proposals in competitive markets. Luminate Market Price is the leading solution for Dynamic Pricing in both online and brick and mortar stores, making use of the most advanced AI/ML algorithms for Retail. It is built for the future of pricing and takes into account incorporated constraints and business logic to meet your current maturity level.

Key features

- **Strategic Optimisation:** users define the desired output which the machine executes against, encouraging high levels of automation that maximize business objectives while ensuring price integrity and brand perception.

- **Predict Price Elasticities:** utilize advanced ML techniques to identify changing local price elasticities

- **Forecast Demand:** use location demand forecast to predict likely customer behaviour through understanding the true correlation between price and other multiple factors.

- **Optimize Decisions:** Over the life of the product faccording to the pre-determined business strategy alongside intelligent competitive pricing that avoid a race to the bottom.

- **Automated Pricing:** automated price update process allows for daily pricing and frees up resources to focus on the strategic assortment planning tasks.

Capability Offerings

Automation

Luminate Market Price recommends intelligent prices based on learnings from current and historical data to reflect business goals of the organisation, catering for pricing strategies that optimise for revenue, margin or a mix of approaches. Powerful algorithms scientifically determine price elasticity of demand via machine learning algorithms that understand customer behaviour.

Agility

SaaS delivery on Microsoft Azure for ease of maintenance and administration.

Modern UX

Blue Yonder's Glassbox UI exposes the thinking behind the AI, leading to meaningful human-machine interaction. Users set strategies pricing strategies to balancing competition goals such as revenue and margin optimisation, and are directed to exceptions via targeted alerts. Pricing approval is managed via intuitive workflow with a focus on toward KPI improvement, while intelligent competitive analysis avoids a race to the bottom.

Key benefits

- **Precision:** improve agility with objective data measurements derived at the most granular level.
- **Intelligence:** accurate demand forecast plus continually updated price elasticity measurement ensures objective and smart pricing.
- **Automation:** deliver intelligent, market aware prices in highly competitive markets.

Digital transformation is at your fingertips

To learn more, visit

blueyonder.com/solutions/pricing-promotion

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