

**IRIS PRICING
SOLUTIONS**

Optimizing Pricing Practices

Enhancing Pricing Performance, Infrastructure,
and Diagnostics

Manufacturing & Industrial

Optimizing Pricing Practices

Client Background

Our client is a ~\$5B leading **technology, software, and engineering organization** that sells products globally. With more than **5,000 products**, they support manufacturers' performance and safety along with other technologies that measure, monitor, and analyze applications. Their innovative solutions drive efficiency and optimize operations across various industries.

Our client identified that the organization was struggling to set and communicate prices across all regions. They contacted **Iris Pricing Solutions** to assess current pricing practices, processes, and infrastructure. They asked us to develop a **pricing process roadmap** and **governance model** that can be rolled out across their business. Our tailored approach integrates industry best practices to optimize pricing strategies and enhance profitability.

The Challenge

Our client's pricing strategy demonstrated **inconsistency**, as it lacked standardized prices and discounts. This inconsistency extended across their global operations, resulting in varying prices from one country to another and fostering internal competition among their locations. Additionally, they revealed a **complex organizational structure** with multiple reporting lines, leading to internal challenges and inaccuracies in data management. To address these issues, our client sought to identify gaps, requirements, and potential improvements in their pricing approach. They recognized the need to shift focus from pricing administration to **optimizing pricing strategies** to make better use of resources.

They were interested in **building confidence** to make the correct investment in a pricing infrastructure, seeking to establish a robust foundation that aligns with their long-term business objectives and drives sustained profitability. Our comprehensive analysis uncovers insights to inform **strategic decision-making** and **enhance pricing capabilities**, empowering our client to thrive in competitive markets.



The Pricing Performance Process

World Class Pricing Assessment

Our approach to this project focused on assessing the client's **pricing maturity level**. Understanding their level would allow us to determine the best strategy to improve their **pricing performance** and uncover opportunities.

The **Iris Pricing Solutions** team conducted 20-30 internal stakeholder interviews to gain a better understanding of our client's current pricing infrastructure and pricing processes.

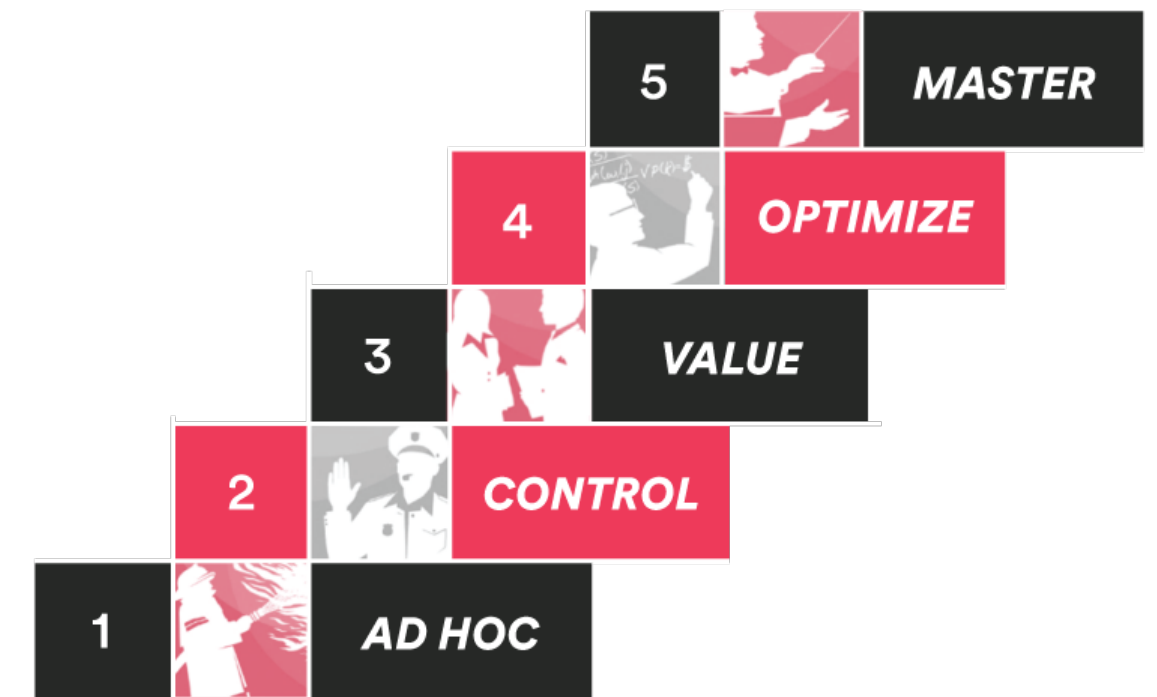
We evaluated the **current pricing capabilities** of our client based on the [World Class Pricing Assessment](#). The analysis encompasses various aspects including pricing strategy development, customer price setting, pricing execution, and performance management. The company was scored as a **Level 2** pricing organization, indicating that they possess good control in their pricing processes. However, it became evident that to further enhance their overall performance, a transition towards a **value-based pricing strategy** was crucial. This positioning serves as a solid foundation for implementing such an approach.

Transition towards a Value-Based Pricing Approach

For our client, adopting a **value-based pricing approach** was crucial for focusing on growth opportunities. Our team pinpointed the main priorities requiring our client's attention. These included setting net prices, implementing global governance, educating stakeholders on the fundamentals of value-based pricing, and establishing an analytics framework encompassing pricing KPIs and customer and product segments.

Through the identification of clear priorities and objectives, our client was able to enhance its overall performance and achieve the company's long-term goals successfully.

World Class Pricing



▲ Process Maturity Levels

Impact

How our Client Benefited from Pricing Diagnostic

The Pricing Diagnostic conducted by **Iris Pricing Solutions** enabled our client to identify areas in need of improvement. With the insights gained from the World Class Pricing Assessment, our team crafted a comprehensive roadmap highlighting key growth opportunities requiring immediate attention.

These findings offered precise guidance on adopting a value-based pricing approach and prioritizing foundational elements for our client's pricing strategy.

Recognizing the importance of communicating the pricing strategy across all departments and regions, the team focused on alignment and accuracy. This involved strategically establishing prices and offering discounts tailored to the various customer value segments.

With the recommendations provided, our client could allocate more time and resources to effectively manage pricing going forward. Additionally, they successfully implemented a robust Pricing Strategy, enabling the company to make informed and strategic pricing decisions that balance profitability with customer value.

Our team collaborated closely with the client throughout the entire project, ensuring the accurate implementation of the recommendations provided.





What's the Pricing Solutions Difference?

*We are **always** thinking about value and pricing*

With a wealth of experience in conducting pricing diagnostic projects, we pride ourselves on our ability to understand the unique needs of our clients. Our expertise allows us to develop tailored solutions that align perfectly with their business goals, leveraging universal pricing principles and best practices.

Contact Us

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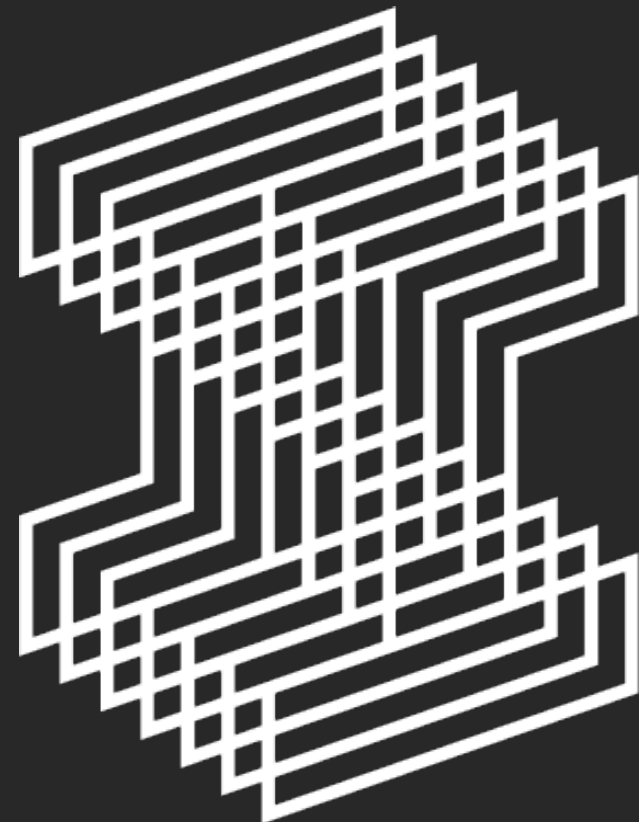
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