✦ BlueYonder

🛒 Luminate Commerce

Luminate Pricing Real Time

Automate Fresh Food Real Time Pricing with Intelligence and Precision

Business context

The growing demand for fresh foods is proving to be a big driver of sales and growth in grocery retail, often accounting for 40% of revenue. But with highly variable demand, perishable stock and low margins, markdowns aka real time pricing, is still a process grocery retailers are working on.

Making sense of the customer experience starts with tying consumer insights, shopper habits, customer data analytics, and pricing data together. Consumers today also have more disposable income, are more confident, happy to shop across channels, more demanding and less loyal to retailers than ever before. And while they seek value and competitive prices, they increasingly regard waste poorly and ask that retailers address this problem. Consumers are willing to pay a fair price but quickly and scientifically calculating the price that incoprtates consumer sentimaernt alongside location stock levels has so far proven elusive.

Luminate Pricing Real Time

Luminate Pricing Real Time is intelligent pricing, improving fresh food markdown performance in every way. It uses proprietary AI to calculate store-specific item price elasticities alongside multiple demand factors such as inventory level, weather and events, and delivers these to store in real time without re-engineering existing processes. The costs and impacts of every markdown price are considered along with likely consumer behaviors, product master data, and external data feeds. Markdown prices are automated based on the desired business strategy at the time and served to an in-store markdown tool at a time convenient to the store.

Key features

- **Realtime Price Generation:** time specific prices accessible in realtime to store colleagues according to store needs.

- **Predict Price Elasticities:** utilize advanced ML techniques to identify the right level of price elasticity measurement in each location.

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

- **Automated pricing:** prices optimized against all possibilites of time and stock for flexible execution in store.

- **Strategic Optimization:** Automated daily prices generated against pre-defined markdown stratgy.

Capability Offerings

Intelligence

Uses proprietary machine learning to isolate the price-demand relationship from other influencing factors, at the most granular level, alongside Blue Yonder's AI demand forecasting engine to better understand how customers are likely to behave in relation to markdown prices over the day.

Real Time

Our API driven information flow allows for real-time integration between the pricing engine and in-store infrastructure. Store colleagues can get the most appropriate price for the quantity of short code stock available, for the time remaining in an operating day.

Integration and Deployment

Proven cloud delivery that spans 15+ years with over 600 customers. Speed of deployment allows for value realization, which allows you to grow and adapt quickly to change. We leverage robust security measures with Microsoft Azure and our Luminate Platform integration approach ensures reliable data gets to every system whenever it is needed.

User Experience

Seamlessly integrates into existing in-store processes, minimizing the need for change management. Users need only input the total short code quantity into their handheld device.

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 to stores in real time, at a time suitable to each store.

Digital transformation is at your fingertips

To learn more, visit

https://blueyonder.com/solutions/pricing

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