

# Oracle® Retail Analytic Parameter Calculator for Regular Price Optimization

Release Notes

Release 13.3

January 2012

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Oracle Retail Analytic Parameter Calculator for Regular Price Optimization (APC-RPO) works in conjunction with Regular Price Optimization (RPO). It generates values for price elasticities, including self elasticities and halo and cannibalization cross elasticities. RPO uses this information to optimize item prices and reach desired goals such as gross margin and revenue.

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**Note:** Because APC-RPO uses the Oracle Retail Predictive Application Server (RPAS) platform, Oracle Retail recommends that you review the *RPAS Release Notes* for fixed and known issues that may affect APC-RPO. In addition, RPAS 13.3 has significant technical enhancements related to hierarchy management (such as integer indexing) that have an effect on the configuration and maintenance of APC-RPO. You should closely review enhancements listed in the *RPAS Release Notes*.

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## Upgrade Note

While not directly related to APC-RPO, the Oracle Retail Predictive Application Server (RPAS) has undergone a major change to simplify hierarchy administration. Full details of these changes are outlined in the *Oracle Retail Predictive Application Server Release Notes*. Due to these changes, configuration updates have been made to APC-RPO, and you will need to perform additional steps to upgrade your APC-RPO domain, such as setting dimension sizes. The upgrade to RPAS 13.3 for this application includes a conversion process in addition to the normal upgrade process. See the details provided in the "Patch Installation" chapter of the *APC-RPO Installation Guide* and the "Upgrading and Patching Domains" section of the *Oracle Retail Predictive Application Server Administration Guide for the Classic Client* or the *Oracle Retail Predictive Application Server Administration Guide for the Fusion Client*.

## Hardware and Software Requirements

See the *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Installation Guide* for information about the following:

- Hardware and software requirements
- Oracle Retail application software compatibility information

## Functional Enhancements

APC-RPO Release 13.3 includes the following functional enhancements.

### Improved Anchor Price Calculation

Prior to version 13.3, APC-RPO calculated the anchor price using the mode of the historical price. This meant that all historical prices had the same weight in the calculation. In 13.3, the method of calculation was changed so that the historical prices are now exponentially smoothed. This allows the more recent prices to have a higher importance in the anchor price calculation.

Anchor prices are represented in the Historical Anchor Price measure in the Anchor and Min/Max Price Analysis worksheet of the Analysis and Approval workbook. For more information, see the "Analysis and Approval Workbook" chapter in the *APC-RPO User Guide for the RPAS Classic Client* or "Analysis and Approval Task" chapter in the *APC-RPO User Guide for the RPAS Fusion Client*.

### Elasticity Information for Every Escalation Level

Previously, when there was insufficient data to calculate reliable price elasticities for an item, the item received elasticities from a higher intersection. However, it was difficult for the user to conclude if the escalated elasticities were reliable or not. Now in 13.3, APC-RPO generates the standard error at every escalation level. This information will help the user understand how reliable the results are.

The standard error information appears in the Escalation Standard Error measure in the Escalation Level Elasticity worksheet in the Analysis and Approval workbook. For more information, see the "Analysis and Approval Workbook" chapter in the *APC-RPO User Guide for the RPAS Classic Client* or "Analysis and Approval Task" chapter in the *APC-RPO User Guide for the RPAS Fusion Client*.

### Calculation of the Maximum Price Percentage Ranges in History

APC-RPO now calculates the maximum price percentage changes in history. These percentages are exported to Oracle Retail Regular Price Optimization (RPO) and can be used in the setup of range constraints. The price recommendations are most accurate when RPO searches the same range of prices that was used to generate the price elasticities when it recommends optimized prices.

The maximum price percentage range is represented by the data in the Max Price % Up and Max Price % Down measures in the Anchor and Min/Max Price Analysis worksheet in the Analysis and Approval workbook. For more information, see the "Analysis and Approval Workbook" chapter in the *APC-RPO User Guide for the RPAS Classic Client* or "Analysis and Approval Task" chapter in the *APC-RPO User Guide for the RPAS Fusion Client*.

## Integration Enhancement

APC-RPO Release 13.3 includes the following integration enhancement.

### New Measures Exported to RPO

APC-RPO now exports four new measures to RPO. These measures are exported through integration scripts, but not through the Retail Enabled Oracle Data Integrator Integration package. The exported measures and the corresponding RPO measures are shown in the table below.

APC-RPO Measure Label	APC-RPO Measure Name	RPO Measure Label	RPO Measure Name
Max Price % Up	maxprcupcnt	Default Max Price % Up	ol1smxupprct
Max Price % Down	maxprcdwnpct	Default Max Price % Down	ol1smxdmprct
Standard Error	finstderr	Self Elasticity Standard Error	ol1sstderr
T-Statistic	finstat	Self Elasticity T-Statistic	ol1ststat

RPO uses the maximum price percent increase and decrease measures to setup up the default minimum and maximum price percentage change. RPO users can refer to the self elasticity standard error and self elasticity t-statistics to adjust the price constraint.

In APC-RPO, the price percent measures are displayed in the Anchor and Min/Max Price Analysis worksheet. The standard error and t-statistic measures are displayed in the Final Self Elasticity worksheet. Both of these worksheets are in the Analysis and Approval workbook.

For more information about integration script for these measures, see the "Script Integration" chapter of the *APC-RPO Implementation Guide*.

### Noteworthy Defect Fixes

The following noteworthy defect fixes and enhancements are included in APC-RPO Release 13.3.

Fixed Issue/Defect	Defect Number
<p>Old escalation profiles values were not cleaned when a new batch was run. For instance, if the user checked the Location Profile Escalation flag for the Escalation levels 8-9 in the Administration workbook and then ran the batch script for the first time, when the user built an Analysis and Approval workbook, the Escalation Level Elasticity worksheet displayed the correct values for the Escalation levels 8 and 9. If the user then checked the Location Profile Escalation flag for the Escalation levels 3-7 in the Administration workbook and ran the batch script again, when the user built an Analysis and Approval workbook, the Escalation Level Elasticity worksheet displayed values for the Escalation levels 3-9, instead of 3-7.</p> <p>This issue has been corrected. Now all of the location profile values are cleaned at the beginning of the location profile calculation. After the user runs the batch script, only the enabled location escalation levels have values.</p>	13370578

## Known Issues

The following table contains issues that have been identified for the current release.

Known Issue/Defect	Defect Number
The new exported measures listed in the <a href="#">New Measures Exported to RPO</a> section do not use the Retail Enabled Oracle Data Integrator Integration. These measures can only be exported to RPO using Integration scripts.	13492059
When using the installer in text mode and installing the Fusion Client configuration, stdout may be hidden during the installation progress output phase after reaching the [sshexec] step. The installer appears to fail to respond for a period of time, but returns to prompt upon completion. To see the full output of the installation process, view the installation log file. The graphical user interface (GUI) mode is not affected.	12732394

## Related Documentation

For more information, see the following documents in the Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Release 13.3 documentation set:

- *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Installation Guide*
- *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization User Guide for the RPAS Classic Client*
- *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization User Guide for the RPAS Fusion Client*
- *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Implementation Guide*

For more information on RPAS, see the Oracle Retail Predictive Application Server Release 13.3 documentation set.

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<https://support.oracle.com>

When contacting Customer Support, please provide the following:

- Product version and program/module name
- Functional and technical description of the problem (include business impact)
- Detailed step-by-step instructions to re-create
- Exact error message received
- Screen shots of each step you take

## Oracle Retail Documentation on the Oracle Technology Network

Documentation is packaged with each Oracle Retail product release. Oracle Retail product documentation is also available on the following Web site:

[http://www.oracle.com/technology/documentation/oracle\\_retail.html](http://www.oracle.com/technology/documentation/oracle_retail.html)

(Data Model documents are not available through Oracle Technology Network. These documents are packaged with released code, or you can obtain them through My Oracle Support.)

Documentation should be available on this Web site within a month after a product release.

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