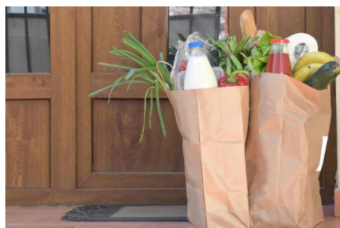


CASE STUDY

Quantzig's Pricing Analytics Solution Helped a Prominent Food Retail Client Streamline their Product Pricing



The client: Food retail client

Area of engagement: Pricing analytics

The global food retail space is witnessing considerable growth owing to altering customer preferences, a radical shift toward online shopping, and a rising global population. Since food is considered to be one of the key categories of spends, prominent organizations in the food retail space are planning to invest in research and development to enhance their product offerings. Along with the convenience factor, macroeconomic factors such as the burgeoning GDP, increasing consumer spending, and changing lifestyle are further contributing to the growth of the food retail space.

Although the food retail space is witnessing considerable growth, owing to the growing demand from the end-user segment, some prominent factors may influence the growth of the industry. These include:

- Supply chain effectiveness: In leading organizations, supply chain plays a pivotal role in meeting the growing demands of the end-user segments. Without an effective supply chain management strategy, the flow of the goods from the manufacturer to the end-users will be affected. It becomes essential for organizations to maintain supply chain effectiveness to retain the flow of commodities to the end-users.
- The threat from unorganized players: Since a majority of the revenue generated is from the food industry, prominent organizations are planning to increase their investments in the food retail. Moreover, altering preferences of the customers are also encouraging businesses to enhance their product offerings across the niche market segments.

To counter these challenges and address the pricing requirements of the customers, leading organizations in the food retail space are leveraging solutions like pricing analytics. Pricing analytics helps businesses understand the current market prices for the food products offered and accurately estimate the impact of pricing on the sales volume. Pricing analytics solution also offers real-time insights into the market conditions and helps companies target contribution margins.

The Business Challenge

Supermarkets and hypermarkets comprise the largest share in the food retail industry and are expected to account for \$7500 billion by 2019.

The client, a prominent food retailer, wanted to understand the impact of price differentials on the market share and estimate the price-change triggers based on customer behavior. Through a reliable pricing analytics solution, the client in the food retail space wanted to understand the past performance of the products and accordingly realign their product prices to increase the profit margins. Moreover, the client also wanted to monitor the market closely and anticipate the impact of price change on promotional campaigns. The primary concern of the client was to develop a well-defined pricing strategy to plan the price changes and promotions.



To know more about pricing analytics solutions, [request more information](#) from our experts.

The Solution and the Benefits Offered

Strategies we recommended based on our analysis to analyze the current pricing levels.

The pricing analytics solution offered by Quantzig helped the food retail client manage their prices and promotions and leverage the use of data to drive the customer's buying decisions. The solution also helped the client accurately meet the pricing needs and cover relative price points. Moreover, the pricing analytics solution also helped the food retail client optimize their pricing strategies to maximize profit margins. With the help of Quantzig's pricing analytics solution, the client also sought ways to create a database based on the initial and the final pricing.

Pricing Analytics Solution Predictive Insights

The pricing analytics solution offered granular insights into the market, sales, and the cost data. The client was able to automate price-setting to position products effectively against the competitors. The pricing analytics solution also helped the client identify quick wins and develop high impact price strategies to improve revenue efficiency.