

### At a glance

Client: A global healthcare leader, operating in a competitive market and running aggressive promotions, seeks to drive profitable market share growth through promotion optimisation.

Objective: To redesign multi-channel pack price architecture to help improve net profit.

## Challenges

- 1. Rationalising the SKU range and tailoring it to different channels.
- 2. Managing pricing tensions across cross-channels.
- 3. Maximising the value derived from the catalogue and shelf display.
- 4. Improving ROI for promotional activities.

#### Solutions

We implemented a holistic pack-price architecture and promotional strategy to ensure profitable growth of market share.

## Roadmap

Iterative, collaborative approach for Promotion Optimisation

#### Data Collection

#### Forecasting Promotion

#### **Establish Optimal Promotions**

Collect promotion history, sales data & other relevant information.

Utilise machine learning models to forecast promotion uplifts from base.

Establish guidelines for optimal discounts & promotions.

Approach for Pack Price Architecture

#### **Brand Positioning**

# Review each RSP against key competitors & align it with the brand strategy.

#### Pricing Ladder

## Evaluate market pricing ladders & set consumer-favourable pricing guidelines.

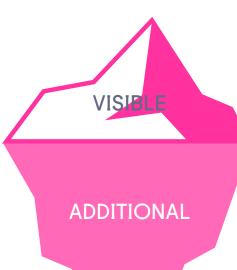
#### Pack Size Review

# Analyse existing pack sizes, identify gaps, & rationalise pack sizes to enhance profitability & market

#### Shopper/pack review

Evaluate customer-specific portfolio & align pack size offerings with shopper missions across different channels.

#### **Benefits**



2%

Promo plan margin improvement in grocery

## Tangible Outcomes:

\$722K

Profit from PPA

\$683K

Profit from promotional optimisation

99

Price adjustments and new pack introductions

#### **Additional Benefits:**

2

## Alignment to shopper & pricing strategy

The range was reset at the channel level, aligning it with shopper and pricing strategy.

#### Comprehensive pricing architecture

Pricing architecture was introduced to cover the existing range and NPD.

#### New Promotional Guidelines

300 new promotion guidelines were delivered at the SKU/ customer level.

#### Halo model forecasting

The "Halo" model was utilised to forecasts the impact of the catalogue on SKUs and categories.