



Pharmaceutical wholesaler

10% increase in profit through design and implementation of a dynamic pricing tool across product and customer categories



Client challenge

The client is a prominent distributor of pharmaceutical and healthcare products and services to pharmacies, hospitals, and doctors. It faced challenges such as declining margins and market share due to cost pressures and the growing use of third-party price comparison services by customers, leading to increased competition on pricing. To combat these challenges, the client was looking to transition from its outdated pricing tool to an advanced solution that would enhance its internal pricing capabilities.

Our approach

Our approach included the following phases of work to design and develop a demand-led pricing strategy:

- **Diagnostic analysis:** We conducted a comprehensive diagnostic analysis to evaluate existing pricing policies and approaches. Stakeholder and customer interviews were carried out to gain valuable insights into the current market dynamics and customer needs.
- **Solution design:** Based on the gathered data, we designed a data-driven solution that leveraged both internal and market data to recommend optimal price positions for products and services.
- **Live price trials:** To validate the effectiveness of the new pricing solution, we conducted live price trials. Prices set by the pricing tool were tested over several waves, allowing the client to track performance and make necessary adjustments.
- **Training and implementation:** To ensure successful adoption and utilisation of the new tools and pricing process, we provided comprehensive training to the client's team. This enabled them to use the tools effectively and make on-going data-driven pricing decisions.

Benefits for the client

With our assistance, the client successfully implemented data-driven dynamic pricing tools and capabilities, resulting in a 10% increase in profit. The adoption of advanced pricing capabilities allowed the client to swiftly identify opportunities and risks by leveraging historical trading movements and market signals. Moreover, the client experienced substantial benefits from improved pricing capabilities, ensuring consistent price alignment across different sales propositions and business segments.

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