



Giant Eagle to Leverage DemandTec/ACNielsen Solution for Pricing

SEPTEMBER 26, 2005 -- PITTSBURGH -- Giant Eagle plans to install consumer demand management software to enhance its pricing strategy, and to help its stores achieve a more timely reaction to market influences.

The regional chain selected the Price application from San Carlos, Calif.-based DemandTec, which enables retailers to create and execute pricing strategies based on a quantified understanding of consumer demand. In Giant Eagle's case, it is not intended to drive a shift in the chain's strategy however, which has leaned more toward value-price orientation in the face of competition.

While we are not changing our pricing strategy, the application will help us improve pricing consistency and demand forecasting," Stephanie White, Giant Eagle's director of pricing and promotions told Progressive Grocer. "The features and capabilities of the DemandTec tool will assist us in our efforts to reach our company goal of being the best food retailer through delivering great value, while also achieving our financial performance goals."

White said what particularly attracted her to the application is that it would give Giant Eagle the ability to examine a "virtually unlimited" variety of what-if scenarios to simulate various competitive strategies and the resulting impact on the business.

White said that Giant Eagle, already an ACNielsen customer, was looking forward to "leveraging the products and services that will be developed between [DemandTec and ACNielsen]. The partnership between the two companies was reported earlier this month by PROGRESSIVE GROCER; See "ACNielsen to Partner With DemandTec":

http://www.progressivegrocer.com/progressivegrocer/firc_new/search/article_display.jsp?vnu_content_id=1001056897).

"Combining ACNielsen's consumer and market information with DemandTec's demand-modeling optimization software will enable us to further enhance our pricing and merchandising strategies in effort to provide our customers the best everyday value," said White.

-- Joseph Tarnowski