PRICE & PROMOTION MANAGEMENT

JDA Software: Enabling Demand-Driven Price and Promotion Management

Synchronizing and optimizing consumer-centric processes to achieve your revenue, profit and customer satisfaction goals.
Why do companies worldwide rely on JDA Software for price and promotion management?

Real Results. Fast.

JDA Software helps the world’s leading retailers and consumer goods manufacturers achieve tangible benefits by enabling a demand-driven approach to lifecycle price and promotion management. These solutions can deliver impressive benefits with capabilities that support:

A synchronized view of consumer demand

- Enhanced visibility of price and promotional impacts on consumer demand
- Improved forecast accuracy
- Improved financial predictability
- Aligned inventory levels with base and promotional demand

Optimized inventory investment

- Decreased out-of-stocks and overstocks
- Reduced inventory levels
- Influenced more intelligent and bold markdown decisions

Reduced costs with streamlined processes

- Eliminated pricing errors
- Boosted productivity with time savings capabilities that reduced data entry errors
- Significantly accelerated process of creating and distributing printed advertising pieces

Increased customer traffic and improved brand image with more targeted ads and promotions

- Streamlined process of managing localized versions of ads and promotions with messages that target growth markets
- Decreased the lead time of selecting and preparing ad executions
- Dramatically improved the accuracy of information by ensuring the item and price promoted in the ad is available at the stores

* Represents actual results realized by JDA customers
Challenge: Disconnected Price and Promotion Decisions That Do Not Account for Consumer Demand

As retailers and manufacturers strive to build brand image, customer loyalty and trust, many organizations are re-evaluating their pricing and promotion strategies. Since these processes have such a direct and immediate impact to their bottom lines, the urgency to bring together all moving parts has intensified. It has also become more complex to execute. While some companies have deployed updated pricing and promotion solutions, too many still rely on disparate systems, stand-alone spreadsheets and manual activities. These are no match for such complicated merchandising processes that transcend departments and trading partners.

To efficiently execute lifecycle pricing and targeted promotions in sync with consumer preference and competitive activity, companies must embrace a new way of doing business. With profit and revenue goals on the line, now is the time to gain a competitive advantage with next-generation solutions. Solutions that optimize and synchronize processes, incorporate advanced forecasting and pricing techniques, embed actionable intelligence and align inventory levels with consumer demand. The technology is here, but is your company prepared to move forward?
Lifecycle Pricing

Solution: JDA Price & Promotion Management

If your company is ready to adopt a demand-driven approach to lifecycle price and promotion management, JDA Software is ready to lead the way. For more than 25 years, hundreds of the world’s leading retailers and manufacturers have increased sales and brand awareness with JDA solutions supporting more profitable pricing strategies and targeted promotions. Now we’ve united all the best practices that support the varying stages of lifecycle pricing, base price optimization, markdown optimization, promotion planning and advertising execution within JDA Price & Promotion Management.

By synchronizing and optimizing the details behind your pricing, promotions and advertising activities, our offering brings everyone in your organization on the same page, working towards the same goals. JDA Price & Promotion Management can help drive traffic and profitability throughout your sales channels. You’ll build brand loyalty with consumer-centric merchandising processes fine-tuned to your best customers’ preferences, overall costs and market position.

Integrated Capabilities for Price and Promotion Management

JDA Price & Promotion Management synchronizes promotion planning, forecasting and price optimization with supply chain, advertising and price execution. Your company can more efficiently and accurately manage a wide range of processes:

- Increase awareness and understanding of how your customers react to pricing and promotions
- Apply a consistent, systematic approach to improve and automate your daily activities, including the review of in-season performance
- Realign your performance goals based on automatic, system-generated recommendations
- Incorporate the effects of price adjustments and promotions into a single demand forecast that is shared enterprise-wide
- Align purchasing and fulfillment decisions with anticipated demand
- Automatically generate high volumes of significantly versioned ads with maximum efficiency
- Streamline and automate trade event and promotion programs for better results
- More efficiently establish everyday pricing that best adheres to your category pricing strategies while minimizing the impact on store labor

Our solution also delivers new pricing and promotional decisions to a wide range of JDA demand, fulfillment, space management, enterprise planning, merchandise operations and point-of-sale solutions for further execution.

Leverage a Shared, Synchronized View of Demand

With constantly evolving product choices and trends, determining the optimal price and promotional strategies for every product/location combination has become increasingly difficult to do. Critical to the success of promotion
planning and price execution is a comprehensive forecasting and replenishment solution that integrates the end-to-end components of the supply chain.

A tremendous competitive advantage of JDA Price & Promotion Management is its connection with the JDA® Demand solution. Providing a systematic, scientifically-based method for analyzing and decomposing demand history, JDA Demand helps identify product-selling behaviors and establishes optimal forecasting techniques. JDA Price & Promotion Management then combines the lift associated with price adjustments and promotional tactics with the baseline demand forecast into one operational system. With a single view of demand across departments and locations, your company can more accurately advance promotional and price planning activities and demand requirements.

Take a Phased Approach to Next-Generation Capabilities

Evolving from a manual, instinctive approach to a demand-driven strategy can be daunting. That’s why we offer your company the freedom to introduce change at a manageable pace. Your company can incorporate JDA’s capabilities into your existing business processes in phases, focusing first on the areas that will bring the most immediate value to your business.

Whether you need to tackle markdowns, trade promotions management or a broader range of our price optimization and promotions capabilities – you set the schedule. Each application within the JDA Price & Promotion Management solution can be deployed independently. And, you won’t have to worry about outgrowing your technology investment. Our solution scales to the requirements of even the largest tier-one companies so as your needs change or expand, JDA Price & Promotion Management can evolve right along with you.

“At Charlotte Russe we are focused on delivering trend-right product, appropriately managing inventory and tightly controlling costs. JDA Markdown Optimization will help us support our corporate objectives by enabling our business teams to make more timely and accurate decisions with our product lifecycles. By providing automated recommendations of item price reductions over time, JDA’s solution helps us to establish an optimal markdown strategy for every product and every store to meet our margin goals.”

Ed Wong
former Chief Operating Officer,
Charlotte Russe
### Sample of JDA’s Price & Promotion Management Customers

<table>
<thead>
<tr>
<th>Company Name</th>
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<tbody>
<tr>
<td>American Italian Pasta Company</td>
<td>Michelina’s, Inc.</td>
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<tr>
<td>Bath &amp; Body Works, Inc.</td>
<td>Nissin Foods (USA) Co., Inc.</td>
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<td>Bush Brothers &amp; Company</td>
<td>RONA Inc.</td>
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<td>Charlotte Russe Holding Inc.</td>
<td>S. C. Johnson &amp; Son, Inc.</td>
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<td>Clicks Organisation Pty (Ltd)</td>
<td>The Dannon Company, Inc.</td>
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<td>Cricket Communications, Inc.</td>
<td>The Sports Authority, Inc.</td>
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<td>Federated Co-operatives Ltd.</td>
<td>The Sun Products Corporation</td>
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<td>Gordon Food Service Inc.</td>
<td>Victoria’s Secret Stores, Inc.</td>
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<tr>
<td>Katz Group Canada Ltd.</td>
<td>VIP Parts, Tires &amp; Service</td>
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<tr>
<td>Massdiscounters</td>
<td>Virgin Mobile USA</td>
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<td>Meijer, Inc.</td>
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### JDA Delivers End-to-End Capabilities for Lifecycle Price and Promotion Management

<table>
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<tr>
<th>Requirements</th>
<th>JDA Capabilities</th>
<th>Benefits</th>
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| **Strategic Pricing & Base Price Optimization** | • Defines item-level, localized pricing that adheres to important rules and reinforces the corporate brand image and category strategies  
• Supports consumer-driven recommendations, based on price and demand elasticity, price image, seasonality, competitive prices and more  
• Features configurable rules to consider competition, size, brand relationships and more  
• Manages and quickly executes pricing strategies via monitoring and alerts | • Drives profit and revenue while improving financial predictability  
• Increases pricing accuracy and reinforces category strategies through pricing  
• Improves understanding of consumers while enhancing customer price perception  
• Fosters consistent brand and value message  
• Improves local competitive position  
• Enables effective response to vendor cost changes and competitive pricing actions  
• Minimizes labor costs associated with price changes |
| **Promotion Planning, Forecasting & Optimization** | • Evaluates and plans all promotional tasks and synchronizes business decisions from within the workbench  
• Forecasts demand based on consumer response to price, marketing tactics and related products  
• Enables seamless integration with JDA Demand to optimize planning and execution decisions  
• Provides real-time, consumer-driven promotion simulation, optimization and comparison | • Boosts planner productivity  
• Helps achieve revenue and profit objectives  
• Improves evaluation and understanding of promotional impact  
• Supports activities designed to drive sales and consumer loyalty |
| **Markdown Optimization** | • Optimizes markdown pricing strategies to profitably move inventory – even short lifecycle and seasonal products  
• Features embedded forecasting that provides projected impact of markdowns prior to execution  
• Automates the recommendations of timing and pricing related to consumer price sensitivity, inventory costs, product lifecycle and disposal costs | • Maximizes value for end-of-life and end-of-season inventory  
• Enhances profitability and gross margins  
• Removes the guesswork from pricing decisions  
• Boosts efficiency and accuracy by automatically creating optimal markdown price schedules |
| **Ad Planning & Creative Production** | • Automatically builds ads by inserting data such as item, attribute, price and savings statements with marketing content such as copy and images into a single desktop-publishing document  
• Provides integrated digital asset management to categorize images, ad copy, logos and art for easy location and reuse  
• Provides automated repurposing of print media for the Web  
• Supports Web-based collaborative workflows between executives, merchants, marketing associates and ad designers  
• Provides automated versioning that supports localized promotions | • Compresses promotion planning and production cycle time  
• Improves productivity  
• Reduces advertising costs  
• Increases market responsiveness |
| **Deal Management** | • Centralizes and automates managing, scheduling and processing of performance-based trade programs  
• Automates benefit calculation based on qualified merchandising  
• Supports simple or complex deals based on sales, receipts, purchase orders, flat dollar amounts, volume thresholds and more  
• Enables manufacturers to have better control and visibility into trade spending costs and business impacts | • Eliminates costly errors that reduce funding  
• Drives greater profit and revenue with visibility into price, net-landed cost and gross margin  
• Supports securing mutually beneficial agreements through informed negotiations |
| **Price-Sensitive Forecasting** | • Incorporates all lifecycle pricing components with JDA’s demand and fulfillment solutions  
• Generates highly accurate forecasts  
• Synchronizes planning, optimization and execution for maximum benefits  
• Features cross-product and cross-category elasticity | • Improves visibility into location-level demand  
• Increases revenue with reduced out-of-stocks  
• Improves baseline and promotional forecast accuracy |
**PRICE & PROMOTION MANAGEMENT**

**Enable Demand-Driven Lifecycle Price and Promotion Management**

With constantly evolving product choices and trends, determining optimal price and promotional strategies for every product/location combination has become increasingly difficult to do. JDA’s Price & Promotion Management solutions enable companies to synchronize promotion planning, forecasting and price optimization with supply chain, advertising and price execution.

Transform your business by using JDA solutions to:

- Increase customer traffic with more targeted ads and promotions
- Use consumer-centric merchandising processes to build brand loyalty
- Integrate lifecycle pricing components with forecasting techniques from JDA Demand
- Efficiently establish localized pricing policies that allow you to more effectively compete in the local market
- Achieve measurable top- and bottom-line improvements

Now you can be among the JDA Price & Promotion Management customers reporting outstanding results and an unsurpassed customer experience with the following components:

- Strategic Pricing
- Promotions Management & Optimization
- Markdown Optimization
- Advertising
- Trade Promotions Management

**Deploy JDA Price & Promotion Management via JDA Cloud Services**

Protect your JDA software investment and increase business agility by having JDA experts manage, monitor and maintain your JDA solutions. JDA Cloud Services reduces your implementation time and risk while enabling you to quickly and easily deploy new functionality to keep pace with your changing business needs. With your software running in the cloud and upgrades included in your service, you will benefit from solutions that are optimized for your specific business requirements to help ensure that you achieve and sustain a long-term return on your investment.

**About JDA Software Group, Inc.**

JDA® Software Group, Inc., The Supply Chain Company®, offers the broadest portfolio of supply chain, retail merchandising, store operations and all-channel commerce solutions to help companies manage the flow of goods from raw materials to finished products and into the hands of consumers. JDA’s deep industry expertise and innovative cloud platform help companies optimize inventory, labor and customer service levels. As a result, JDA solutions have become the standard for the world’s leading retailers, manufacturers and distributors.