

**Oracle® Retail Analytic Parameter Calculator for
Regular Price Optimization**

User Guide for the RPAS Fusion Client

Release 16.0

December 2016

Copyright © 2016, Oracle and/or its affiliates. All rights reserved.

Primary Author: Melissa Artley

This software and related documentation are provided under a license agreement containing restrictions on use and disclosure and are protected by intellectual property laws. Except as expressly permitted in your license agreement or allowed by law, you may not use, copy, reproduce, translate, broadcast, modify, license, transmit, distribute, exhibit, perform, publish, or display any part, in any form, or by any means. Reverse engineering, disassembly, or decompilation of this software, unless required by law for interoperability, is prohibited.

The information contained herein is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing.

If this is software or related documentation that is delivered to the U.S. Government or anyone licensing it on behalf of the U.S. Government, then the following notice is applicable:

U.S. GOVERNMENT END USERS: Oracle programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, delivered to U.S. Government end users are "commercial computer software" pursuant to the applicable Federal Acquisition Regulation and agency-specific supplemental regulations. As such, use, duplication, disclosure, modification, and adaptation of the programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, shall be subject to license terms and license restrictions applicable to the programs. No other rights are granted to the U.S. Government.

This software or hardware is developed for general use in a variety of information management applications. It is not developed or intended for use in any inherently dangerous applications, including applications that may create a risk of personal injury. If you use this software or hardware in dangerous applications, then you shall be responsible to take all appropriate fail-safe, backup, redundancy, and other measures to ensure its safe use. Oracle Corporation and its affiliates disclaim any liability for any damages caused by use of this software or hardware in dangerous applications.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Xeon are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Opteron, the AMD logo, and the AMD Opteron logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark of The Open Group.

This software or hardware and documentation may provide access to or information about content, products, and services from third parties. Oracle Corporation and its affiliates are not responsible for and expressly disclaim all warranties of any kind with respect to third-party content, products, and services unless otherwise set forth in an applicable agreement between you and Oracle. Oracle Corporation and its affiliates will not be responsible for any loss, costs, or damages incurred due to your access to or use of third-party content, products, or services, except as set forth in an applicable agreement between you and Oracle.

Value-Added Reseller (VAR) Language

Oracle Retail VAR Applications

The following restrictions and provisions only apply to the programs referred to in this section and licensed to you. You acknowledge that the programs may contain third party software (VAR applications) licensed to Oracle. Depending upon your product and its version number, the VAR applications may include:

- (i) the **MicroStrategy** Components developed and licensed by MicroStrategy Services Corporation (MicroStrategy) of McLean, Virginia to Oracle and imbedded in the MicroStrategy for Oracle Retail Data Warehouse and MicroStrategy for Oracle Retail Planning & Optimization applications.
- (ii) the **Wavelink** component developed and licensed by Wavelink Corporation (Wavelink) of Kirkland, Washington, to Oracle and imbedded in Oracle Retail Mobile Store Inventory Management.
- (iii) the software component known as **Access Via™** licensed by Access Via of Seattle, Washington, and imbedded in Oracle Retail Signs and Oracle Retail Labels and Tags.
- (iv) the software component known as **Adobe Flex™** licensed by Adobe Systems Incorporated of San Jose, California, and imbedded in Oracle Retail Promotion Planning & Optimization application.

You acknowledge and confirm that Oracle grants you use of only the object code of the VAR Applications. Oracle will not deliver source code to the VAR Applications to you. Notwithstanding any other term or condition of the agreement and this ordering document, you shall not cause or permit alteration of any VAR Applications. For purposes of this section, "alteration" refers to all alterations, translations, upgrades, enhancements, customizations or modifications of all or any portion of the VAR Applications including all

reconfigurations, reassembly or reverse assembly, re-engineering or reverse engineering and recompilations or reverse compilations of the VAR Applications or any derivatives of the VAR Applications. You acknowledge that it shall be a breach of the agreement to utilize the relationship, and/or confidential information of the VAR Applications for purposes of competitive discovery.

The VAR Applications contain trade secrets of Oracle and Oracle's licensors and Customer shall not attempt, cause, or permit the alteration, decompilation, reverse engineering, disassembly or other reduction of the VAR Applications to a human perceivable form. Oracle reserves the right to replace, with functional equivalent software, any of the VAR Applications in future releases of the applicable program.

Contents

Send Us Your Comments	xi
Preface	xiii
Audience	xiii
Documentation Accessibility	xiii
Related Documentation	xiii
Customer Support	xiv
Review Patch Documentation	xiv
Improved Process for Oracle Retail Documentation Corrections	xiv
Oracle Retail Documentation on the Oracle Technology Network	xv
Conventions	xv
 1 Introduction	
Getting Started with APC-RPO	1-1
Accessing APC-RPO	1-2
Logging On to APC-RPO	1-2
Opening an Existing Workbook	1-3
Creating a New Workbook	1-4
Permissible File Names	1-5
APC-RPO Concepts	1-6
 2 Administration Task	
Accessing the Administration Task	2-1
Setup Step	2-2
Batch Setup View	2-2
Escalation Path Management Step	2-2
Escalation Path View	2-3
Advanced Step	2-3
Default Anchor and Min/Max Price Parameters View	2-4
Default Data Transformation Parameters View	2-4
Default HALO Elasticity Parameters View	2-5
Default Historical Data Filtering Parameters View	2-7
Default Raw Self-Elasticity Parameters View	2-8
Default Cannibalization Parameters View	2-9

3 Maintenance Task

Accessing the Maintenance Task	3-1
Parameter Overrides Step	3-3
Historical Data Filtering Parameters View.....	3-3
Data Transformation and Filtering Override Parameters View.....	3-5
Cannibalization Parameters View	3-6
Escalation Path Override View	3-7
HALO Elasticity Parameters Override View	3-7
Raw Self Elasticity View.....	3-9
Anchor and Min/Max Price View	3-10

4 Analysis and Approval Task

Accessing the Analysis and Approval Task.....	4-1
Data Preprocessing and Transformation Analysis Step	4-4
Data Preprocessing Analysis View.....	4-4
Regularized and Escalation Analysis Step	4-6
Final Self Elasticity View	4-6
Escalation Level Elasticity View	4-6
Cannibalization Analysis Step	4-7
Market Share View.....	4-7
Cannibalization Elasticity Analysis View.....	4-8
HALO Elasticity Analysis Step.....	4-9
HALO Elasticity Analysis View.....	4-9
Anchor and Min/Max Price Analysis Step	4-10
Anchor and Min/Max Price Analysis View.....	4-10

List of Tables

2-1	Measures in the Batch Setup View	2-2
2-2	Measures in the Escalation Path View	2-3
2-3	Measures in the Default Anchor and Min/Max Price Parameters View	2-4
2-4	Measures in the Default Data Transformation Parameters View	2-5
2-5	Measures in the Default HALO Elasticity Parameters View	2-6
2-6	Measures in the Default Historical Data Filtering Parameters View	2-7
2-7	Measures in the Default Raw Self-Elasticity Parameters View	2-9
2-8	Measure in the Default Cannibalization Parameters View	2-10
3-1	Measures in the Historical Data Filtering Parameters Worksheet.....	3-4
3-2	Measures in the Data Transformation and Filtering Override Parameters Worksheet ..	3-6
3-3	Measures in the Cannibalization Parameters View	3-7
3-4	Measures in the Escalation Path Override View	3-7
3-5	Measures in the HALO Elasticity Parameters Override View	3-8
3-6	Measures in the Raw Self Elasticity View	3-9
3-7	Measures in the Anchor and Min/Max Price View.....	3-10
4-1	Measures in the Data Preprocessing Analysis View	4-5
4-2	Measures in the Final Self Elasticity Worksheet.....	4-6
4-3	Measures in the Escalation Level Elasticity Worksheet	4-7
4-4	Measures in the Market Share View	4-8
4-5	Measures in the Cannibalization Elasticity Analysis View	4-9
4-6	Measures in the HALO Elasticity Analysis View	4-9
4-7	Measures in the Anchor and Min/Max Price Analysis View	4-10

List of Figures

1-1	RPAS Fusion Client Login Page.....	1-3
1-2	RPAS Fusion Client Home Screen.....	1-3
1-3	APC-RPO Taskflow Pane	1-4
1-4	Open Workbook Window	1-4
1-5	APC-RPO Taskflow Pane	1-5
2-1	Administration Task.....	2-1
2-2	Batch Setup View	2-2
2-3	Escalation Path View	2-3
2-4	Default Anchor and Min/Max Price Parameters View.....	2-4
2-5	Default Data Transformation Parameters View	2-5
2-6	Default HALO Elasticity Parameters View	2-6
2-7	Default Historical Data Filtering Parameters View	2-7
2-8	Default Raw Self-Elasticity Parameters View	2-9
2-9	Default Cannibalization Parameters View	2-10
3-1	Maintenance Task	3-1
3-2	Workbook Wizard - Select Item	3-2
3-3	Workbook Wizard - Select Price Zone	3-3
3-4	Historical Data Filtering Parameters View	3-4
3-5	Data Transformation and Filtering Override Parameters View	3-5
3-6	Cannibalization Parameters View	3-6
3-7	Escalation Path Override View	3-7
3-8	HALO Elasticity Parameters Override View	3-8
3-9	Raw Self Elasticity View	3-9
3-10	Anchor and Min/Max Price View	3-10
4-1	Analysis and Approval Task.....	4-1
4-2	Workbook Wizard - Merchandise Selection	4-2
4-3	Workbook Wizard - RHS-Merchandise Selection Step	4-3
4-4	Workbook Wizard - Location Selection Step	4-4
4-5	Data Preprocessing Analysis View	4-5
4-6	Final Self Elasticity View.....	4-6
4-7	Escalation Level Elasticity View	4-7
4-8	Market Share View	4-8
4-9	Cannibalization Elasticity Analysis View	4-8
4-10	HALO Elasticity Analysis View.....	4-9
4-11	Anchor and Min/Max Price Analysis View	4-10

Send Us Your Comments

Oracle Retail Analytic Parameter Calculator for Regular Price Optimization, Release 16.0.

Oracle welcomes customers' comments and suggestions on the quality and usefulness of this document.

Your feedback is important, and helps us to best meet your needs as a user of our products. For example:

- Are the implementation steps correct and complete?
- Did you understand the context of the procedures?
- Did you find any errors in the information?
- Does the structure of the information help you with your tasks?
- Do you need different information or graphics? If so, where, and in what format?
- Are the examples correct? Do you need more examples?

If you find any errors or have any other suggestions for improvement, then please tell us your name, the name of the company who has licensed our products, the title and part number of the documentation and the chapter, section, and page number (if available).

Note: Before sending us your comments, you might like to check that you have the latest version of the document and if any concerns are already addressed. To do this, access the Online Documentation available on the Oracle Technology Network Web site. It contains the most current Documentation Library plus all documents revised or released recently.

Send your comments to us using the electronic mail address: retail-doc_us@oracle.com

Please give your name, address, electronic mail address, and telephone number (optional).

If you need assistance with Oracle software, then please contact your support representative or Oracle Support Services.

If you require training or instruction in using Oracle software, then please contact your Oracle local office and inquire about our Oracle University offerings. A list of Oracle offices is available on our Web site at <http://www.oracle.com>.

Preface

This guide describes the Oracle Retail Analytic Parameter Calculator for Regular Price Optimization user interface. It provides step-by-step instructions to complete most tasks that can be performed through the user interface.

Audience

This User Guide is for users and administrators of Oracle Retail Analytic Parameter Calculator for Regular Price Optimization. This includes merchandisers, buyers, business analysts, and administrative personnel.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at

<http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

Access to Oracle Support

Oracle customers that have purchased support have access to electronic support through My Oracle Support. For information, visit

<http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info> or visit

<http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs> if you are hearing impaired.

Related Documentation

For more information, see the following documents in the Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Release 15.0 documentation set:

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

- *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Fusion Client Online Help*
- Oracle Retail Predictive Application Server documentation

The following documentation may also be needed when implementing APC-RPO:

- *Oracle Retail Planning Predictive Application Server Batch Script Architecture Implementation Guide*
- *Oracle Retail Predictive Application Server Platform and Applications Security Guide*

Customer Support

To contact Oracle Customer Support, access My Oracle Support at the following URL:

<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

Review Patch Documentation

When you install the application for the first time, you install either a base release (for example, 16.0) or a later patch release (for example, 16.0.1). If you are installing the base release, additional patch, and bundled hot fix releases, read the documentation for all releases that have occurred since the base release before you begin installation. Documentation for patch and bundled hot fix releases can contain critical information related to the base release, as well as information about code changes since the base release.

Improved Process for Oracle Retail Documentation Corrections

To more quickly address critical corrections to Oracle Retail documentation content, Oracle Retail documentation may be republished whenever a critical correction is needed. For critical corrections, the republication of an Oracle Retail document may at times not be attached to a numbered software release; instead, the Oracle Retail document will simply be replaced on the Oracle Technology Network Web site, or, in the case of Data Models, to the applicable My Oracle Support Documentation container where they reside.

This process will prevent delays in making critical corrections available to customers. For the customer, it means that before you begin installation, you must verify that you have the most recent version of the Oracle Retail documentation set. Oracle Retail documentation is available on the Oracle Technology Network at the following URL:

<http://www.oracle.com/technetwork/documentation/oracle-retail-100266.html>

An updated version of the applicable Oracle Retail document is indicated by Oracle part number, as well as print date (month and year). An updated version uses the same part number, with a higher-numbered suffix. For example, part number E123456-02 is an updated version of a document with part number E123456-01.

If a more recent version of a document is available, that version supersedes all previous versions.

Oracle Retail Documentation on the Oracle Technology Network

Oracle Retail product documentation is available on the following web site:

<http://www.oracle.com/technetwork/documentation/oracle-retail-100266.html>

(Data Model documents are not available through Oracle Technology Network. You can obtain them through My Oracle Support.)

Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
<code>monospace</code>	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

Introduction

Oracle Retail Analytic Parameter Calculator for Regular Price Optimization (APC-RPO) is an analytic application that enables you to generate price elasticities that are necessary for the Oracle Retail Regular Price Optimization application. Price elasticities include self elasticities, HALO cross elasticities, and cannibalization cross elasticities.

This document introduces you to APC-RPO and describes how you can use the application. It also describes the views and measures set up in the application. It includes the following chapters:

- [Chapter 1, "Introduction"](#) – The current chapter introduces you to the APC-RPO application and the related concepts. It also highlights how you can use the application taskflow.
- [Chapter 2, "Administration Task"](#) – This chapter describes the views and measures included in the Administration task.
- [Chapter 3, "Maintenance Task"](#) – This chapter describes the views and measures included in the Maintenance task.
- [Chapter 4, "Analysis and Approval Task"](#) – This chapter describes the views and measures included in the Analysis and Approval task.

About Regular Price Optimization

Oracle Retail Regular Price Optimization (RPO) enables users to optimize item prices and reach a desired goals, such as gross margin, revenue, and so on. To provide optimal results, the application requires item self elasticities, HALO cross elasticities, and cannibalization cross elasticities as inputs. The APC-RPO application is designed to calculate and provide information on the elasticities to the RPO application.

Getting Started with APC-RPO

The APC-RPO application includes the following tasks that enable you to set up parameters and, after the elasticities are calculated, review the calculated results:

- Administration Task
- Maintenance Task
- Analysis and Approval Task

The APC-RPO application provides the following business workflow:

1. Access the Administration task to set up the default parameters and threshold values. For more information on the measures and views in the Administration task, see [Administration Task](#).

2. Access the Maintenance task to override the default parameters and threshold values at a specific item and location (price zone) intersection. For more information on the measures and views in the Maintenance task, see [Maintenance Task](#).
3. After all the parameters are set up, the APC-RPO batch program is run. This batch program includes a sequence of scripts that take the parameters you set up as inputs to calculate the price elasticities. For more information on the batch program, refer to the *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Implementation Guide*.
4. After the batch program is complete, all information on price elasticities is made available through the measures included in the Analysis and Approval task. Access the Analysis and Approval task to review the statistics of data filtering, generated price elasticities, and the resolved elasticities at the lowest level. You can then adjust and approve the price elasticities. For more information on the measures and views in the Analysis and Approval task, see [Analysis and Approval Task](#).

Note: Only approved elasticities are used in the escalations export file.

Accessing APC-RPO

APC-RPO is an Oracle Retail Predictive Application Server (RPAS)-based application. The APC-RPO solution is installed on an RPAS Server. To access the application, you must log on to one of the following RPAS Clients:

- RPAS Fusion Client – This document describes how you can access and use APC-RPO from the RPAS Fusion Client.
- RPAS Classic Client – For more information on accessing and using APC-RPO from the RPAS Classic Client, refer to the *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization User Guide for the Classic Client*.

This section highlights the common tasks of logging on to a solution, opening an existing workbook, and creating new workbooks. It includes the following topics:

- [Logging On to APC-RPO](#)
- [Opening an Existing Workbook](#)
- [Creating a New Workbook](#)

Note: In addition to the APC-RPO documentation, ensure that you also refer to the RPAS documentation for specific information on various base RPAS features.

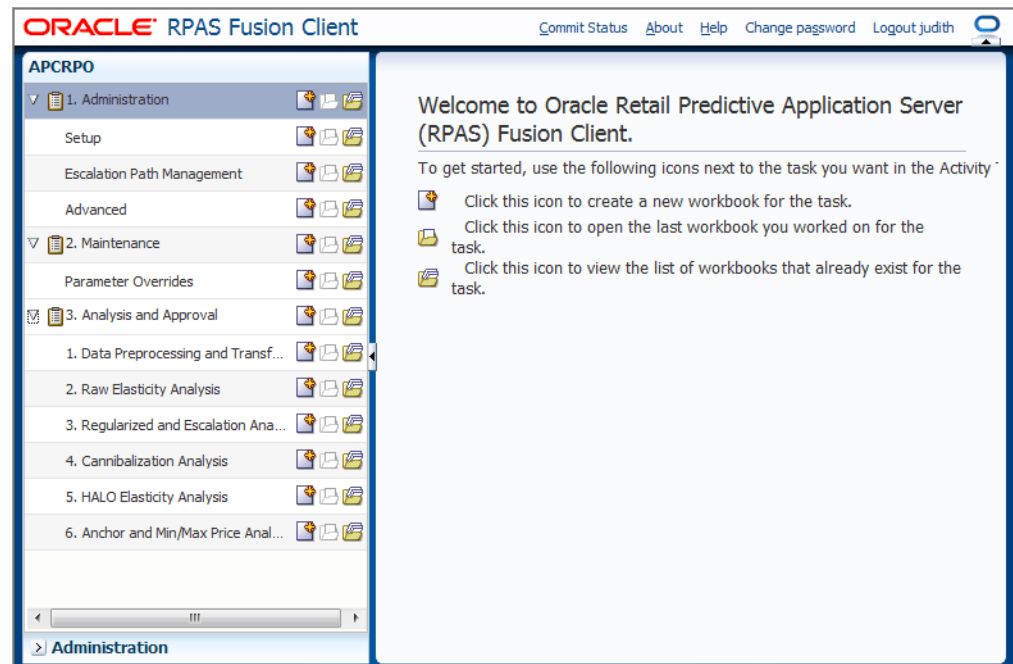
Logging On to APC-RPO

To log on to the APC-RPO application using the RPAS Fusion Client:

1. In the Address bar of a supported web browser, enter the Fusion Client URL, and press **Enter**. The Fusion Client Login page is displayed.

Figure 1–1 RPAS Fusion Client Login Page

2. On the Login page, enter the user name and password set up for APC-RPO, and then select the APC-RPO domain from the **Profile** drop-down list.
3. Click **Login**. The window refreshes and the RPAS Fusion Client home screen is displayed with the APC-RPO taskflow displayed in the left navigation pane.

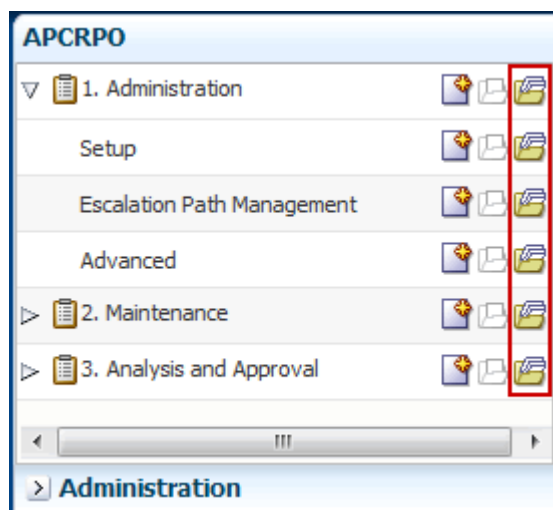
Figure 1–2 RPAS Fusion Client Home Screen

Opening an Existing Workbook

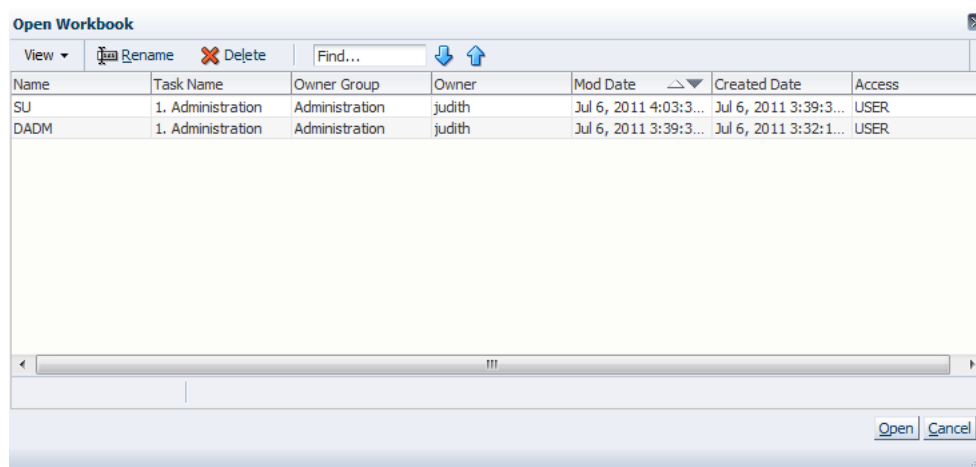
After you log on to the application, a taskflow pane is displayed that enables you to navigate through the activities and tasks associated with your user account.

To open an existing workbook, perform the following steps:

1. On the taskflow pane, click the **Show List of Workbooks** icon next to the task or step you want.

Figure 1–3 APC-RPO Taskflow Pane

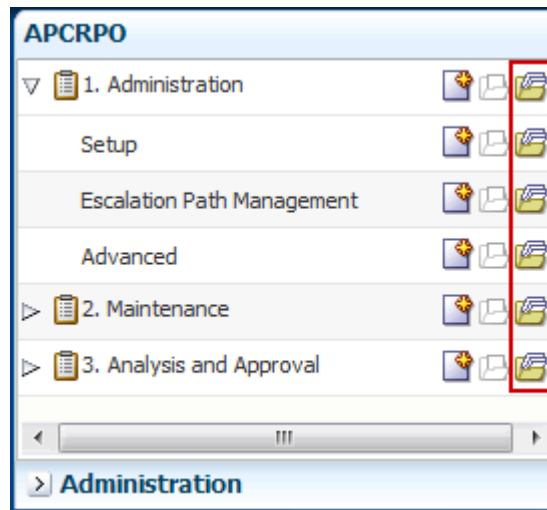
The Open Workbook window is displayed.

Figure 1–4 Open Workbook Window

2. Select the workbook you want, and click **Open Workbook**.

Creating a New Workbook

To create a new workbook, click the **Create New Workbook** icon in the taskflow next to the task or step you want.

Figure 1–5 APC-RPO Taskflow Pane

If you selected **Administration** from the list, the Administration workbook is displayed directly. When you select **Maintenance** or **Analysis and Approval** from the list, a workbook wizard is displayed. This workbook wizard enables you to select and view specific (or all) item and price zone combination. For more information on opening a specific APC-RPO workbook, refer to the relevant chapter in this guide.

Note: For more information on the other tabs that appear in the New dialog box, refer to the Oracle Retail Predictive Application Server documentation.

Permissible File Names

When saving a workbook (or saving a copy using the **Save As** command), there are restrictions on the length of the file name and the characters that can be used,

- The file name can be a maximum of 32 characters.
- The filename can contain the following standard characters:
 - a - z
 - A - Z
 - 0 - 9
- The filename can contain the following special characters:
 - .
 - |
 - _
 - -
 - /
 - \$
 - &
 - spaces

Any file name not meeting these conditions results in an error message.

APC-RPO Concepts

This section highlights some of the commonly used analytical terms in the application and through this guide. It includes the following:

- [Advanced Parameter Calculator \(APC\)](#)
- [Cannibalization](#)
- [Cross Elasticity](#)
- [Elasticity](#)
- [First Differences](#)
- [HALO](#)
- [Raw Elasticity](#)
- [Regularized Elasticity](#)
- [Second Differences](#)
- [Self Elasticity](#)

Advanced Parameter Calculator (APC)

Several Oracle Retail planning applications include an analytic APC module or integrate with a related APC application (such as APC-RPO). APC modules or applications enables users to calculate the necessary parameters required by an Oracle Retail planning application before hand.

Cannibalization

A measure of the amount in sales of a product that can replace the sales of another product.

Cross Elasticity

The effect on the demand of a product because of a change in the price for a different product.

Elasticity

The effect on the demand of a product because of change in the price for the same product.

First Differences

First differences are calculated based on the difference of logarithms of gross sales units and the relevant average logarithm of gross sales units for a specific item/location. The same transformation is applied to ticket prices. First Differences are part of an intermediate step in the data filtering process.

HALO

The measure of the amount in sales of a product that can enhance the sales of another product.

Raw Elasticity

In APC-RPO, raw elasticities are self elasticities at an intermediate stage of processing. It is calculated from the pre-processed filtered price and sales information. It represents all the items in a price zone.

Regularized Elasticity

In APC-RPO, a regularized elasticity is a raw elasticity that has been further processed and smoothed.

Second Differences

Second differences are calculated based on the difference between the first differences (logarithm of gross sales units and the logarithm of ticket prices) and the relevant averages for a specific department/week. Similar to first differences, the second differences are part of an intermediate step in the data filtering process.

Self Elasticity

This term is identical to "Elasticity." It is used to differentiate the term Elasticity from Cross Elasticity.

Administration Task

The Administration task enables you to set up parameters and escalation paths for the application. This chapter describes the views and the relevant parameters that appear in the Administration task, which includes the following steps:

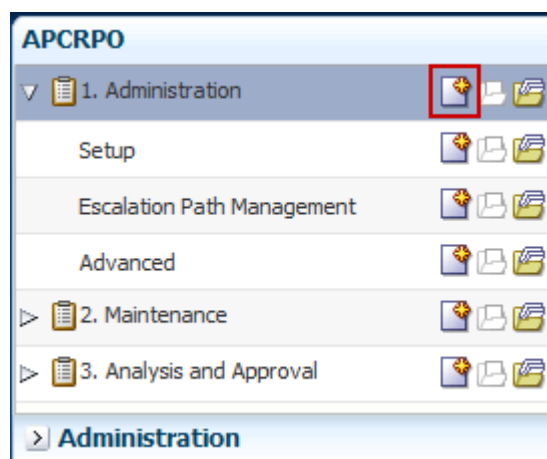
- [Setup Step](#)
- [Escalation Path Management Step](#)
- [Advanced Step](#)

Accessing the Administration Task

To access the Administration task, perform the following steps:

1. Log on to the RPAS Fusion Client. For more information, see [Logging On to APC-RPO](#).
2. In the APCRPO activity in the taskflow, click the **Create New Workbook** icon in the Administration task.

Figure 2–1 Administration Task



The workbook opens at the [Setup Step](#).

Note: To open an existing workbook, click **Show List of All Workbooks** next to the task or step you want. The Open Workbook window is displayed and enables you to open an existing workbook.

Setup Step

The Setup step includes the Batch Setup view.

Batch Setup View

This view provides you the ability to enable or disable data processes when the APC-RPO batch is run.

Figure 2–2 Batch Setup View

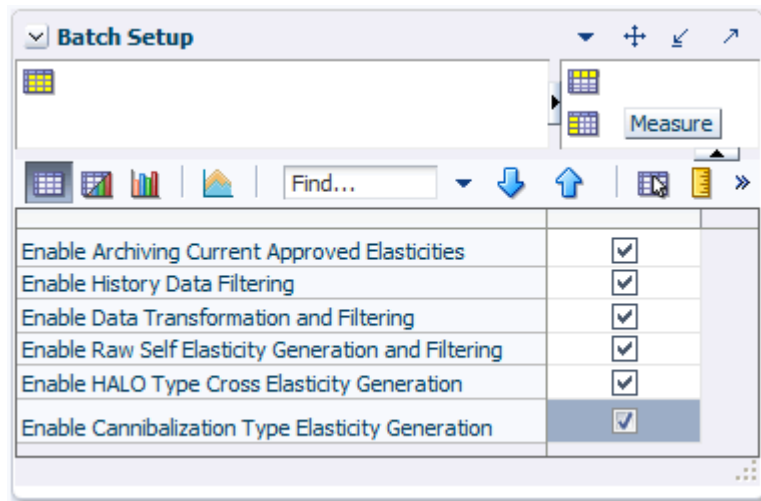


Table 2–1 describes the measures in this view:

Table 2–1 Measures in the Batch Setup View

Measure	Description
Enable Archiving Current Approved Elasticities	Select this check box to enable the archiving current approved elasticities process.
Enable History Data Filtering	Select this check box to enable the history data filtering process.
Enable Data Transformation and Filtering	Select this check box to enable the transformation and filtering process for the historical data.
Enable Raw Elasticity Generation and Filtering	Select this check box to enable the raw self elasticity generation and filtering process.
Enable Self Elasticity Generation and Filtering	Select this check box to enable the self elasticity generation and filtering process.
Enable HALO Type Cross Elasticity Generation	Select this check box to enable the HALO type cross elasticity generation process.
Enable Cannibalization Type Elasticity Generation	Select this check box to enable the cannibalization type elasticity generation process.

After you have configured the batch setup, continue to the [Escalation Path Management Step](#).

Escalation Path Management Step

The Escalation Path Management step includes the Escalation Path view.

Escalation Path View

This view enables you to set up the escalation path information. A set of four pre-configured escalation levels, in order of increasing priority, appear by default. The escalation level priority specifies the order of escalation level lookups.

Figure 2–3 Escalation Path View

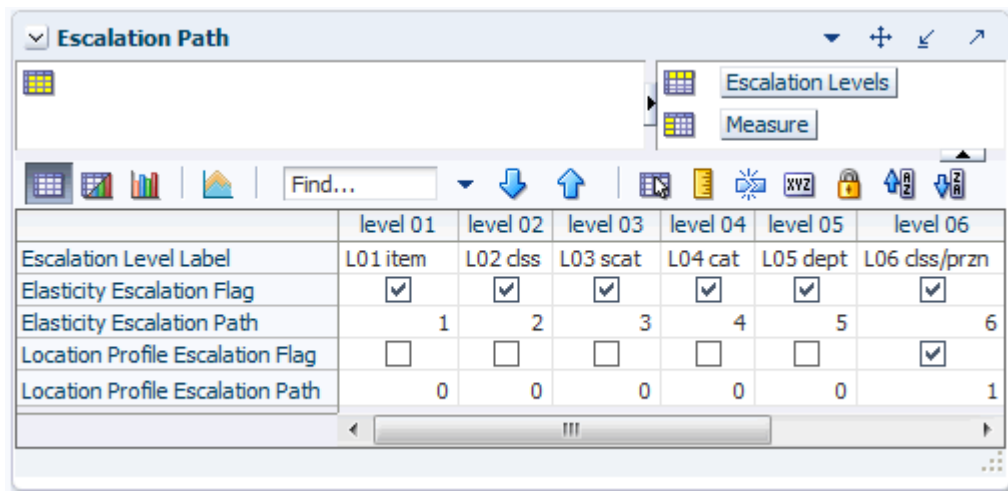


Table 2–2 describes the measures in this view:

Table 2–2 Measures in the Escalation Path View

Measure	Description
Escalation Level Label	Use this measure to set a relevant label for each escalation level.
Elasticity Escalation Flag	Use this measure to enable a particular escalation level. Select the check box under the relevant escalation level to include the level in the calculation.
Elasticity Escalation Path	Use this measure to set an order for the escalation level lookups. By default, the path is set to 1 through 4 starting from Level 01 to Level 04.
Location Profile Escalation Flag	Use this measure to indicate the escalation levels that will be calculated. Select the check box under the relevant escalation level to include the level in the calculation.
Location Profile Escalation Path	Use this measure to set an order for the profile escalation level lookups.

After you have configured the escalation paths, continue to the [Advanced Step](#).

Advanced Step

The Advanced step enables you to set or override the default values for various parameters. The parameters are organized in multiple views:

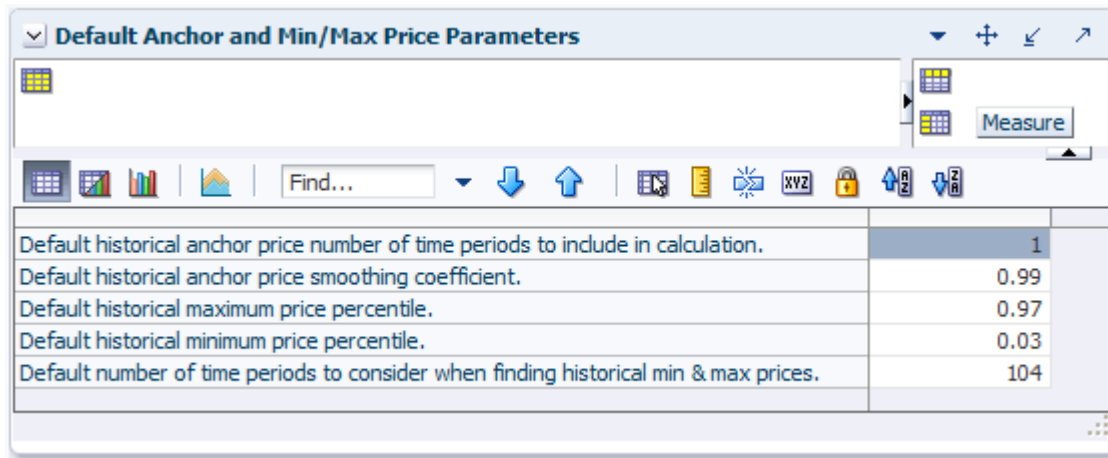
- [Default Anchor and Min/Max Price Parameters View](#)
- [Default Data Transformation Parameters View](#)
- [Default HALO Elasticity Parameters View](#)
- [Default Historical Data Filtering Parameters View](#)

- [Default Raw Self-Elasticity Parameters View](#)
- [Default Cannibalization Parameters View](#)

Default Anchor and Min/Max Price Parameters View

This view enables you to set up parameters related to historical anchor and minimum/maximum prices.

Figure 2–4 *Default Anchor and Min/Max Price Parameters View*



Measure	Default Value
Default historical anchor price number of time periods to include in calculation.	1
Default historical anchor price smoothing coefficient.	0.99
Default historical maximum price percentile.	0.97
Default historical minimum price percentile.	0.03
Default number of time periods to consider when finding historical min & max prices.	104

[Table 2–3](#) describes the measures in this view:

Table 2–3 *Measures in the Default Anchor and Min/Max Price Parameters View*

Measure	Description	Default Value
Default historical anchor price number of time periods to include in calculation	The number of weeks to consider, relative to the history end date, when calculating the anchor price.	104
Default historical anchor price smoothing coefficient	Exponential smoothing coefficient for blending the previous anchor price calculations with the new calculations.	0.99
Default historical maximum price percentile	The percentile at which the historical maximum price will be selected.	0.97
Default historical minimum price percentile	The percentile at which the historical minimum price will be selected.	0.03
Default number of time periods to consider when finding historical min & max prices.	The number of weeks to consider, relative to the history end date, when calculating the minimum and maximum historical prices.	104

After you have defined the anchor and price parameters, continue to the [Default Data Transformation Parameters View](#).

Default Data Transformation Parameters View

This view enables you to set up parameters related to data transformations.

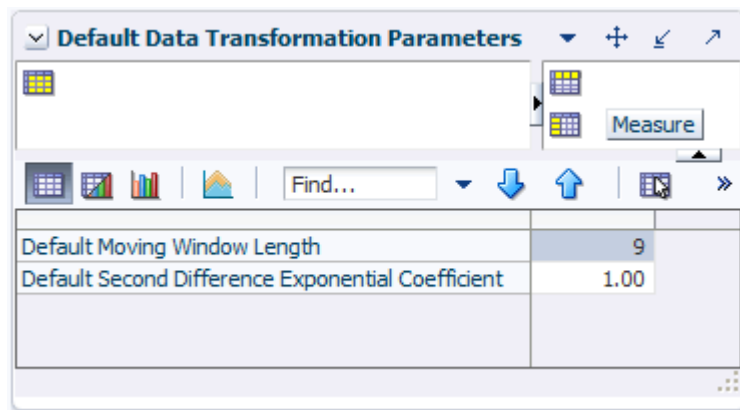
Figure 2–5 Default Data Transformation Parameters View

Table 2–4 describes the measures in this view:

Table 2–4 Measures in the Default Data Transformation Parameters View

Measure	Description	Default Value
Default Moving Window Length	<p>To calculate the first difference, the price less the moving average of the price is needed. The window length determines the moving averaged prices.</p> <p>The default value of 18 describes how many weeks to look back and how many weeks to look forward. The moving window length includes the:</p> <ul style="list-style-type: none"> ■ Past 18 weeks ■ Current week ■ Next 18 weeks <p>Thus, the moving window length is 37 (18+1+18) weeks.</p>	18
Default Second Difference Exponential Coefficient	<p>After removing seasonality, it may be beneficial to exponentially smooth the second difference of some product/locations. The coefficient determines the degree of smoothing.</p>	1.00

After you have defined the data transformation parameters, continue to the [Default HALO Elasticity Parameters View](#).

Default HALO Elasticity Parameters View

This view enables you to set up parameters related to HALO type elasticities.

Figure 2–6 Default HALO Elasticity Parameters View

Measure	Default Value
Default HALO - Transformed Price Threshold for Item 1	0.05
Default HALO - Transformed Price Threshold for Item 2	0.05
Default HALO - Number of Data Point Threshold	10
Default HALO - RAW Effect Difference Threshold	2.00
Default HALO - RAW Effect Error Ratio Threshold	3.00
Default HALO - RAW Error Threshold	0.05
Default HALO - RAW Effect Lower Bound	-0.50
Default HALO - RAW Effect Upper Bound	0.00

Table 2–5 describes the measures in this view:

Table 2–5 Measures in the Default HALO Elasticity Parameters View

Measure	Description	Default Value
Default HALO - Transformed Price Threshold for Item 1	When calculating the effect of the price change of the second item on the demand of the first item, this value is the transformed price threshold for the first item. If the absolute value of the second difference of log price of the first item exceeds this threshold value, the corresponding data will be excluded from HALO calculation.	0.05
Default HALO - Transformed Price Threshold for Item 2	When calculating the effect of the price change of the second item on the demand of the FIRST item, this value is the transformed price threshold for the second item. If the absolute value of the second difference of log price of the second item is less than or equal to this threshold value, the corresponding data will be excluded from HALO calculation.	0.05
Default HALO - Number of Data Point Threshold	The threshold value for the minimum number of data points required. HALO type cross elasticities that have data points lesser than this threshold value will be filtered out.	10
Default HALO - RAW Effect Difference Threshold	The threshold value for the difference between the HALO type cross elasticities across the two time periods. If this difference exceeds the amount that results from the square root of the threshold value, then the HALO type cross elasticities will be filtered out.	2
Default HALO - RAW Effect Error Ratio Threshold	The threshold value for the HALO cross elasticity and standard error ratio. If a halo type cross elasticity has a value greater than this threshold value multiplied by the standard error for both time periods, then the HALO type cross elasticity will be filtered out.	3

Table 2–5 (Cont.) Measures in the Default HALO Elasticity Parameters View

Measure	Description	Default Value
Default HALO - RAW Error Threshold	The standard error threshold value for the HALO type cross elasticities. HALO type cross elasticities with standard error that exceed this threshold value will be filtered out.	0.05
Default HALO - RAW Effect Lower Bound	The lower threshold value for the HALO type RAW cross elasticities. HALO type cross elasticities lower than this threshold value will be filtered out.	-0.5
Default HALO - RAW Effect Upper Bound	The upper threshold value for the HALO type RAW cross elasticities. HALO type cross elasticities higher than this threshold value will be filtered out.	0

After you have defined the HALO elasticity parameters, continue to the [Default Historical Data Filtering Parameters View](#).

Default Historical Data Filtering Parameters View

This view enables you to set up parameters related to historical data filtering.

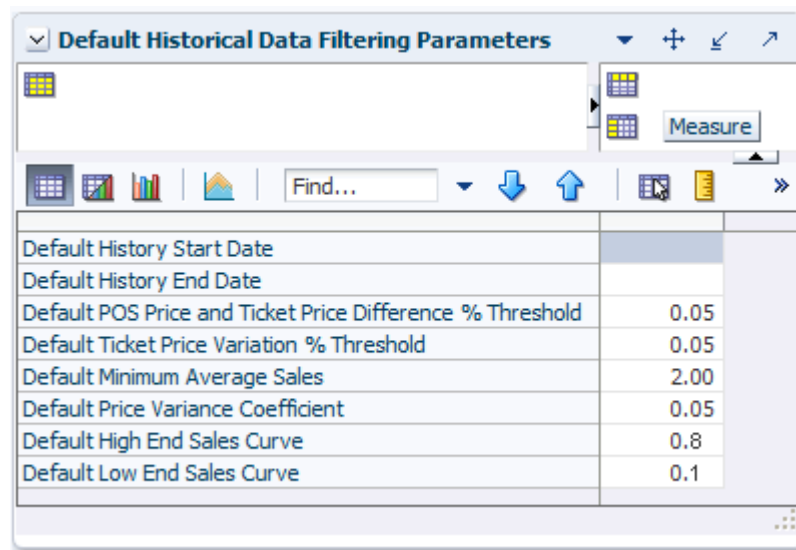
Figure 2–7 Default Historical Data Filtering Parameters View

Table 2–6 describes the measures in this view:

Table 2–6 Measures in the Default Historical Data Filtering Parameters View

Measure	Description	Default Value
Default History Start Date	The first date from the historical data to be used in the calculation.	NA
Default History End Date	The last date from the historical data to be used in the calculation.	NA

Table 2–6 (Cont.) Measures in the Default Historical Data Filtering Parameters View

Measure	Description	Default Value
Default POS Price and Ticket Price Difference % Threshold	The threshold value (in percentage) of the difference between the POS (Point of Sale) price and ticket price. If the difference between the POS price and the ticket price exceeds this threshold value, the data will be filtered out. Note: POS price is the gross sale amount divided by the gross sales units.	0.05
Default Ticket Price Variation % Threshold	The threshold value (in percentage) for the ticket price variations. If the difference between the minimum and maximum price values exceed this threshold value, the data will be filtered out.	0.05
Default Minimum Average Sales	This is the threshold for the filter that removes item/store combinations with average sales less than the defined threshold.	2
Default Price Variance Coefficient	This is the threshold for the filter that removes item/store combinations with price variance less than average price times said threshold.	0.05
Default High End Sales Curve	Determines what percentage of the cumulative sales should be kept at the end of the lifecycle.	0.8
Default Low End Sales Curve	Determines what percentage of the cumulative sales should be removed from the beginning of the lifecycle.	0.1

Note: When left blank, values for the History Start Date and History End Date measures default to the start and end dates in the calendar.

After you have defined the historical data filtering parameters, continue to the [Default Raw Self-Elasticity Parameters View](#).

Default Raw Self-Elasticity Parameters View

This view enables you to set up parameters related to raw self-elasticities.

Figure 2–8 Default Raw Self-Elasticity Parameters View

Measure	Value
Default Minimum Data Points	5.00
Default Raw Self Elasticity Lower Bound	-5.00
Default Raw Self Elasticity Upper Bound	0.00
Minimum Second Difference Price Squared	0.00
Minimum Elasticity Confidence	1.96
Minimum Completeness Ratio for Profile	0.50

Table 2–7 describes the measures in this view:

Table 2–7 Measures in the Default Raw Self-Elasticity Parameters View

Measure	Description	Default Value
Default Minimum Data Points	The threshold value for the minimum number of data points required. Items or locations with number of data points lesser than this threshold value are not included in the calculation.	5
Default Raw Self Elasticity Lower Bound	The lower threshold value for the raw self elasticities. Items or locations with raw self elasticities higher than this threshold value are not included in the calculation.	-1.5
Default Raw Self Elasticity Upper Bound	The upper threshold value for the raw self elasticities. Items or locations with raw self elasticities lower than this threshold value are not included in the calculation.	0.5
Minimum Second Difference Price Squared	This is a threshold that ensures that the second difference of the price is not zero.	0.00001
Minimum Elasticity Confidence	Defines the threshold used to determine if the elasticity at a certain level is reliable or if it should be escalated.	1.96
Minimum Completeness Ratio for Profile	This threshold determines if a location profile level is reliable or not. If at least the percentage of locations given by the threshold has reliable elasticity, the location profile is calculated.	0.5

After you have defined the raw self-elasticity parameters, continue to the [Default Raw Self-Elasticity Parameters View](#).

Default Cannibalization Parameters View

This view enables you to set up parameters related to cannibalization.

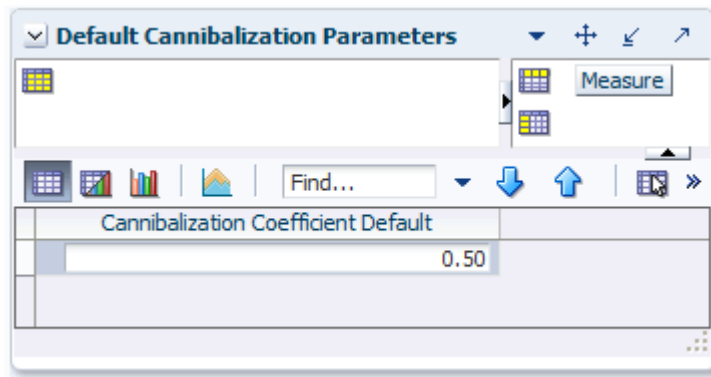
Figure 2–9 Default Cannibalization Parameters View

Table 2–8 describes the measure in this view:

Table 2–8 Measure in the Default Cannibalization Parameters View

Measure	Description	Default Value
Cannibalization Coefficient Default	The default value for the cannibalization co-efficient.	0.5

After you have defined the cannibalization parameters, save and commit the Administration workbook and continue to the [Maintenance Task](#).

Maintenance Task

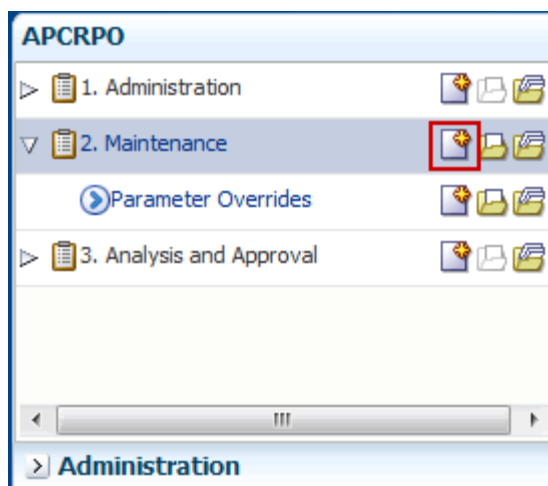
The Maintenance task enables you to override the default parameter values for an item or group of items at a specific price zone (location). This chapter describes the views and the relevant parameters that appear in the Maintenance task.

Accessing the Maintenance Task

To access the Maintenance task, perform the following steps:

1. Log on to the RPAS Fusion Client. For more information, see [Logging On to APC-RPO](#).
2. In the taskflow, click the **Create New Workbook** icon next to the Maintenance task.

Figure 3–1 Maintenance Task



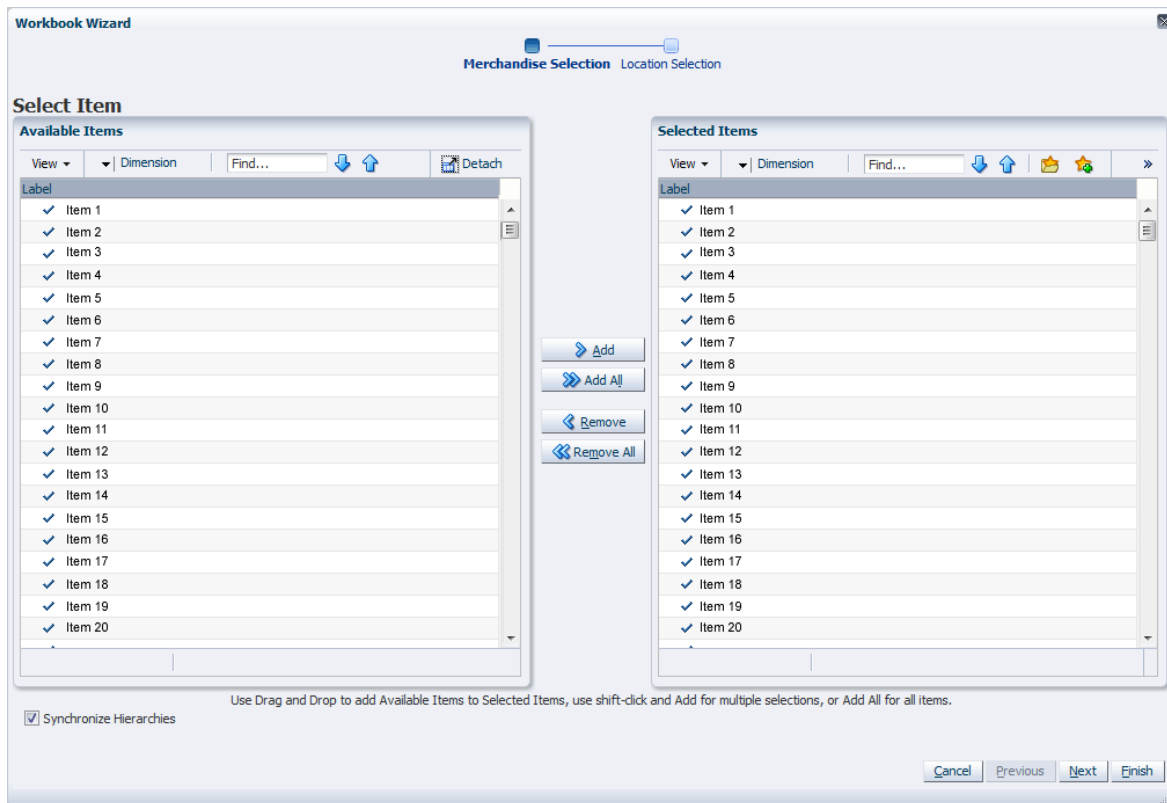
Note: To open an existing workbook, click the **Show List of All Workbooks** icon next to the task/step you want. The Open Workbook window is displayed and enables you to open one of the existing workbooks.

The Workbook Wizard is displayed.

3. In the Maintenance Wizard, from the Available Items area, select the items you want by holding down the Ctrl or Shift keys, and click **Add**. You can click **Add All** to select all the items.

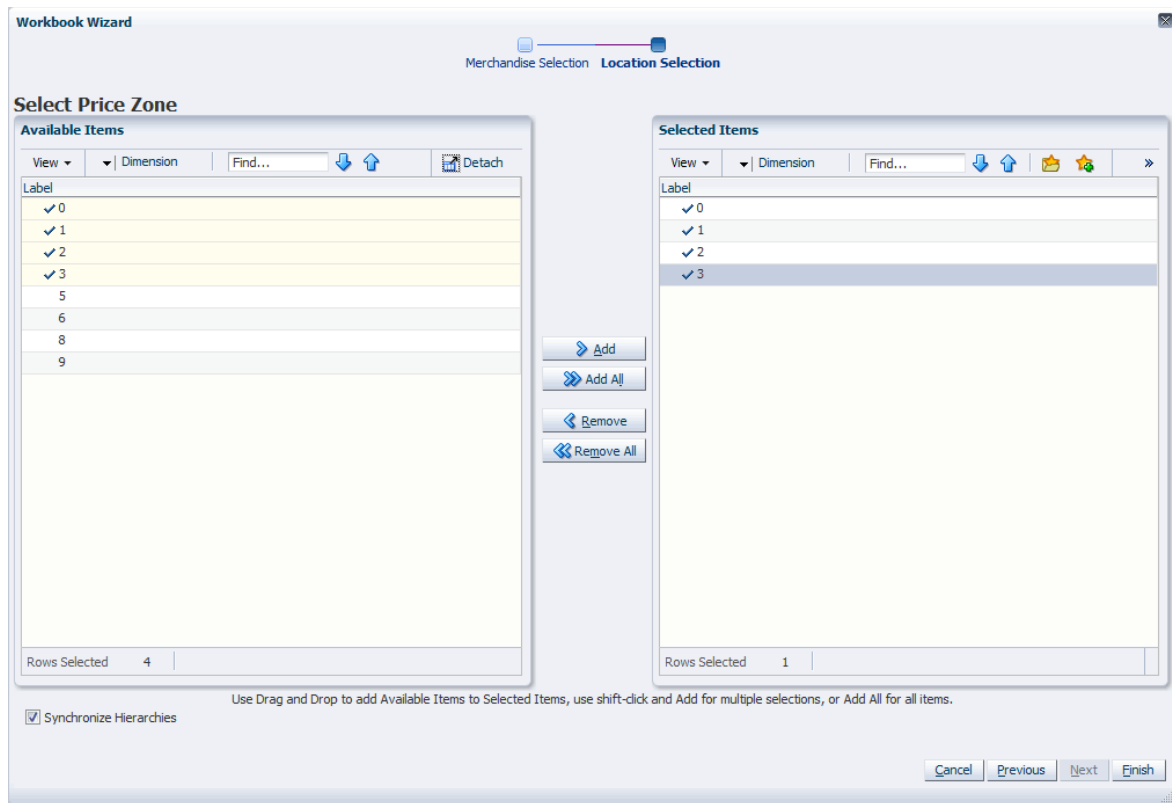
Or, drag and drop the positions to the Selected Items area.

Figure 3–2 Workbook Wizard - Select Item



4. Click **Next**.
5. The Select Price Zone screen is displayed. From the Available Items area, select the price zones you want and click **Finish**.

Figure 3–3 Workbook Wizard - Select Price Zone



The workbook opens at the [Parameter Overrides Step](#).

Parameter Overrides Step

The Parameter Overrides step includes the following views that enable you to override the parameters for specific items and price zone combinations:

- [Historical Data Filtering Parameters View](#)
- [Data Transformation and Filtering Override Parameters View](#)
- [Cannibalization Parameters View](#)
- [Escalation Path Override View](#)
- [HALO Elasticity Parameters Override View](#)
- [Raw Self Elasticity View](#)
- [Anchor and Min/Max Price View](#)

Historical Data Filtering Parameters View

This view enables you to override the default values for parameters related to historical data filtering.

Figure 3–4 Historical Data Filtering Parameters View

	Item 1	Item 2	Item 3	Item 4	Item 5
History Start Date Override	1/4/2010	1/4/2010	1/4/2010	1/4/2010	1/4/2010
History End Date Override	7/1/2011	7/1/2011	7/1/2011	7/1/2011	7/1/2011
Fixed Ticket Price Period Length Threshold Override	4	4	4	4	4
Ticket Price Change % Threshold Override	0.10	0.10	0.10	0.10	0.10
POS Price and Ticket Price Difference % Threshold Override	0.08	0.08	0.08	0.08	0.08
Ticket Price Variation % Threshold Override	0.03	0.03	0.03	0.03	0.03
Minimum Average Sales Override	1.50	1.50	1.50	1.50	1.50
Price Variance Coefficient Override	0.07	0.07	0.07	0.07	0.07
High End Sales Curve Override	0.95	0.95	0.95	0.95	0.95
Low End Sales Curve Override	0.10	0.10	0.10	0.10	0.10

Table 3–1 describes the measures in this view:

Table 3–1 Measures in the Historical Data Filtering Parameters Worksheet

Measure	Measure Description
History Start Date Override	The override of the value of the History Start Date measure from the Default Historical Data Filtering Parameters View . This override determines the first date in the history data to be included in the calculation.
History End Date Override	The override of the value of the History End Date measure from the Default Historical Data Filtering Parameters View . This override determines the last date in the history data to be included in the calculation.
Fixed Ticket Price Period Length Threshold Override	The override of the value of the Fixed Ticket Price Period Length Threshold measure from the Default Historical Data Filtering Parameters View . This is the threshold value for the minimum number of consecutive weeks of fixed ticket price. From the set time period, data with number of weeks less than this threshold value will be filtered out.
POS Price and Ticket Price Difference % Threshold Override	The override of the value of the POS Price and Ticket Price Difference % Threshold measure from the Default Historical Data Filtering Parameters View . This threshold value (in percentage) of the difference between the POS price and ticket price. If the difference between the POS price and the ticket price exceeds this threshold value, the data will be filtered out. Note: POS price is the gross sale amount divided by the gross sales units.
Ticket Price Change % Threshold Override	The override of the value of the Ticket Price Change % Threshold measure from the Default Historical Data Filtering Parameters View . This threshold value (in percentage) for the ticket price changes to be considered as fixed price. Prices are considered fixed from week to week, when the price change is less than this threshold value.

Table 3–1 (Cont.) Measures in the Historical Data Filtering Parameters Worksheet

Measure	Measure Description
Ticket Price Variation % Threshold Override	The override of the value of the Ticket Price Variation % Threshold measure from the Default Historical Data Filtering Parameters View . This threshold value (in percentage) for the ticket price variations. If the difference between the minimum and maximum price values exceed this threshold value, the data will be filtered out.
Minimum Average Sales Override	The override of the value of the Minimum Average Sales measure from the Default Historical Data Filtering Parameters View . This is the threshold for the filter that removes item/store combinations with average sales less than the defined threshold.
Price Variance Coefficient Override	The override of the value of the Price Variance Coefficient measure from the Default Historical Data Filtering Parameters View . This is the threshold for the filter that removes item/store combinations with price variance less than average price times said threshold.
High End Sales Curve Override	The override of the value of the High End Sales Curve measure from the Default Historical Data Filtering Parameters View . Determines what percentage of the cumulative sales should be kept at the end of the lifecycle.
Low End Sales Curve Override	The override of the value of the Low End Sales Curve measure from the Default Historical Data Filtering Parameters View . Determines what percentage of the cumulative sales should be removed from the beginning of the lifecycle.

After you have entered the historical data filtering parameters, continue to the [Data Transformation and Filtering Override Parameters View](#).

Data Transformation and Filtering Override Parameters View

This view enables you to override the default values for parameters related to data transformations.

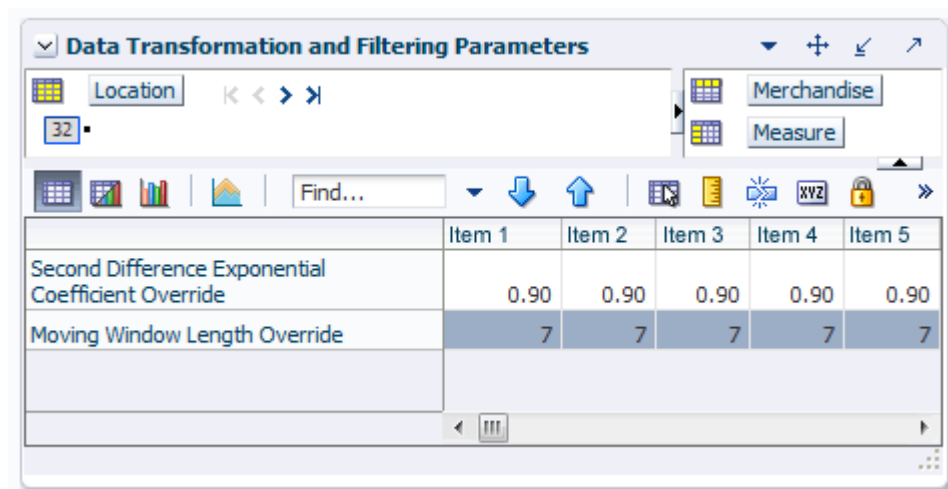
Figure 3–5 Data Transformation and Filtering Override Parameters View

Table 3–2 describes the measures in this view:

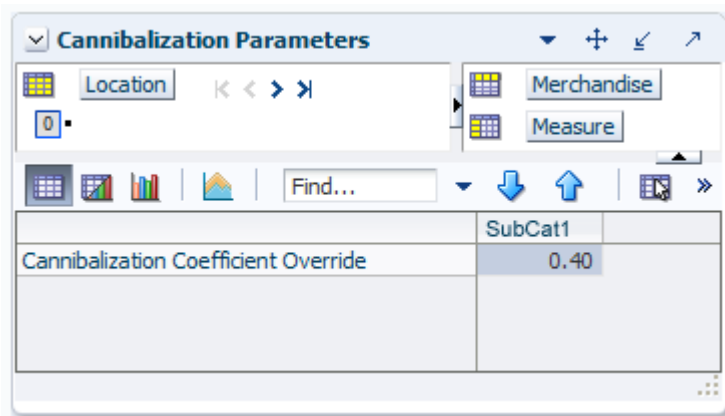
Table 3–2 Measures in the Data Transformation and Filtering Override Parameters Worksheet

Measure	Measure Description
Second Difference Exponential Coefficient Override	The override of the value of the Second Difference Exponential Coefficient measure from the Default Data Transformation Parameters View . After removing seasonality, it may be beneficial to exponentially smooth the second difference of some product/locations. The coefficient determines the degree of smoothing.
Moving Window Length Override	The override of the value of the Moving Window Length measure from the Default Data Transformation Parameters View . To calculate the first difference, the price less the moving average of the price is needed. The window length determines the moving averaged prices.
First Difference Data Points Override	The override of the value of the First Difference Data Points measure from the Default Data Transformation Parameters View . The lower threshold value for the first difference data points. The number of non-zero first difference data for an item or location lower than this threshold value will be discarded.
Second Difference Data Point Threshold Override	The override of the value of the Second Difference Data Point Threshold measure from the Default Data Transformation Parameters View . The lower threshold value for the second difference data points. The number of non-zero first difference data for an product or week lower than this threshold value will be discarded.
Second Difference Upper Bound Threshold Override	The override of the value of the Second Difference Upper Bound Threshold measure from the Default Data Transformation Parameters View . The upper threshold value for the log ticket price second different data points. The data corresponding to the item or location week that have the absolute value higher than this threshold value will be discarded.

After you have entered the transformation and filtering overrides, continue to the [Cannibalization Parameters View](#).

Cannibalization Parameters View

This view enables you to override the default values for parameters related to raw elasticity regularization and cannibalization.

Figure 3–6 Cannibalization Parameters View

[Table 3–3](#) describes the measures in this view:

Table 3–3 Measures in the Cannibalization Parameters View

Measure	Measure Description
Cannibalization Coefficient Override	The override value for the cannibalization co-efficient.

After you have entered the cannibalization parameters, continue to the [Escalation Path Override View](#).

Escalation Path Override View

This view enables you to override the default order for the escalation level lookups.

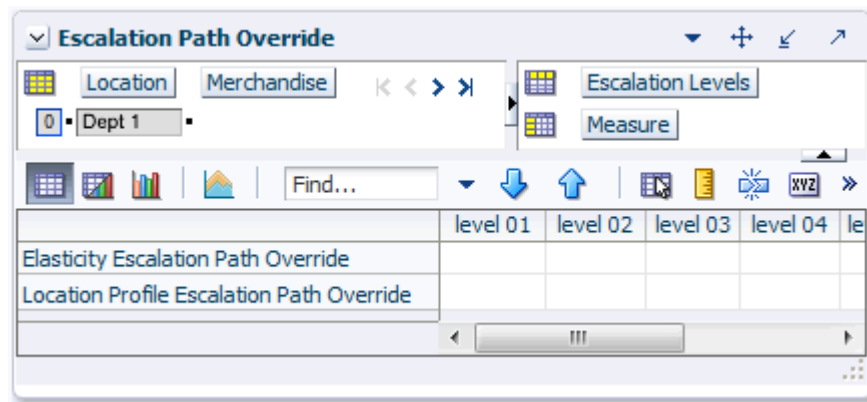
Figure 3–7 Escalation Path Override View

Table 3–4 describes the measures in this view:

Table 3–4 Measures in the Escalation Path Override View

Measure	Measure Description
Elasticity Escalation Path Override	Use this measure to override the value of the Elasticity Escalation Path measure in the Escalation Path View . This override sets the default order for the escalation level lookups. By default, the path is set to 1 through 4 starting from Level 01 to Level 04.
Location Profile Escalation Path Override	Use this measure to override the value of the Location Profile Escalation Path measure in the Escalation Path View . This override sets an order for the profile escalation level lookups

After you have entered the escalation path overrides, continue to the [HALO Elasticity Parameters Override View](#).

HALO Elasticity Parameters Override View

This view enables you to override the default values for the parameters related to HALO type elasticities.

Note: To edit the HALO measures, change the level of the Product dimension to display all[Merchandise].

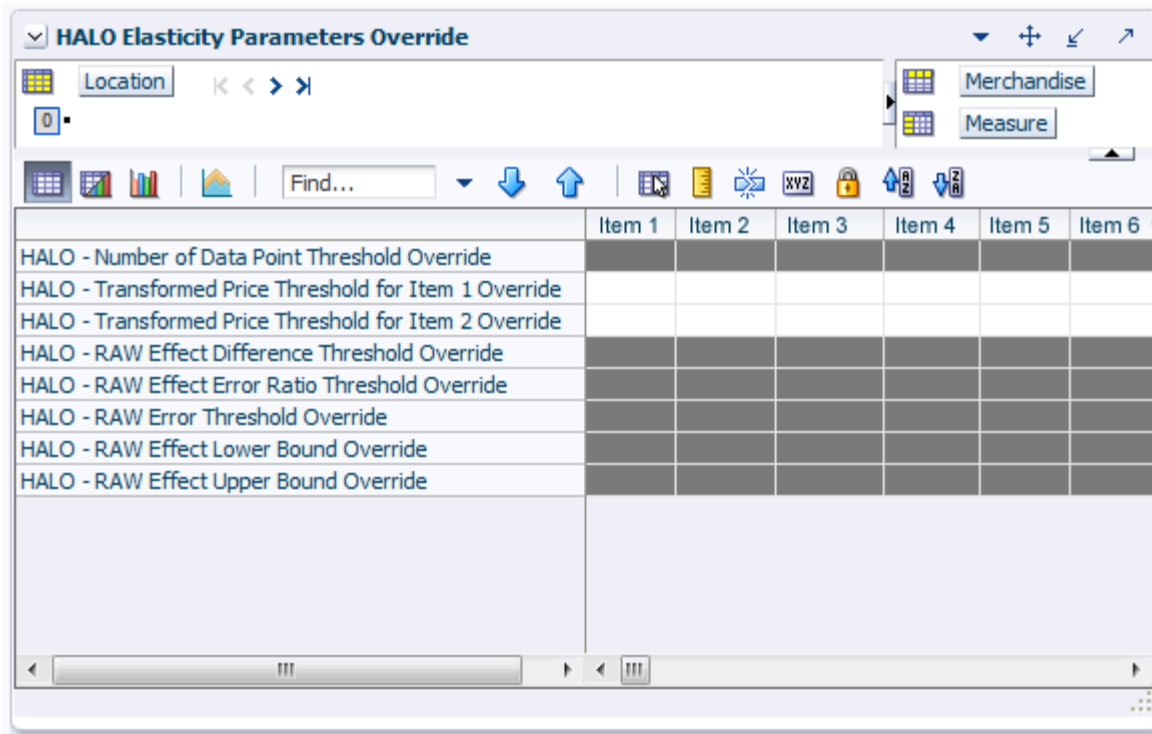
Figure 3–8 HALO Elasticity Parameters Override View

Table 3–5 describes the measures in this view:

Table 3–5 Measures in the HALO Elasticity Parameters Override View

Measure	Measure Description
HALO - Number of Data Point Threshold Override	The threshold value for the minimum number of data points required. HALO type cross elasticities that have data points lesser than this threshold value will be filtered out.
HALO - Transformed Price Threshold for Item 1 Override	When calculating the effect of the price change of the second item on the demand of the first item, this value is the transformed price threshold for the first item. If the absolute value of the second difference of log price of the first item exceeds this threshold value, the corresponding data will be excluded from HALO calculation.
HALO - Transformed Price Threshold for Item 2 Override	When calculating the effect of the price change of the second item on the demand of the FIRST item, this value is the transformed price threshold for the second item. If the absolute value of the second difference of log price of the second item is less than or equal to this threshold value, the corresponding data will be excluded from HALO calculation.
HALO - RAW Effect Difference Threshold Override	The threshold value for the difference between the HALO type cross elasticities across the two time periods. If this difference exceeds the amount that results from the square root of the threshold value, then the HALO type cross elasticities will be filtered out.
HALO - RAW Effect Error Ratio Threshold Override	The threshold value for the HALO cross elasticity and standard error ratio. If a halo type cross elasticity has a value greater than this threshold value multiplied by the standard error for both time periods, then the HALO type cross elasticity will be filtered out.

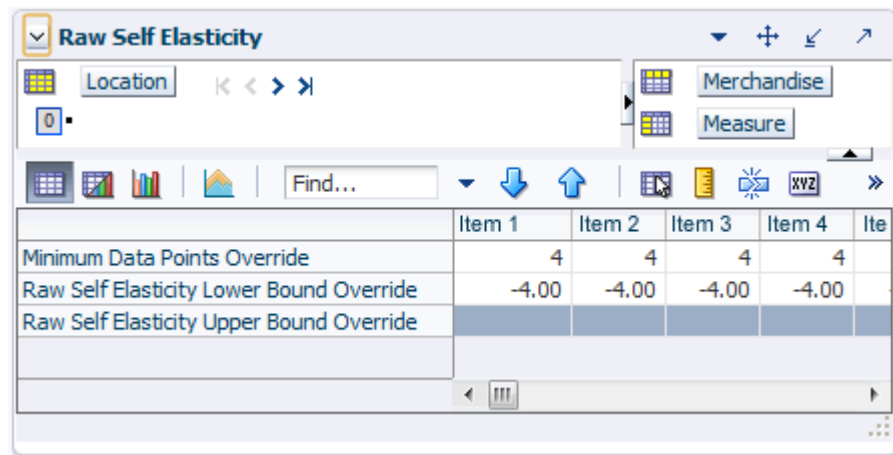
Table 3–5 (Cont.) Measures in the HALO Elasticity Parameters Override View

Measure	Measure Description
HALO - RAW Error Threshold Override	The standard error threshold value for the HALO type cross elasticities. HALO type cross elasticities with standard error that exceed this threshold value will be filtered out.
HALO - RAW Effect Lower Bound Override	The lower threshold value for the HALO type RAW cross elasticities. HALO type cross elasticities lower than this threshold value will be filtered out.
HALO - RAW Effect Upper Bound Override	The upper threshold value for the HALO type RAW cross elasticities. HALO type cross elasticities higher than this threshold value will be filtered out.

After you have entered the HALO elasticity overrides, continue to the [Raw Self Elasticity View](#).

Raw Self Elasticity View

This view enables you to override the default values for parameters related to raw self elasticities.

Figure 3–9 Raw Self Elasticity View

[Table 3–6](#) describes the measures in this view:

Table 3–6 Measures in the Raw Self Elasticity View

Measure	Measure Description
Minimum Data Points Override	The threshold value for the minimum number of data points required. Items or locations with number of data points lesser than this threshold value are not included in the calculation.
Raw Self Elasticity Lower Bound Override	The upper threshold value for the RAW self elasticities. Items or locations with RAW self elasticities higher than this threshold value are not included in the calculation.
Raw Self Elasticity Upper Bound Override	The lower threshold value for the RAW self elasticities. Items or locations with RAW self elasticities lower than this threshold value are not included in the calculation.
Max Second Diff Log Price Override	The threshold value for the maximum second difference log ticket price. Items or locations with a second difference that exceed this threshold value are not included in the calculation.

Table 3–6 (Cont.) Measures in the Raw Self Elasticity View

Measure	Measure Description
Max allowed standard error for raw self-elasticities (override).	The threshold value for the maximum standard error allowed for RAW self-elasticities. Items or locations with a standard error that exceed this threshold value are not included in the calculation.

After you have entered the raw self elasticity parameters, continue to the [Anchor and Min/Max Price View](#).

Anchor and Min/Max Price View

This view enables you to override the default values for the parameters related to anchor and minimum/maximum ticket prices.

The NA value of the measures needs to be set to an invalid value for that parameter. And the value NA indicates that there is no override value.

Figure 3–10 Anchor and Min/Max Price View

	0	1	2	3
Override historical anchor price number of time periods to include in calculation.	2	2	2	2
Override historical anchor price smoothing coefficient.	0.90	0.90	0.90	0.90
Override historical maximum price percentile.	0.95	0.95	0.95	0.95
Override historical minimum price percentile.	0.05	0.05	0.05	0.05
Override number of time periods to consider when finding historical min & max prices.	80	80	80	80

[Table 3–7](#) describes the measures in this view:

Table 3–7 Measures in the Anchor and Min/Max Price View

Measure	Measure Description
Override historical anchor price number of time periods to include in calculation.	The number of weeks to consider, relative to the history end date, when calculating the anchor price.
Override historical anchor price smoothing coefficient.	Exponential smoothing coefficient for blending the previous anchor price calculations with the new calculations.
Override historical maximum price percentile.	The percentile at which the historical maximum price will be selected.
Override historical minimum price percentile.	The percentile at which the historical minimum price will be selected.

Table 3–7 (Cont.) Measures in the Anchor and Min/Max Price View

Measure	Measure Description
Override number of time periods to consider when finding historical min & max prices.	The number of weeks to consider, relative to the history end date, when calculating the minimum and maximum historical prices.

After you have finished entering the anchor and minimum and maximum price parameters, commit and save the workbook. Before continuing to the [Analysis and Approval Task](#), run the `apcrpo_batch.sh` script. This batch program includes a sequence of scripts that take the historical inputs and the parameters you set up as inputs to calculate the price elasticities. For more information, see the *Oracle Retail Analytic Parameter Calculator for Regular Price Optimization Implementation Guide*.

Analysis and Approval Task

After the batch processes are run, self-elasticities are generated. The Analysis and Approval task enables you to review the calculation results, approve, and override the elasticities. When you access the task, a workbook wizard is displayed that enables you to select and review all or group of items at specific price zones (locations).

Accessing the Analysis and Approval Task

To access the Analysis and Approval task, perform the following steps:

1. Log on to APC-RPO. For more information, see [Logging On to APC-RPO](#).
2. In the taskflow, click the **Create New Workbook** icon in the Analysis and Approval task.

Figure 4–1 Analysis and Approval Task



The Workbook Wizard is displayed.

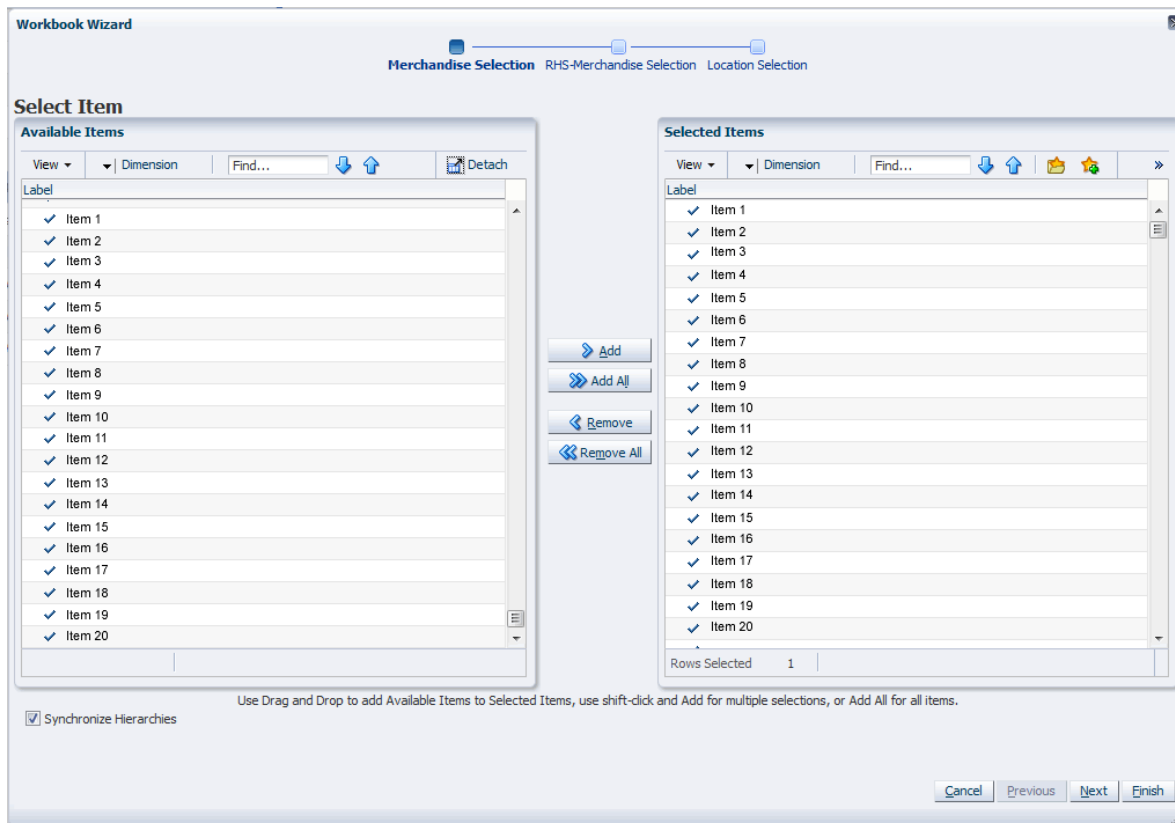
Note: To open an existing workbook, click the **Show List of All Workbooks** icon next to the task or step you want. The Open Workbook window is displayed and enables you to open an existing workbook.

3. In the Workbook Wizard, from the Available Items area, select the items you want by holding down the Ctrl or Shift keys, and click **Add**. You can click **Add All** to select all the items.

Or, drag and drop the positions to the Selected Items area.

Click **Next**.

Figure 4–2 Workbook Wizard - Merchandise Selection

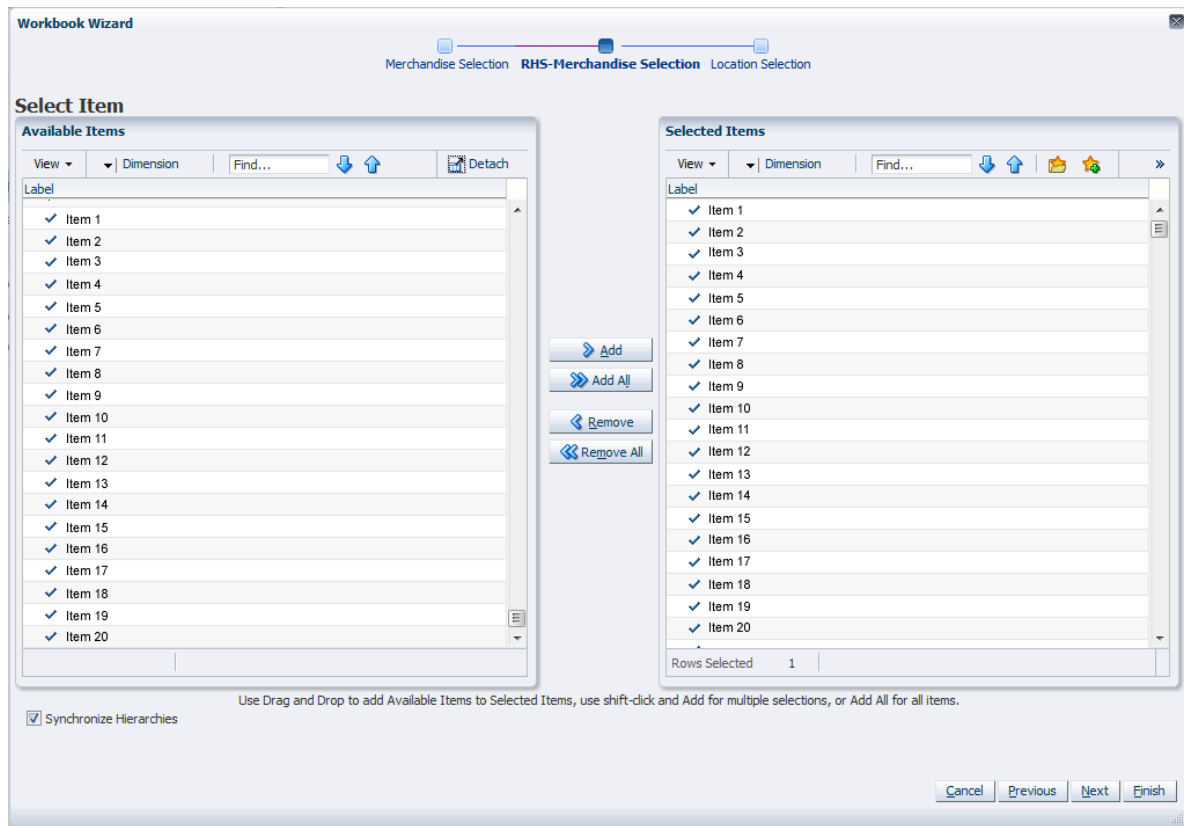


4. The RHS-Merchandise Selection step is displayed. From the Available Items area, select the items you want by holding down the Ctrl or Shift keys, and click **Add**. You can click **Add All** to select all the items.

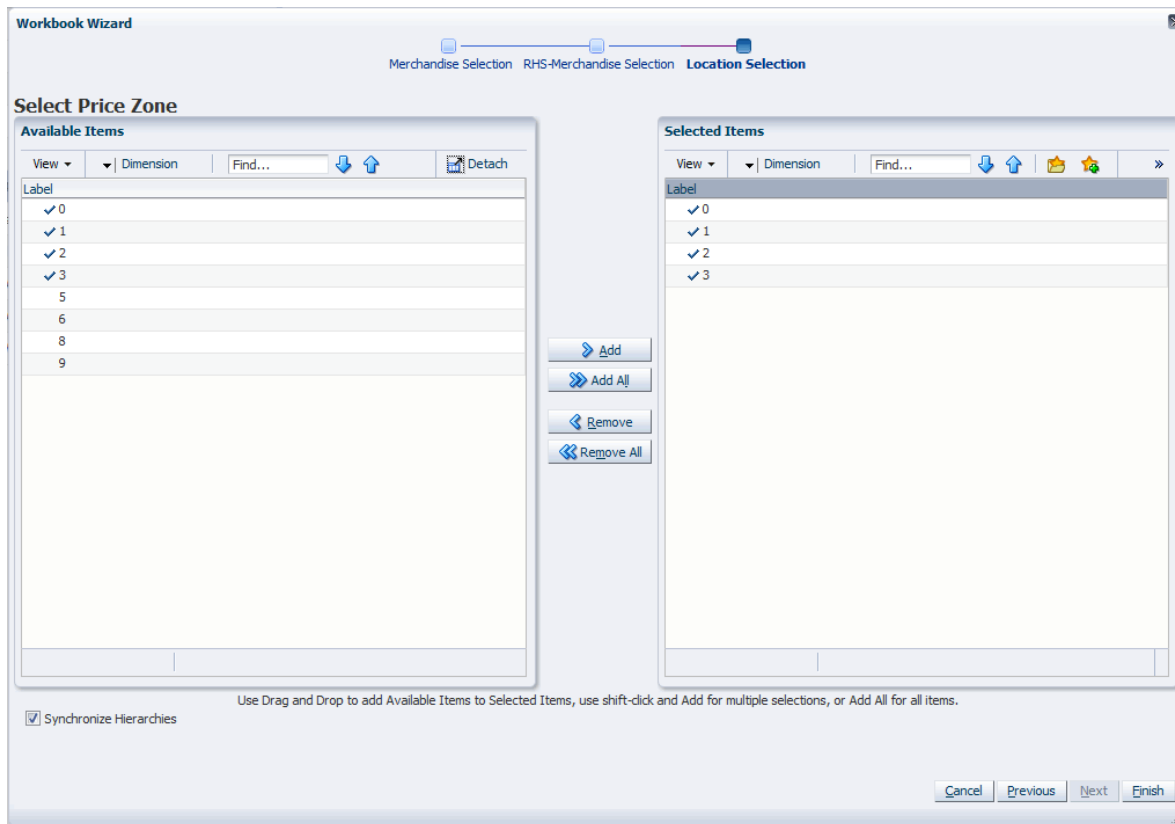
Or, drag and drop the positions to the Selected Items area.

Note: The RHS hierarchy is a duplicate of the merchandise hierarchy set up to support cross-item elasticity.

Click **Next**.

Figure 4–3 Workbook Wizard - RHS-Merchandise Selection Step

5. The Location Selection step is displayed. From the **Available Items** area, select the price zones you want, and then click **Finish**.

Figure 4–4 Workbook Wizard - Location Selection Step

The workbook opens at the [Data Preprocessing and Transformation Analysis Step](#).

Data Preprocessing and Transformation Analysis Step

The Data Preprocessing Analysis step includes one view that displays the results of the historical data preprocessing:

- [Data Preprocessing Analysis View](#)

Data Preprocessing Analysis View

This worksheet displays the results of the historical data preprocessing. It includes information at the POS intersection, without the calendar, to highlight the information filtered out at successive steps in preprocessing.

Figure 4–5 Data Preprocessing Analysis View

Measure	Category 1
Num price data pts.	4474
Num price data pts retained as constant price periods.	2759
Num price data pts after filtering out price data < 0.	4474
Num price data pts after filtering out gross sales/gross units varies too much from price.	4474
Num price data pts after filtering out data that varies too far from min or max price.	4474
Num price data pts after filtering culmuative sales	2838
Num price data pts after filtering average sales	1516
Num price data pts after filtering price deviation	1159
Num price data pts after preprocessing.	1159

Table 4–1 describes the measures in this view:

Table 4–1 Measures in the Data Preprocessing Analysis View

Measure	Measure Description
Num price data pts.	Number of price data points prior to any filtering.
Num price data pts retained as constant price periods.	Number of price data points retained as constant price periods.
Num price data pts after filtering out price data < 0.	Number of price data points after filtering out price data less than zero (0).
Num price data pts after filtering out gross sales/gross units varies too much from price.	Number of price data points after filtering out the gross revenue/gross units varying too far from price.
Num price data pts after filtering out data that varies too far from min or max price.	Number of price data points after filtering out the data that varies too far from the minimum or maximum price.
Num price data pts after filtering cumulative sales	This is a reporting measure that displays the number of data points available after the cumulative sales filter has been applied.
Num price data pts after filtering average sales	This is a reporting measure that displays the number of data points available after the average sales filter has been applied.
Num price data pts after filtering price deviation	This is a reporting measure that displays the number of data points available after the price deviation filter has been applied.
Num price data pts after preprocessing.	Number of price data points after filtering out stock outs. This is the final step in the preprocessing and represents the final count of price data points.

After you reviewed the preprocessing parameters, continue to the [Regularized and Escalation Analysis Step](#).

Regularized and Escalation Analysis Step

The Regularized and Escalation Analysis step provides information on the regularized and escalated elasticities. The worksheets in this tab display information at the item and price zone intersection. It contains two views:

- [Final Self Elasticity View](#)
- [Escalation Level Elasticity View](#)

Final Self Elasticity View

This view displays the self elasticity data of items in each location.

Figure 4–6 Final Self Elasticity View

	Item 1	Item 2	Item 3	Item 4	Item 5
Final Self Elasticity	-0.11	-0.64	-3.46	-0.22	-0.22
Selected Location Profile	L09	L09	L09	L09	L09
Standard Error	0.04	0.02	0.98	0.05	0.05
T-Statistic	-2.81	-42.01	-3.53	-4.27	-4.27

Table 4–2 describes the measures in this view:

Table 4–2 Measures in the Final Self Elasticity Worksheet

Measure	Measure Description
Final Self Elasticity	Final calculated self elasticity at the item/price zone intersection.
Selected Location Profile	Displays the selected location profile level.
Standard Error	Standard error at the final level.
T-Statistic	<p>The t-statistic measure represents the ratio of the elasticity value and its standard error. For instance, if the elasticity value is -0.04 and the standard error is 0.0023, the t-statistic is $-0.04/0.0023 = -17.4$.</p> <p>T-statistics are at the final level.</p>

After reviewing final self elasticity parameters, continue to the [Escalation Level Elasticity View](#).

Escalation Level Elasticity View

This view provides information on the regularized elasticities at the base escalation level intersection (for example, item and price zone).

Figure 4–7 Escalation Level Elasticity View

		Item 1	Item 2	Item 3	Item 4
level 01	Escalation Elasticity	0.00	0.00	0.00	0.00
	Escalation Standard Error	0.00	0.00	0.00	0.00
	Escalation Elasticity T-statistic	0.00	0.00	0.00	0.00
	Escalation Location Profile Value	0.00	0.00	0.00	0.00
level 02	Escalation Elasticity	-0.28	-0.28	-0.83	-4.30
	Escalation Standard Error	0.05	0.05	0.05	0.98
	Escalation Elasticity T-statistic	-5.30	-5.30	-17.35	-4.38
	Escalation Location Profile Value	0.00	0.00	0.00	0.00
level 03	Escalation Elasticity	-0.28	-0.28	-0.83	-4.30
	Escalation Standard Error	0.05	0.05	0.05	0.98
	Escalation Elasticity T-statistic	-5.30	-5.30	-17.35	-4.38
	Escalation Location Profile Value	0.00	0.00	0.00	0.00

Table 4–3 describes the measures in this view:

Table 4–3 Measures in the Escalation Level Elasticity Worksheet

Measure	Measure Description
Escalation Elasticity	Elasticity values by escalation level.
Escalation Standard Error	Elasticity standard error values by escalation level.
Escalation Elasticity T-statistic	Elasticity t-statistics values by escalation level.
Escalation Location Profile Value	Location profile values by escalation level.

After reviewing escalation level elasticity parameters, continue to the [Cannibalization Analysis Step](#).

Cannibalization Analysis Step

The Cannibalization Analysis step provides information on the calculated market share and cannibalization effects. It includes two views:

- [Market Share View](#)
- [Cannibalization Elasticity Analysis View](#)

Market Share View

The Market Share view provides information on the calculated market share effects. It displays information at the item and price zone intersection.

Figure 4–8 Market Share View

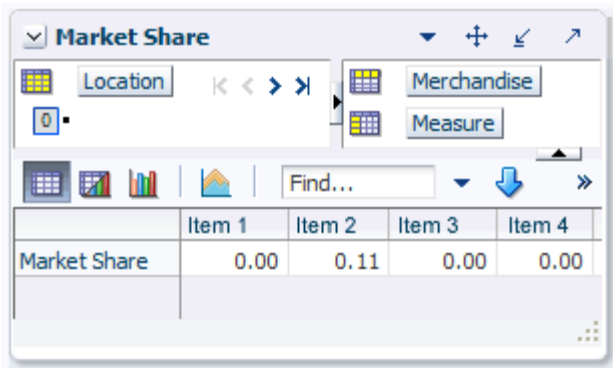


Table 4–4 describes the measures in this view:

Table 4–4 Measures in the Market Share View

Measure	Measure Description
Market Share	Market share relative to the other items within the class.

After reviewing the market share, continue to the [Cannibalization Elasticity Analysis View](#).

Cannibalization Elasticity Analysis View

The Cannibalization Elasticity Analysis view provides information on the calculated cannibalization effects. It displays information at the cross-item elasticity intersection.

Figure 4–9 Cannibalization Elasticity Analysis View

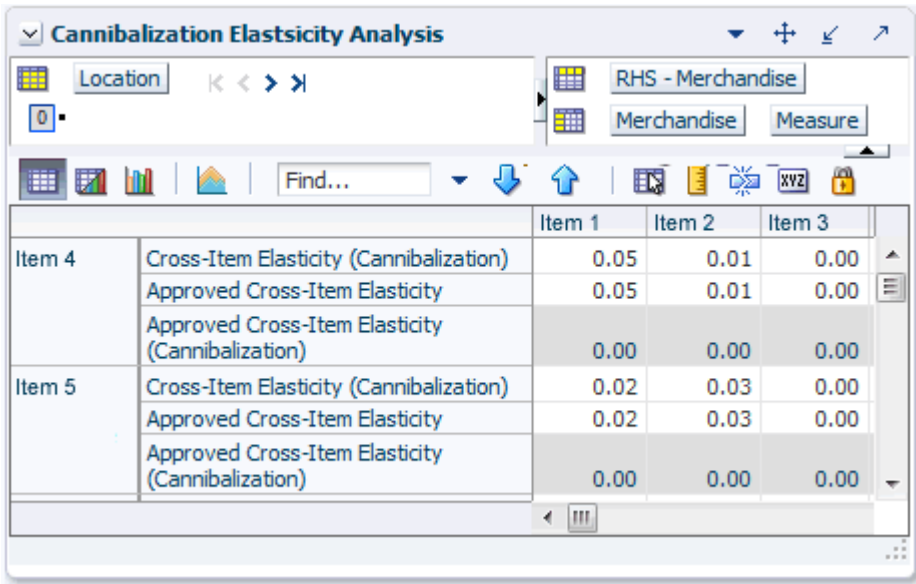


Table 4–5 describes the measures in this view:

Table 4–5 Measures in the Cannibalization Elasticity Analysis View

Measure	Measure Description
Cross-Item Elasticity (Cannibalization)	The cross-item elasticity (cannibalization).
Approved Cross-Item Elasticity (Cannibalization)	The approved cross-item elasticity (cannibalization).
Archived Cross-Item Elasticity (Cannibalization)	The last approved cross-item elasticity (cannibalization).

After reviewing and editing the cannibalization elasticity analysis parameters, continue to the [HALO Elasticity Analysis Step](#).

HALO Elasticity Analysis Step

The HALO Elasticity Analysis step provides information on the calculated HALO effects. It includes one view:

- [HALO Elasticity Analysis View](#)

HALO Elasticity Analysis View

This view displays information at the halo effect intersection.

Figure 4–10 HALO Elasticity Analysis View

		Item 1	Item 2	Item 3
Item 4	HALO Type Cross Item Elasticity	0.00	0.00	0.00
	HALO Elasticity Standard Error	0.00	0.00	0.00
	HALO Effective Data Points	0	0	0
	Approved HALO Type Cross Item Elasticity	0.00	0.00	0.00
	Archived HALO Type Cross Item Elasticity	0.00	0.00	0.00
Item 5	HALO Type Cross Item Elasticity	0.00	0.00	0.00
	HALO Elasticity Standard Error	0.00	0.00	0.00
	HALO Effective Data Points	0	0	0
	Approved HALO Type Cross Item Elasticity	0.00	0.00	0.00
	Archived HALO Type Cross Item Elasticity	0.00	0.00	0.00

Table 4–6 describes the measures in this view:

Table 4–6 Measures in the HALO Elasticity Analysis View

Measure	Measure Description
HALO Type Cross-Item Elasticity	The calculated HALO type cross-item elasticity.

Table 4–6 (Cont.) Measures in the HALO Elasticity Analysis View

Measure	Measure Description
HALO Elasticity Standard Error	The standard error in the calculation of the HALO cross-item elasticity.
HALO Effective Data Point Count	The number of data points used in the calculation.
Approved HALO Type Cross-Item Elasticity	The approved HALO type cross-item elasticity.
Last Approved HALO Type Cross-Item Elasticity	The last approved HALO type cross-item elasticity.

After you have reviewed the HALO elasticity analysis parameters, continue to the [Anchor and Min/Max Price Analysis Step](#).

Anchor and Min/Max Price Analysis Step

The Anchor and Min/Max Price Analysis step includes one view:

- [Anchor and Min/Max Price Analysis View](#)

Anchor and Min/Max Price Analysis View

The Anchor and Min/Max Price Analysis tab provides information on the historical anchor, and minimum and maximum ticket price.

Figure 4–11 Anchor and Min/Max Price Analysis View

	Item 1	Item 2	Item 3
Historical anchor price.	0.00	899.00	0.00
Minimum historical ticket price.	0.00	899.00	0.00
Maximum historical ticket price.	0.00	1190.00	0.00
Max Price % Down	0.00	39.66	0.00
Max Price % Up	0.00	0.00	0.00

[Table 4–7](#) describes the measures in this view:

Table 4–7 Measures in the Anchor and Min/Max Price Analysis View

Measure	Measure Description
Historical anchor price.	The calculated historical anchor price.
Minimum historical ticket price.	The calculated minimum historical ticket price.
Maximum historical ticket price.	The calculated maximum historical ticket price.

Table 4–7 (Cont.) Measures in the Anchor and Min/Max Price Analysis View

Measure	Measure Description
Max Price % Down	Displays the maximum percent price drop that happened in the price history.
Max Price % Up	Displays the maximum percent price increase that happened in the price history.

