



Take 3

Pricing to meet business
and consumer demands

Take three minutes for a crash course on analytics.

Aligning Headquarters and Sales

E-commerce, digital marketing and promotions, and new business models are creating more demanding, less brand-loyal consumers, requiring faster, smarter, more granular CP pricing. So how do you price to help retailers compete while meeting your company's financial goals?

Unfortunately, many Sales and Finance leaders still base pricing decisions on fragmented, outdated information, and Sales often negotiates prices and discounts based on costs, competitive pressures, or gut instinct, usually at a banner or brand level.

It's not because these leaders lack pricing-related information. What's missing is the ability to easily tap granular insights from that data so that managers can make fast, fact-based decisions and sales representatives can easily access accurate, timely information to inform negotiations with clients.



Revenue management analytics can help CP companies make faster, smarter, more coordinated pricing decisions.

Lessons from Consumer Products leaders

How CP leaders gain more control over pricing

Harmonize data to enable accurate, consistent decisions

Today's CP companies are collecting far more than POS data. Instead, they're collecting everything from enterprise data to promotional plans to consumer emails and tweets. Winning companies bring all these data together so that decision makers across the organization can access a common pool of information to improve consistency and accuracy.

Increase financial visibility

Leading companies are building capabilities to easily access detailed, granular information on demand—no data scientist and analyst needed—to answer revenue management questions: Do you know how much you make on each customer? Each store? Each product? Are discounts, defect allowances, and pickup allowances eroding your margins? Can you evaluate performance for each region against guidelines? What's the ROI for last week's promotion?

Make better informed decisions

Similarly, leading companies are delivering these analytics to business users at the moment they are making decisions. These analytics allow business decision-makers to easily slice and dice information to answer pricing and profitability questions, helping users from headquarters to the field make smarter decisions, including using predictive techniques to answer "what-if" scenario planning for future sales periods. Winning companies are collecting data, producing metrics, and sharing these insights with retailers to identify strategic opportunities at the point of sale.

Set and monitor prices at scale

Thanks to analytics technology platforms that feed past and current data through semi-automated algorithms, leading CPGs are building the capabilities to systematically set and monitor pricing guidelines down to the individual account. These companies are also leveraging analytics down to the store and consumer segment levels.

Improve communications with easy-to-grasp visuals

Revenue management analytics are no longer just for the data scientists with advanced degrees. Modern visualization techniques can simplify the presentation of information through intuitive, user-friendly dashboards, while analytics tools are increasingly linking analytics to business processes, providing users with the facts and context to make better informed decisions. Winning companies also use these visualization tools to present and customize new opportunities to their retailers and distributors.

Should we talk?

There are many analytics tools on the market, but few—if any—deliver the industry-specific insights that come from decades of helping CP companies address their biggest problems. We deliver CP-specific analytics solutions backed by Deloitte’s analytics know-how, technical knowledge, and industry experience to help you improve pricing, promotions, and profits.

If you’re looking for professionals who understand today’s CP issues and deliver innovative solutions, we should talk.

Ed Johnson

Principal

Deloitte Consulting LLP
Tel: +1 305 372 3104
Email: edwjohnson@deloitte.com

Ranjit Singh

Principal

Deloitte Consulting LLP
Tel: +1 703 251 3741
Email: ransingh@deloitte.com

Paras Agarwal

Senior Manager

Deloitte Consulting LLP
Tel: +1 206 716 6947
Email: paragarwal@deloitte.com

A case in action

A multibillion-dollar global food ingredients company needed to make better informed pricing decisions. Account managers made quotes solely on gut feeling and personal experience, without support from competitive information or analytic insights to improve their customer negotiations.

The company implemented an analytics solution that generated price targets at the customer and product levels. The solution provided quantitative insights that account managers used to communicate the value of their products and services to customers. The solution also enabled “what-if” scenario planning to improve negotiations and profits.

The company’s new pricing and promotions framework generated more than 2 percent of revenue in annual benefits.



Click [here](#) for more information about **Deloitte Analytics**.

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