Grid Dynamics Unveils New Machine Learning-Based Price Optimization Starter Kit for Google Cloud Vertex AI

Key Take-aways:

- Grid Dynamics' machine learning (ML) approach to price optimization and management leverages Google Cloud combined with each company's unique data sets and external factors, speeding time to market and driving revenue growth.
- The Grid Dynamics Price Optimization Starter Kit overcomes the limitations of traditional "build vs. buy" approaches which are difficult to customize and require costly and lengthy deployments.
- The starter kit was designed by revenue management experts and data scientists with deep technical proficiency and knowledge of industry best practices, allowing for more effective bottom-line growth.

SAN RAMON, CA, April 6, 2022 — Grid Dynamics Holdings, Inc. (NASDAQ:GDYN) (Grid Dynamics), a leader in enterprise-level digital transformation services and solutions, introduced today its new Price Optimization Starter Kit for Vertex AI, which combines the power of Google Cloud and customizable open-source components.

Grid Dynamics' new starter kit leverages machine learning and AutoML technology provided by Vertex AI to help retailers and other businesses optimize pricing decisions to improve margins, sell-through rates, and inventory turnover. Built by Grid Dynamics' team of revenue management experts and skilled data scientists, the Price Optimization Starter Kit integrates a company's sales data, product attributes, competitor pricing, and other external factors to deliver a customized price and promotion management solution helps drive revenue growth.

"The Price Optimization Starter Kit by Grid Dynamics is an ideal example of how Vertex AI accelerates machine learning projects," said June Yang, Vice President of Cloud AI product and industry solutions for Google Cloud. "Combining Vertex AI's cutting-edge models and powerful infrastructure with the domain expertise enables companies to build large scale solutions to solve the most difficult business problems in record time."

"The efficiency of price management processes and optimality of pricing and inventory decisions are key concerns in retail, and many companies are looking to create advanced custom solutions that fit their business models and enable continuous innovation," said Ilya Katsov, Vice President of Technology for Grid Dynamics. "Our new starter kit developed in collaboration with Google Cloud helps companies harness both ML technology and domain best practices. We're excited to make this starter kit available for users of the Vertex AI ecosystem."

Gaining the Upper Hand through Machine Learning, Technology Innovation, and Human Expertise

The starter kit developed by Grid Dynamics and Google Cloud combines the advanced AutoML components offered by the Vertex AI platform with best practices developed by Grid Dynamics, based on multiple real-world price optimization projects delivered to leading retail, manufacturing, and consumer packaged goods companies. The reference implementation provides the following capabilities:

Demand decomposition: Advanced modeling techniques help to accurately quantify the impact of various factors on revenues and profit, enabling price managers to understand better the relationship between price and demand, cannibalization and halo effects across products, and the impact of public events and other factors.

What-if analysis and optimization: Profit and revenue models evaluate different pricing scenarios and determine optimal price levels and promotion schedules. The optimization process can account for complex effects such as cannibalization, identify hidden opportunities, and pursue various objectives such as sell-through or margin maximization.

Process automation: ML-based decision support and decision automation components help reduce the number of manual operations and scale the entire process.

The Grid Dynamics Price Optimization Starter Kit can be deployed and integrated with a company's actual data sources in hours and evaluated and customized based on the company's unique requirements without proprietary components or licensing costs.

"The Price Optimization Starter Kit that Grid Dynamics is unveiling today is an example of the innovation excellence upon which the company has built its reputation," said Craig Viley, Director of Product for Vertex AI. "This starter kit helps companies leverage the Vertex AI platform more efficiently and achieve compelling business results in a much quicker timeframe."

More information about Grid Dynamics' Price Optimization Starter Kit is available here.

About Grid Dynamics

Grid Dynamics (NASDAQ:GDYN) is a digital-native technology services provider that accelerates growth and bolsters competitive advantage for Fortune 1000 companies. Grid Dynamics provides digital transformation consulting and implementation services in omnichannel customer experience, big data analytics, search, artificial intelligence, cloud migration, and application modernization. Grid Dynamics achieves high speed-to-market, quality, and efficiency by using technology accelerators, an agile delivery culture, and its pool of global engineering talent. Founded in 2006, Grid Dynamics is headquartered in Silicon Valley with offices across the US, UK, Netherlands, Mexico, and Central and Eastern Europe.

To learn more about Grid Dynamics, please visit www.griddynamics.com. Follow us on Facebook, Twitter, and LinkedIn.

Forward Looking Statements

This communication contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical facts, and involve risks and uncertainties that could cause actual results of Grid Dynamics to differ materially from those expected and projected. These forward-looking statements can be identified by the use of forward-looking terminology, including the words "believes," "estimates," "anticipates," "expects," "intends," "plans," "may," "will," "potential," "projects," "predicts," "continue," or "should," or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include, without limitation, quotations and statements regarding the capabilities of our products and services.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Grid Dynamics's control and are difficult to predict. Factors that may cause such differences include, but are not limited to, any factors limiting the capabilities of our products and services.

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