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Omni-Channel Retail Pricing Leader, Clear Demand, Announces Important Capabilities To Support Innovative Online Retail Pricing Proposition

SCOTTSDALE, AZ. — January 13, 2014 — Clear Demand, in 2013, announced the first omni-channel retail pricing solution based on a unique platform architected on Big Data while simultaneously advancing innovations for transparency, strategy and usability. Clear Demand published a paper entitled “[Big Data Converges with Omni-Channel Retailing for Competitive Advantage](#)”. Clear Demand is exhibiting at NRF 2014 in New York City, Booth #523, and available to discuss its solution and important new capabilities developed to help retailers compete more effectively online and across omni-channels.

Omni-Channel Competitive Surveillance. At the time of its [omni-channel pricing announcement](#), Clear Demand introduced an industry-first capability for competitive price surveillance which utilizes online competitive price data supplied by any one of a number of vendors. Omni-Channel Competitive Surveillance processes competitive pricing data feeds from any source (online, in-store) at any frequency, compares target prices with the retailers’ pricing rules - configured within Clear Demand’s rules engine - and provides daily alerts for merchants when prices are out of compliance with rules. The benefit is more dynamic competitive price management and response. When combined with SKU-level demand modeling and constrained optimization, retailers now have the opportunity to be strategic in their competitive pricing strategies while avoiding the need for indiscriminate price matching.

Online Clickstream Price Analytics. Traditional pricing solutions have focused on three primary inputs to derive their demand models for establishing price elasticity: historical sales data, prices and promotional information. While historically effective in modeling demand, the approach does not incorporate “clickstream”¹ data, which is a rich input that can increase modeling precision and drive intelligent pricing online. Clear Demand is the first to incorporate clickstream data in its pricing solution, geared to supporting online and omni-channel retailers. Specifically, Clear Demand analyzes the relationship between online shopping behavior “inside or outside the cart” and price,

¹ On a Web site, clickstream analysis (sometimes called clickstream analytics) is the process of collecting, analyzing, and reporting aggregate data about which pages visitors visit in what order - which are the result of the succession of mouse clicks each visitor makes.

<http://searchcrm.techtarget.com/definition/clickstream-analysis>

to formulate a picture of how shoppers behave relative to price and promotions throughout the clickstream on the path to purchase. The benefit to retailers is improved pricing and profitability from their online merchandising efforts. Clear Demand's *Clickstream Price Analytics* can now answer the question, what effect does price have when:

1. SKUs are viewed but not put in carts?
2. SKUs are viewed and/or purchased together?
3. SKUs are put in the cart and checked out or not checked out?
4. SKUs are viewed from a Social Media visit, Google search or other?
5. Shoppers login and/or use an online promotion code?
6. Visitor segments demonstrate similar shopping behaviors?

Anticipating the need to provide a turnkey solution for retailers in the new area of pricing science, Clear Demand has already established important relationships with eco-system implementation partners that can work with retailers' data collection platforms – generally either Google Analytics or Adobe SiteCatalyst - to support this new pricing and data science.

“Internet and omni-channel retailers are collecting a wealth of online data today through their tools and platforms, but are not using price in the clickstream analysis as a demand influencing factor,” said David Booth, co-founder of Clear Demand partner and leading data agency Cardinal Path. “By incorporating the wealth of data being collected through enterprise web analytics solutions, Clear Demand’s breakthrough is adding price to the analysis and building a “data science bridge” between the eCommerce and Merchandising functions within online and omni-channel retailers.”

Cross-Competitive Price Analytics . In recent work with Tier 1 manufacturers and retailers, Clear Demand advanced pricing and data science by revealing that competitive prices can have a discrete and demonstrable impact on unit sales, apart from prices. In other words, purchase decisions for certain price-sensitive SKUs can be affected more by “price competitiveness” than by “price sensitivity”. Historically, price sensitivity at the store-SKU level was the predominant variable used in pricing. A precipitating factor driving this new cross-competitive “price affect” is the availability of competitive pricing information through mobile technology. Clear Demand is the first company to isolate such cross-competitive price affects and has added the capability to its pricing solution, delivered in conjunction with the competitive pricing data supplied by numerous vendors. Clear Demand foresees abundant application of this capability for consumer packaged goods manufacturers and retailers with the benefit once more being improved pricing and profitability.

Markdown Price Optimization. Clear Demand recently [announced](#) its innovations for markdown pricing on apparel (softlines) and general merchandise (hardlines) across the retail enterprise (online, in-store). Markdown pricing technologies establish the depth, timing and location for pricing on seasonable or short-life cycle products in order to maximize margins. Clear Demand

published a thought leadership article entitled [*"Markdown Optimization Demands a Seasonal Facelift"*](#) to provide more detail on the innovations now available to retailers.

"We are in an important period for retail technology innovation, as retailers adapt to a new level of competitive intensity and shift in consumer shopping behavior," said Jim Sills, President and CEO for Clear Demand. "Although the path to purchase today, online or offline, may be more complex and involve a different set of competitors, pricing and data science technology has evolved to more fully inform retailers of the demand signals and their impact on sales and profitability. We are pleased to be leading innovation in this area based on our single view of the omni-channel retail enterprise."

About Clear Demand

Clear Demand is the first company to deliver an omni-channel retail pricing solution which synchronizes prices, promotions and markdowns online and in-store to produce a consistent brand and shopping experience. Architected on big data and delivered as a multi-tenant software-as-a-service (SaaS), Clear Demand's pricing solutions can be administered from a public or private cloud. Clear Demand's rules-based pricing approach uses innovations which simplify adoption and use while allowing retailers to see value in just weeks with more transparency and minimal disruption to existing business. For more information contact sales@Clear-Demand.com or visit us on the web at <http://www.Clear-Demand.com>.