

Pricing Tune Up

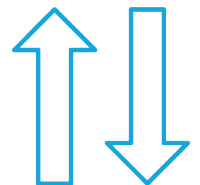
Three Step Guide to adjusting your pricing strategy post disruption

Retailers go through three phases when adapting to disruption: React, Respond and Reimagine. This guide is designed to help you evaluate where you are today and provide key questions to answer as you tune your pricing strategy.

Phase 1: React

Start by understanding how changing customer behaviors and expectations impact your revenue and margins

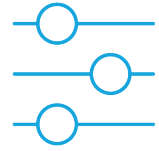
- Consider how your fundamentals have changed and how that may impact your pricing strategy:
 - KVIs:** Redefine your KVIs and run a fresh competitor price comparison
 - Channel Strategy:** Analyze your sales by channel to see what has shifted, including online shopping and what types of items are selling where
 - Competitors:** Identify any changes in your competitive landscape, including new competitors and competitor pricing strategies
 - New Customers:** Assess any new customers: Who they are, why they came, and how they are different from your traditional customers
 - Consumption Patterns:** Compare pre- and post-disruption consumption patterns to identify new trends, including pack sizes and types of items
 - Promotions:** Determine whether your promotions are still effective
- Determine how to communicate value to consumers in an evolving market



Phase 2: Respond

Next, focus on aligning your strategies with changed consumer preferences and look for ways to deliver innovative promotions

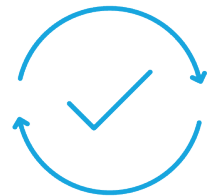
- Create plans to maximize promotional performance, including:
 - Innovative ways to recover from tightening vendor funds
 - Items that resonate with new consumer demand
 - Assessing effectiveness of current vehicle reach
- Reevaluate your offering assortments against recent customer preferences
- Adjust pricing for competitive changes
- Engage your new customers and their preferences
- Assess your pricing strategy and how well it aligns with customer consumption shifts



Phase 3: Reimagine

Now, use those data insights and assessments to rethink your pricing strategy and goals for success in a new market environment

- Tune your overall pricing strategy at the brand, category and KVI level
- Tune your competitive pricing strategy at the brand, category and KVI level
- Tune your pricing strategy to account for shifts in channel behavior
- Redefine your zones to reflect both economic and consumer shifts
- Ensure your KVIs are well understood and aligned to consumer behavior, price perceptions and new market realities
- Align your promotional calendar and strategies with new shopper behavior
- Improve the experience for new customer types
- Redesign your assortment strategy and category pricing roles to reflect changes in the marketplace
- Redefine your channel strategy to align with changed consumer omnichannel expectations



About Revionics

Revionics guides retailers on the lifecycle pricing journey with leading AI solutions for pricing, promotions and markdowns. As a trusted partner, we provide our customers with clarity and confidence to make optimal pricing decisions for powerful results.

Revionics is an Aptos company and plays a key role in their suite of unified retail solutions.