EXHIBIT 36

Assortment Tactic Validation: Example

Improving the assortment will deliver ECU 963,262 in incremental category sales and ECU 51,538 in incremental category gross profit

Tactic Description	Assortment Validation
Improve the assortment of products offered by: • Providing a wide selection of products in keeping with the category role of Destination • Elimination of duplicated products available in different sizes when the sales and gross profit potential does not warrant multiple packages	• Deleting 46 SKUs will reduce the total Soft Beverage category revenue by ECU 246,139 and category gross profitability by ECU 49,227. It is projected that 75% of the sales reduction will migrate to other products or the same product in a different package. Thus, the true impact on the carbonated Soft Drink Sub-Category will be a reduction in revenue of ECU 49,084 and gross profitability of ECU 9,816 • Adding 10 items to the assortment will generate an additional ECU 1,012,346 in revenue and ECU 61,354 in gross profitability

Courtesy of The Partnering Group and Roland Berger & Partner

Tactic Impact Validation

The likely impact of each tactical action must be determined prior to making a final decision on which tactics will best implement the category strategy and contribute most to category performance targets. Exhibit 36 provides an example of a validation analysis used by one retailer to justify several proposed assortment tactical changes.

PRICING TACTICS

Tactics in this area determine the prices the retailer offers to consumers for the products carried in the category. As with decisions in all tactical areas, these decisions must be based on the category's role, target performance measures, and category strategies as well as on an understanding of consumer and competitive behaviour.

Pricing Choices

Exhibit 37 below outlines the key tactical choices that exist in the area of pricing.

Decision Criteria

Pricing decisions reflect numerous considerations made by the retailer in its own business judgment including, among others, the following:

1. Value Provided to Target Consumer
   - How important is pricing in the value offered to consumers in this category?
   - How price sensitive are target consumers?
   - Which products are the most price-sensitive in the category?
2. Current Price Image
   - What does the category assessment reveal?
   - How does the pricing compare to competition?
   - Who is perceived to be the category price leader? Why?
   - What are the key price image items of the category?
3. Marketing Strategy
   - What pricing is consistent with the company's overall pricing and marketing strategy (e.g., high/low, EDLP, etc.)?
4. Category Role and Strategies
   - What pricing is consistent with the category role and strategies?
5. Cost/Benefit of Various Pricing Options
   - Will price increase/decrease significantly impact category turnover and profit?
   - Are private label items priced correctly in relation to supplier branded products?
   - How should new items be priced?
   - What are likely competitor responses to any price changes?

EXHIBIT 37

Pricing Tactical Choices

Choices	Description
Decrease	• Reduction in the retail selling price of an item or reduction in the average price of a group of items in the category
Increase	• An increase in an item's retail selling price or increase in the average price of a group of items
Uniform vs Cluster	• A decision to vary the price for an item or group of items across different stores, formats, or markets based on competitive or consumer differences
Maintain	• A decision to maintain the price of an item or group of items at current levels
Private Label	• A decision to price private label items or groups of items based on strategic, competitive and consumer positioning

Courtesy of The Partnering Group and Roland Berger & Partner