
PRICING EVOLUTION

Presented by Leon Russell



SUMMARY OF CONTENTS

OUR MAIN TOPICS TODAY

- Importance of Pricing
- Pricing Historically
- 3 Focuses of Modern Pricing
- Cutting Edge Solutions

IMPORTANCE OF PRICING

PROFITABILITY

All businesses must generate profit to survive and continue to improve the lives of their employees, stakeholders and clients

IMAGE

Your pricing helps indicate your quality to your buyer, are you high end and premium or no frills and functional

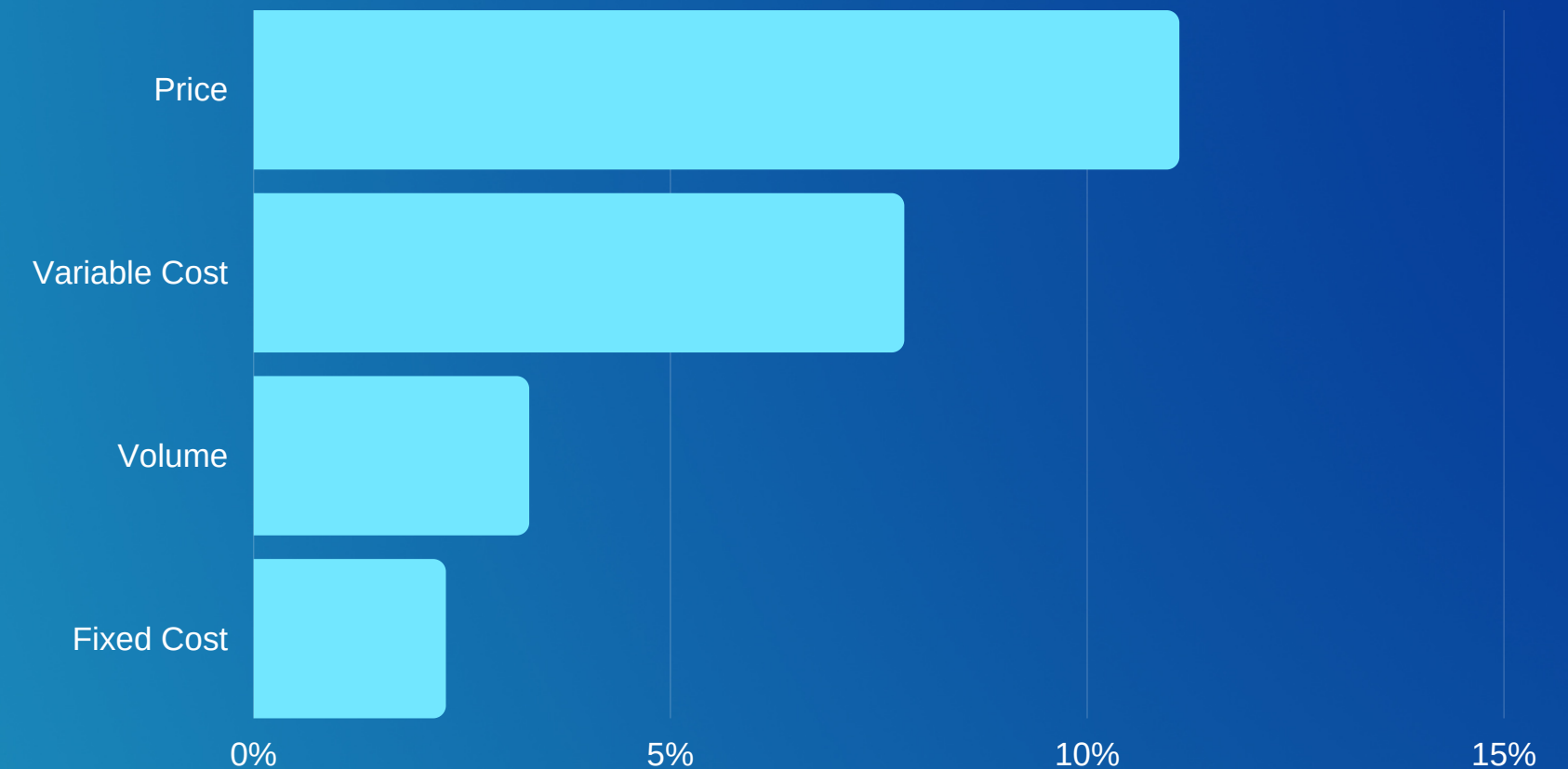
VALUE

Now more than ever, everyone is looking for value. No matter if you are budget or premium, ROI is a very important factor for all buyers

THE PROFITABILITY OF PRICING

**A 1% INCREASE IN PRICING, EQUATES
TO AN OPERATING PROFIT OF 11.1%**

The above statement was released in Harvard Business Review by Michael Marn & Robert Rosiello, in 1992.



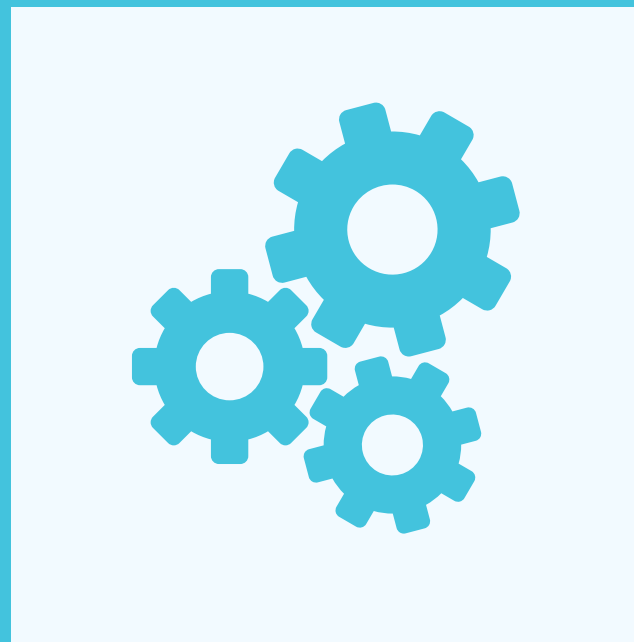
PRICING HISTORICALLY

Excel, the last universally accepted development in pricing.

From innovative startups through to manufacturing businesses, thousands of businesses rely upon excel to help manage their pricing.

MODERN PRICING

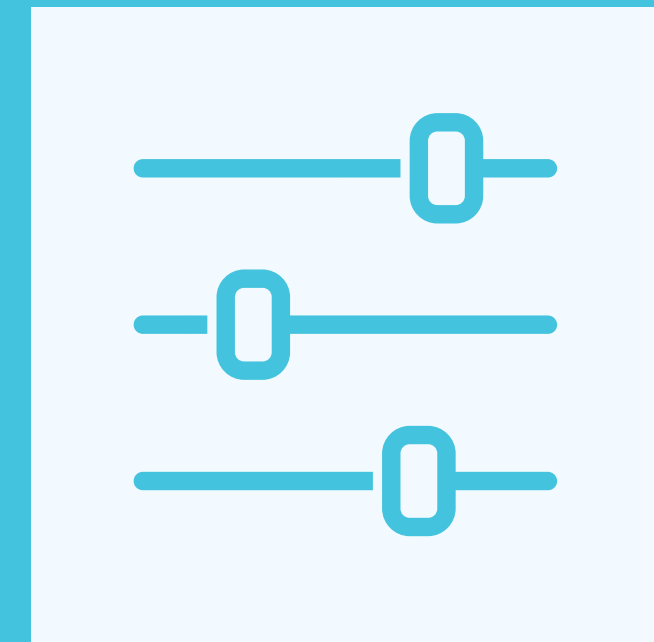
3 COMPONENTS



Processes



Insights



Optimisation

Processes

COST UPDATES

Every business needs to be able to automatically or with minimal effort incorporate these new costs into their pricing structure.

PRICING GUIDELINES

All businesses have rules or guidelines that dictate acceptable prices on deals.

STRATEGIC INITIATIVES

To survive in the current market, you need to have systems or processes in place that allow you to pivot quickly and efficiently.

MANAGING AT SCALE

Automation is critical in managing the exponential growth of prices requiring regular updates & management

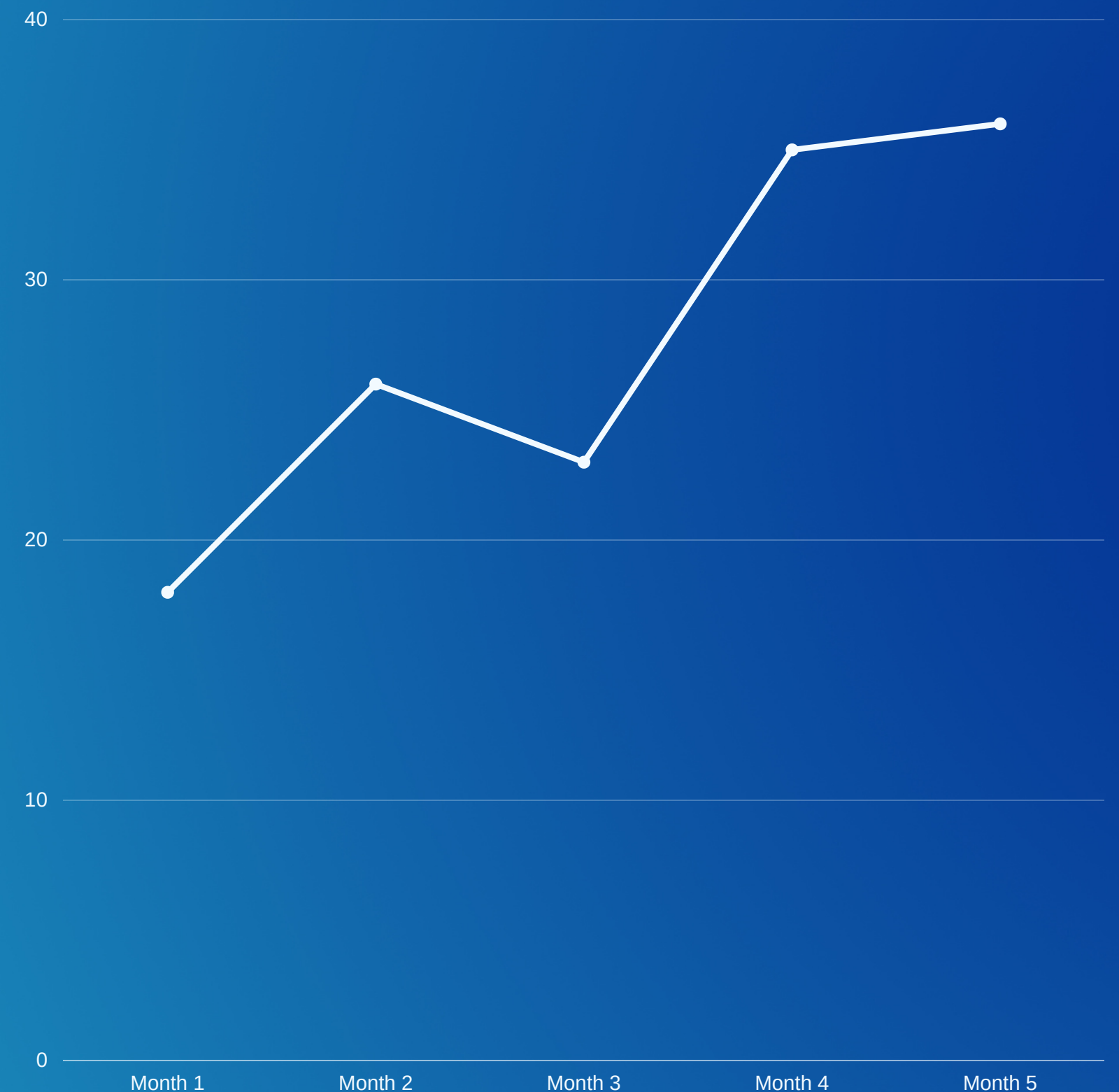
DATA

PRICING INSIGHTS

Most companies collect lots of data, but don't do anything productive with it.

Some easy wins could be

- Top/Bottom margin clients
- Top/Bottom margin products
- Specific areas of pricing decline



PRICING OPTIMISATION

MAXIMISE DEAL VALUE

Utilise segmentation to find the right price to open discussions, close and if required walk away for every deal.

MARKET KNOWLEDGE

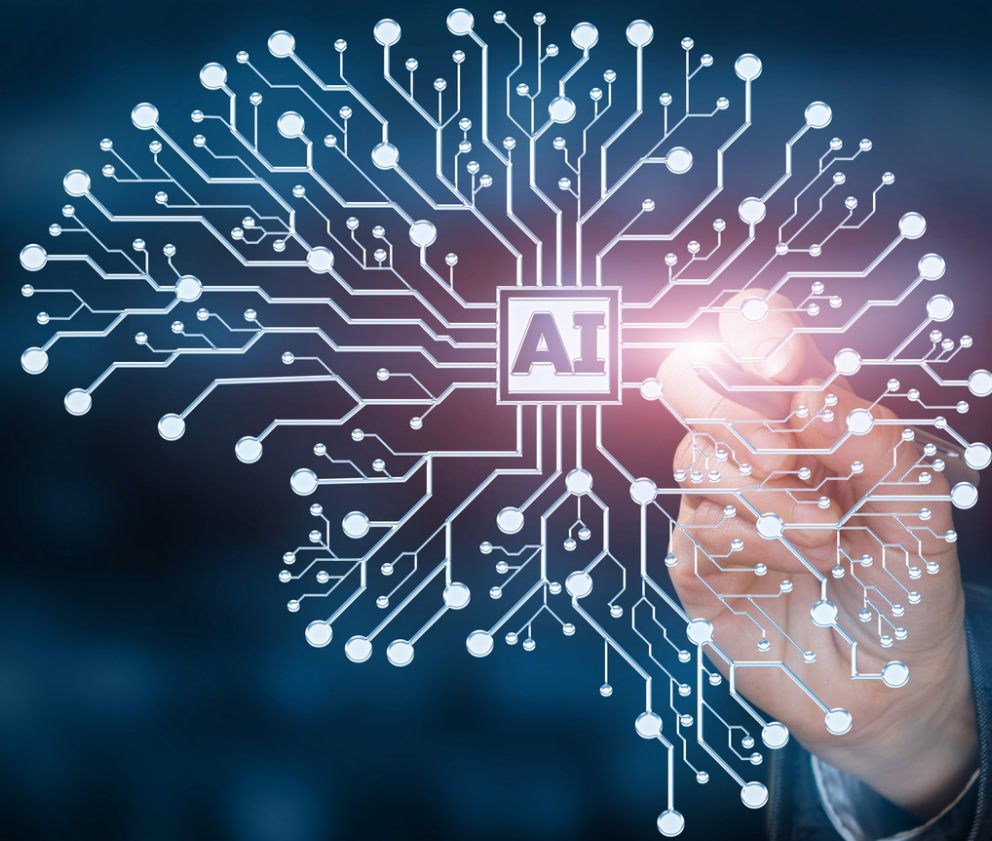
Sales teams no longer have opportunity to discuss their latest deals and prices, so you need a system that gathers this knowledge and adapts pricing accordingly.

IDENTIFY HIDDEN GEMS

Know which of your products have a known market price and which are open to margin improvement

DYNAMIC PRICING

Pricing that automatically adapts in real-time to factors such as demand, current stock levels and multiple other factors. This is starting to become more prevalent in the eCommerce B2C space, less so in B2B.



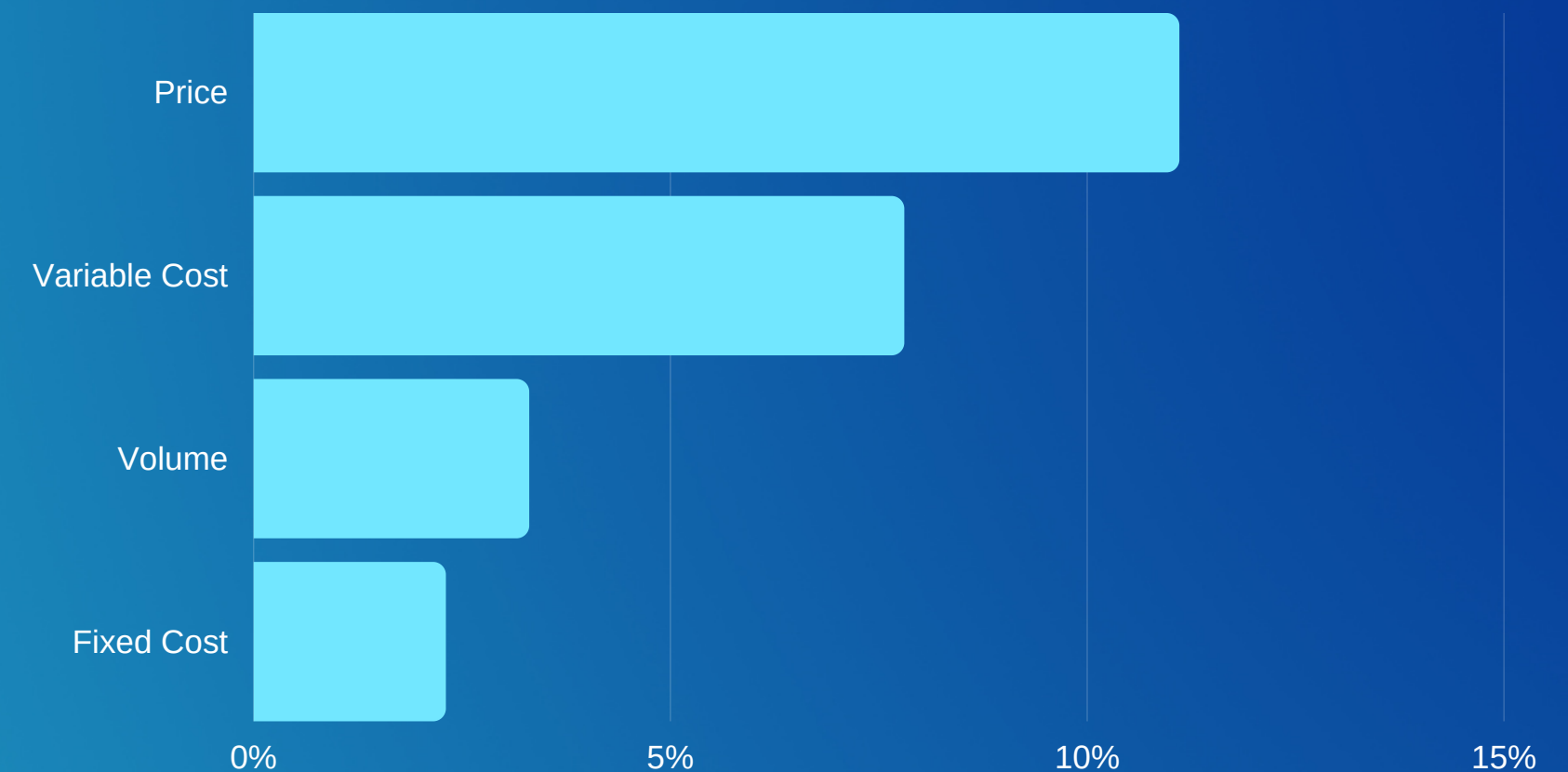
ML & AI

Machine learning and Artificial intelligence seem to be everywhere at the moment. Here huge volumes of data are consumed to train models to identify the price for every deal.

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