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Pricing Excellence

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- Every business seeks excellence in pricing
- *At an average S&P 1500 company, a 1% improvement in pricing is equivalent to:
 - 8% increase in operating profit
 - 50% better than a 1% drop in variable costs
 - 300% better than a 1% increase in volume

*Source: McKinsey & Company

Problem: You Are As Strong As Your Weakest Link

- Pricing excellence requires excellence across all interacting domains—technology, customer/consumer behavior, competition, economics, negotiation, finance
- Participants may possess at least one of these blind spots:
 - Limited comprehension of product's/service's dollar value to customers
 - Limited understanding of competitive positions
 - Limited knowledge of economics
 - Innumeracy (numerical illiteracy) of the workforce
 - Inadequate training and support in negotiation

Solution

- Identify key players for pricing decisions
- Interactive collaboration to overcome individual weaknesses
- Use *our proven process that includes key interacting domains*
- Execute on a few representative situations
- Create & modify templates for future use
- Include pricing excellence processes in normal business processes

Consequences/Results

- Rapid turnaround and growth in revenues and profits
- Provide negotiation ammunition to the sales organization, improve margins, and sales success rates
- Sharpen market intelligence focus
- Provide direction to and set priorities for product development
- Train customer-facing organizations for continued, long-term success in the market

Successes

INDUSTRIES

- Oilfield Equipment
- Oilfield Services
- Iron & Steel
- Construction Services
- Power Plant Services
- Petrochemicals
- Software

COUNTRIES

- USA
- Germany
- UK
- Canada
- France
- The Netherlands
- Belgium
- Czech Republic
- Poland

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Thank You
