



Cole Hardware

Company Facts

- Location: San Francisco, California
- Industry: Hardware
- Affiliation: Ace
- Founded: 1959
- Solution: Eagle Pricing Planner

Cole Hardware creates more consistent pricing with Epicor Eagle Pricing Planner

Cole Hardware serves San Francisco residents from four retail stores and one commercial supply facility. Having used Epicor systems for nearly 30 years, Cole understands the importance of technology in business success.

Continuing its technology trend, Cole recently implemented Eagle Pricing Planner to dynamically analyze and manage price changes. Pricing Planner, with an Epicor Eagle Compass-based interface, provides insight and analysis on key factors affecting price. Those factors include margins, competitive prices, supplier prices, prices across multiple stores, and elasticity (the likely impact of a proposed price change on an item's sales velocity).

"Pricing Planner is very flexible and easy to use," says Robin Miller, director of operations at Cole Hardware. "I have access to all my data instantly."

Using the Category Analysis tool to improve pricing consistency

The Category Analysis viewer gives the flexibility to group items in a variety of ways and compare. Cole Hardware performed a complete re-costing on three or four vendor lines using the Category viewer. "I grouped items by vendor. Then I looked at the average gross profit for a vendor's line. Pricing Planner displays the year-to-date gross profit dollars and the average for that group all on one screen, so it was simple for me to find the deviations," adds Robin. "I narrowed the view to look at only those items below a certain gross profit percent. Then, Pricing Planner enabled me to take action on those individual items without worrying about the rest of the line."

"I would recommend Pricing Planner to anyone who wants to get a good handle on their pricing, ensure they are consistent across whatever categorization they choose to use, and see the impact of those price changes in the future."

Robin Miller, Director of Operations | Cole Hardware

Prior to Pricing Planner, that kind of in-depth analysis was difficult to accomplish. "It was almost impossible," notes Robin. "Pricing analysis was cumbersome and unfocused. We would have had to search through reams of papers or dozens of reports."

Robin continues, "Pricing Planner has allowed us to be more consistent in our pricing across categories. It's easier to find the outliers and adjust them. If we price a line by gross profit, we know all items are correctly priced."

Seeing the impact of pricing on sales volume

Using the Sales Velocity Analysis viewer, Cole Hardware can run a "what-if" analysis—a review of the impact of price changes on sales units—along with a "results" analysis after a price change has been implemented. "Ace's suggested retail prices for Benjamin Moore paint were higher than our prices," describes Robin. "We experimented and raised prices on the quarts first. Then a couple months later, I used the Sales Velocity tool and analyzed the impact of those changes. Our unit sales dropped, but our gross profit dollars increased slightly. We decided it was a fair tradeoff for the quart-sized cans. We also decided from those results that we didn't want to proceed with price changes on the gallon-sized paint cans. It was a very enlightening and powerful analysis."

In the past, Cole Hardware had trouble anticipating how pricing changes would affect sales. "There had not been a good way to see the impact of pricing changes before we implemented them. With Pricing Planner, I know what the impact on sales will be."

Better pricing management with Pricing Planner

The Pricing Planner module has made a positive impact on Cole Hardware. "I would recommend Pricing Planner to anyone who wants to get a good handle on their pricing, ensure they're consistent across whatever categorization they choose to use, and see the impact of those price changes in the future," concludes Robin. "Epicor has a winner on its hands with Pricing Planner."

About Epicor

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Contact us for more information on Epicor Products and Services

+1.888.463.4700 eagle@epicor.com www.epicor.com

Worldwide Headquarters
San Francisco Bay Area
4120 Dublin Boulevard, Suite 300
Dublin, CA 94568 USA
Toll Free: +1.888.448.2636
Direct: +1.925.361.9900
Fax: +1.925.361.9999

Latin America and Caribbean
Blvd. Antonio L. Rodriguez #1882 Int. 104
Plaza Central, Col. Santa Maria
Monterrey, Nuevo Leon, CP 64650
Mexico
Phone: +52.81.1551.7100
Fax: +52.81.1551.7117

Europe, Middle East and Africa
No. 1 The Arena
Downshire Way
Bracknell, Berkshire RG12 1PU
United Kingdom
Phone: +44.1344.468468
Fax: +44.1344.468010

Asia
238A Thomson Road #23-06
Novena Square Tower A
Singapore 307684
Singapore
Phone: +65.6333.8121
Fax: +65.6333.8131

Australia and New Zealand
Level 34
101 Miller Street
North Sydney NSW 2060
Australia
Phone: +61.2.9927.6200
Fax: +61.2.9927.6298

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