

Market Performance Analysis

FOR RETAIL

Market Performance Analysis provides granular-level insights that enable retailers to:

- Compare and analyze base and promoted prices against the market
- Identify how pricing strategies impact market share
- Develop optimal pricing and merchandising strategies
- Improve competitiveness and market share



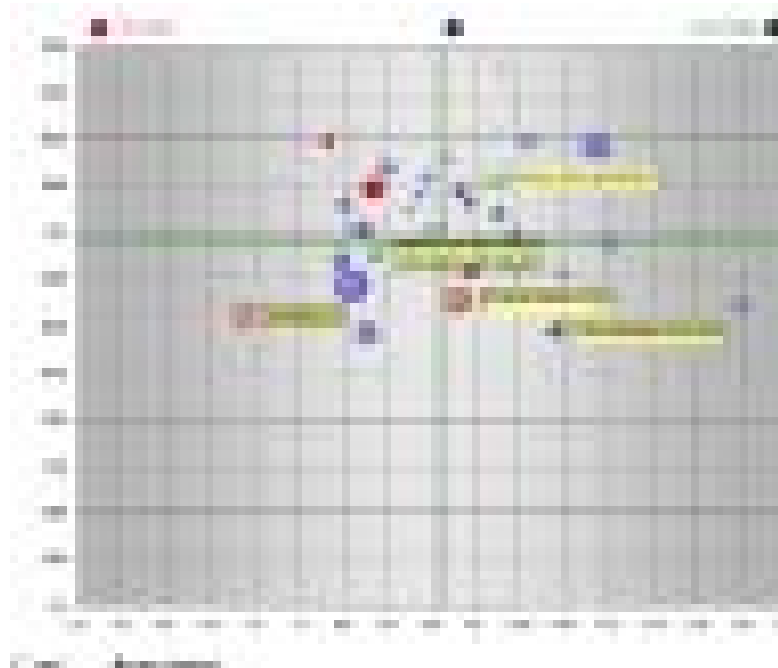
Market Performance Analysis

Market Performance Analysis provides a concise graphical illustration of pricing and merchandising elasticity, competitiveness, and market position for key categories. This analysis identifies how a retailer's base and promoted prices compare with the market, and how current pricing strategies can impact a retailer's market share. With these insights, retailers can plan effective pricing and merchandising strategies and improve their market positioning.

Market Performance Analysis helps retailers answer key questions that can help them optimize their merchandising and marketing strategies:

- How do my base and promoted prices compare with the market?
- How does my current pricing strategy impact my market share?

All Categories Within the 'Dry Grocery Department'



Market Performance Analysis provides granular level insights into merchandising elasticity, competitiveness, and market position for key categories.





DemandTec Analytical Services for Retail

Each DemandTec Analytical Service helps answer key questions that enable retailers to refine strategies and plan optimal merchandising and marketing programs:

- **Affinity Analysis** – What items are typically purchased together as a “solution”? Which ones are purchased by my “best” customers?
- **Competitive Price Index (CPI) Analysis** – How can I quantify my price image given a mix of competitors?
- **Cost of Stockouts Analysis** – How much did stockouts cost me last year, and which categories are most sensitive to stockouts?
- **Customers Likely to Leave Analysis** – What behaviors are common among customers who have defected?
- **Customer Segmentation Analysis** – Who are my “best” and “least” valuable customers?
- **Deal Comparison Analysis** – Which competing vendor deals drive more volume or sales for my category?
- **Image Item Analysis** – What items and categories define my price image?
- **Market Basket Profile Analysis** – What is my average basket size and profit?
- **Market Performance Analysis** – How do my base and promoted prices compare with the market? How does my current pricing strategy impact my market share?
- **Merchandising Decomposition Analysis** – What percentage of my sales or profit come from ad, display, and other merchandising?
- **Price Response Analysis** – How do individual SKUs respond to a base pricing change? Which items are most and least elastic?
- **Promotion Response Analysis** – What is the best use of my ad and display space?
- **Role Analysis** – What are my traffic drivers, destination items, and transaction builders?
- **Rules Impact Analysis** – Are “traditional” pricing rules constraining my volume or profit potential?
- **Store Elasticity Analysis** – Which categories have the most and least price elasticity across stores?
- **Zone Analysis** – Are my stores appropriately zoned given local differences in consumer demand?
- **SKU Rationalization Service** – Are my categories over-SKU'd? How can I delist items and grow the category?
- **Attachment Sale Optimization** – How should I price my services to boost attachment rates and increase category profitability?

About DemandTec

DemandTec (NASDAQ: DMAN) enables retailers and consumer products companies to optimize merchandising and marketing decisions, individually or collaboratively, to achieve their sales volume, revenue, and profitability objectives. DemandTec software services utilize DemandTec’s science-based software platform to model and understand consumer behavior. DemandTec customers include more than 140 leading retail and consumer products manufacturers such as Advance Auto Parts, Best Buy, Circle K Stores, ConAgra Foods, Delhaize America, Dr Pepper Snapple Group, General Mills, Giant-Carlisle, H-E-B Grocery Co., Hormel Foods, Monoprix, Safeway, Sara Lee and Tyson Foods. Connected via the DemandTec TradePoint Network™, DemandTec customers have collaborated online on more than one million trade deals. For more information, please visit www.demandtec.com.

DemandTec for Retail

DemandTec offers retailers a powerful suite of consumer-centric merchandising and marketing solutions built on the industry’s only comprehensive platform for consumer, demand, and market intelligence:

DemandTec Lifecycle Price Optimization™

A comprehensive pricing solution that can price the entire store, including new items, regular retails, promoted items, and clearance items.

DemandTec End-to-End Promotion Management™

A complete solution for managing the entire promotions process, from collaborative promotion planning and deal management to in-store execution and post event analysis.

DemandTec Assortment & Space™

A comprehensive solution for optimizing and localizing assortment and shelf space.

DemandTec Marketing™

A complete solution for customer segmentation, store clustering, segment-targeted merchandising, and one-to-one marketing.

DemandTec Platform™

The foundation of consumer, demand, and market intelligence that fuels DemandTec’s software services and analytical services.

DemandTec TradePoint Network™

A collaborative, online platform enabling retailers and their suppliers to transact, interact, and collaborate using connected software services.

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