

CASE STUDY

Pricing Analytics Helps a Renowned Carbonated Drinks Producer to Improve Pricing Efficiency by 20%



Challenges in the Carbonated Drinks Market

The global carbonated drinks market is nearing its maturity with the industry undergoing major transformations due to the advent of new technologies. Moreover, with the relentless rise in competition in the carbonated drinks space, beverage companies have started focusing on re-defining their [product lines](#) to keep in line with the recent health and wellness trends. The growth of this sector can be attributed to factors such as changing food habits and the rising youth population. While prominent companies are planning to revisit their technological capabilities, here are some of the factors that may curtail the growth of the industry.

- **The anti-sugar movement:** The compliance regulations implemented by the WHO and FDA regarding the consumption of high sugar are compelling manufacturers to shift towards the use of natural ingredients that provide fewer calories as compared to artificial flavors. Moreover, the presence of numerous competitors offering natural ingredients in their product offerings is compelling businesses to differentiate their product offerings to stay ahead of the curve.
- **Slow product innovation cycles:** The consumers demand the products keeps changing and bringing new products to the market considering the emerging consumer trends become a major concern for the businesses. Moreover, creating new and relevant products that are in line with the customer's tastes and preferences involves high R&D and investment.

To counter these challenges, organizations are facing the need for price analysis solutions. Price analysis helps businesses understand the customers and identify new pricing opportunities. Moreover, businesses can also develop a well-defined pricing strategy to improve overall business performance. With the help of a price analysis solution, businesses can closely monitor the market and anticipate the impact of a price change on the ROI.

The Business Challenge

The client, a renowned carbonated drinks producer, wanted to identify the pricing opportunities and realign product prices to increase the overall margin levels. With the help of industry best practices, the client wanted to understand the current market landscape and predict the likeliness of the price change in the future. The primary objective of the client was to develop pricing models to efficiently manage their prices and promotions and optimize their pricing strategies to enhance their business performance. Moreover, with the help of Quantzig's price analysis solution, the carbonated drink's producer wanted to adequately allocate their resources to meet the business requirements.

Solution Benefits

Strategies that we recommend to improve pricing and enhance the business performance.

The price analysis solution offered by Quantzig helped the producer of carbonated drinks producers define optimal prices and improve the overall profitability and market share. The engagement also offered deep-dive insights into the customers' buying decisions and identify quick ways to meet the pricing needs of the target audience. Moreover, the solution also helped the client predict volumes based on the fluctuation in the prices and develop high impact price strategies. The carbonated drinks producer was able to create a customized pricing stimulator to predict market share at specific price points.

Predictive Insights

Quantzig's price analysis solution helped the producer of carbonated drinks efficiently group the customers based on the buying characteristics and manage profiles more effectively. The price analysis solution also helped the client align and maintain the price structure to measure the improvements in revenue and profitability. Moreover, the client was able to establish a value-based pricing structure.