



Competitor Price Benchmarking

Hair Extensions Company

Standardized the product-price architecture across brands and performed a competitor product price benchmarking to help maximize profitability by identifying SKUs with potential pricing opportunities. Additionally, identified whitespaces for the client to launch additional SKUs to improve revenue growth

Hair extensions company needs competitor price benchmarking

Picture this...

You’re looking for the product-price architecture across brands. Additionally, performed a competitor product price benchmarking to help maximize profitability by identifying SKUs with potential pricing opportunities and identified whitespaces for the client to launch additional SKUs.

You turn to Accordion.

We partner with your team to standardized the product-price architecture across brands and performed a competitor product price benchmarking to help maximize profitability by identifying SKUs with potential pricing opportunities. Additionally, identified whitespaces for the client to launch additional SKUs to improve revenue growth, including:

- 1) Collaborating with the executive leadership to identify competitors (direct and indirect) based on brand positioning, geographical presence, and product offerings
- 2) Analyzing the price positioning of brands to understand the product price architecture and identified potential price segments with opportunities for new product launches
- 3) Designing a repeatable scraping process leveraging RPA tools such as Python and UI Path to scrape competitor websites and built a comprehensive competitor profile which included product offerings, pricing, and other attributes
- 4) Standardizing competitor’s product offerings against the client’s product hierarchy to help with the benchmarking exercise. Developed a SKU Prioritization matrix using sales and profit segmentation which was leveraged extensively by the client to formulate differentiated product strategy across segments
- 5) Benchmarking client’s products attributes and prices against competitors’ offerings through a Power BI dashboard and highlighted SKUs with potential pricing opportunities. Identified SKUs in competitors’ portfolio which client could potentially explore on adding to its offerings

Your value is enhanced.

You have identified competitor-based pricing opportunity across 12% of SKUs. Also, identified upward pricing opportunity of ~30% across these SKUs potentially contributing to \$2.7M incremental revenue. You have also aided the New Product Development team to identify whitespaces in the hair extension market and helped the team to concentrate their efforts on product innovation.

COMPETITOR PRICE BENCHMARKING

KEY RESULT

- 12% of competitor-based pricing opportunity identified
- ~30% of upward pricing identified
- \$2.7M incremental revenue

VALUE LEVERS PULLED

- Product-Price Architecture
- Competitor Price Benchmarking

Competitor price benchmarking for a hair extensions brand

Situation

- Client expanded their footprint by brand acquisition and was witnessing decline in profitability driven by a diverse product pricing / positioning strategy. There was an opportunity to understand the competitor landscape to inform pricing decisions.
- Merilytics partnered with the client to help standardize the product-price architecture across brands. Additionally, performed a competitor product price benchmarking to help maximize profitability by identifying SKUs with potential pricing opportunities and identified whitespaces for the client to launch additional SKUs.

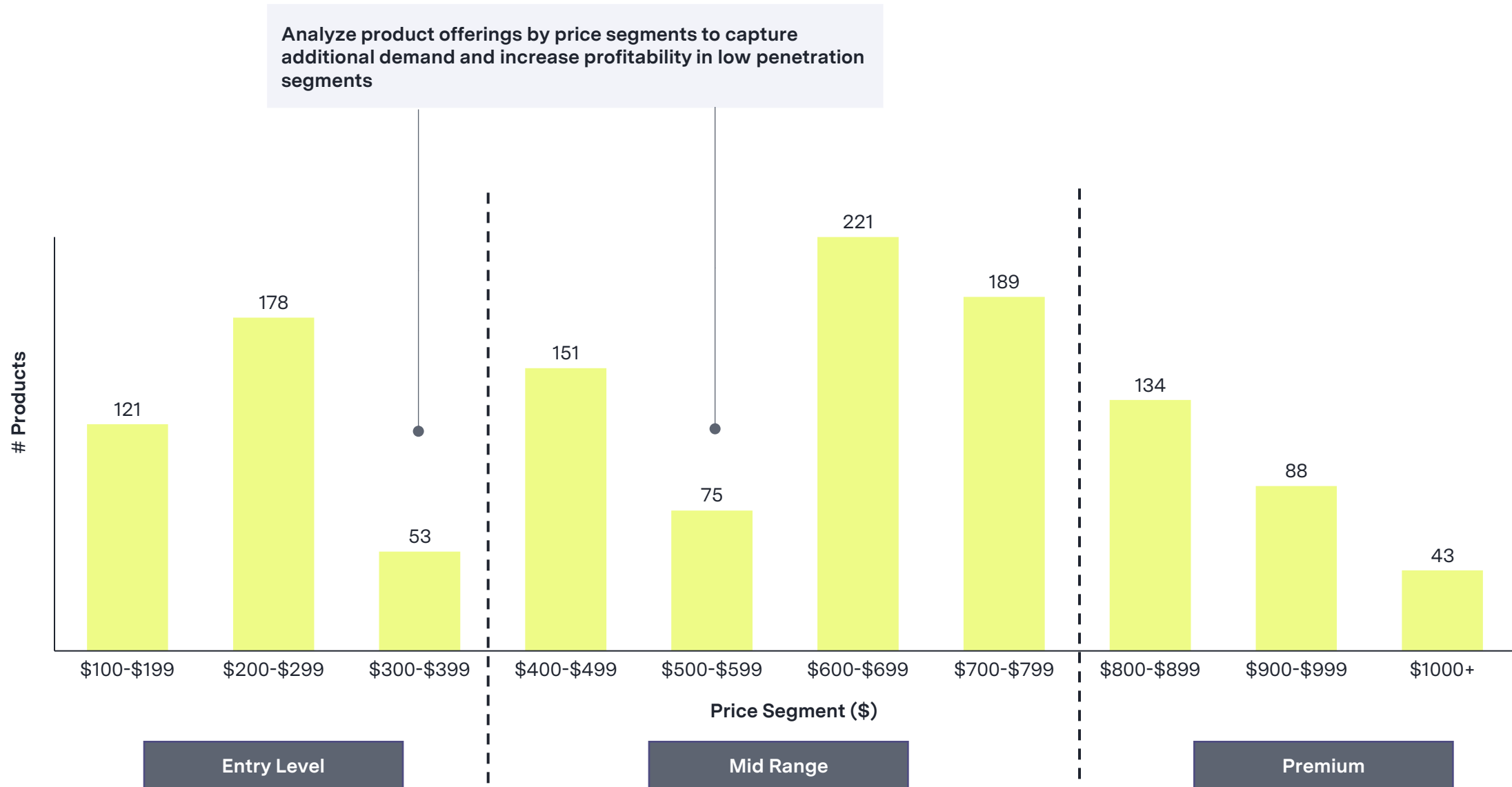
Accordion Value Add

- Collaborated with the executive leadership to identify competitors (direct and indirect) based on brand positioning, geographical presence, and product offerings
- Analyzed the price positioning of brands to understand the product price architecture and identified potential price segments with opportunities for new product launches
- Designed a repeatable scraping process leveraging RPA tools such as Python and UI Path to scrape competitor websites and built a comprehensive competitor profile which included product offerings, pricing, and other attributes
- Standardized competitor's product offerings against the client's product hierarchy to help with the benchmarking exercise. Developed a SKU Prioritization matrix using sales and profit segmentation which was leveraged extensively by the client to formulate differentiated product strategy across segments.
- Benchmarked client's products attributes and prices against competitors' offerings through a Power BI dashboard and highlighted SKUs with potential pricing opportunities. Identified SKUs in competitors' portfolio which client could potentially explore on adding to its offerings.

Impact

- Identified competitor-based pricing opportunity across 12% of SKUs. Also, identified upward pricing opportunity of ~30% across these SKUs potentially contributing to \$2.7M incremental revenue
- Aided the New Product Development team to identify whitespaces in the hair extension market and helped the team to concentrate their efforts on product innovation

Product price architecture – Methodology



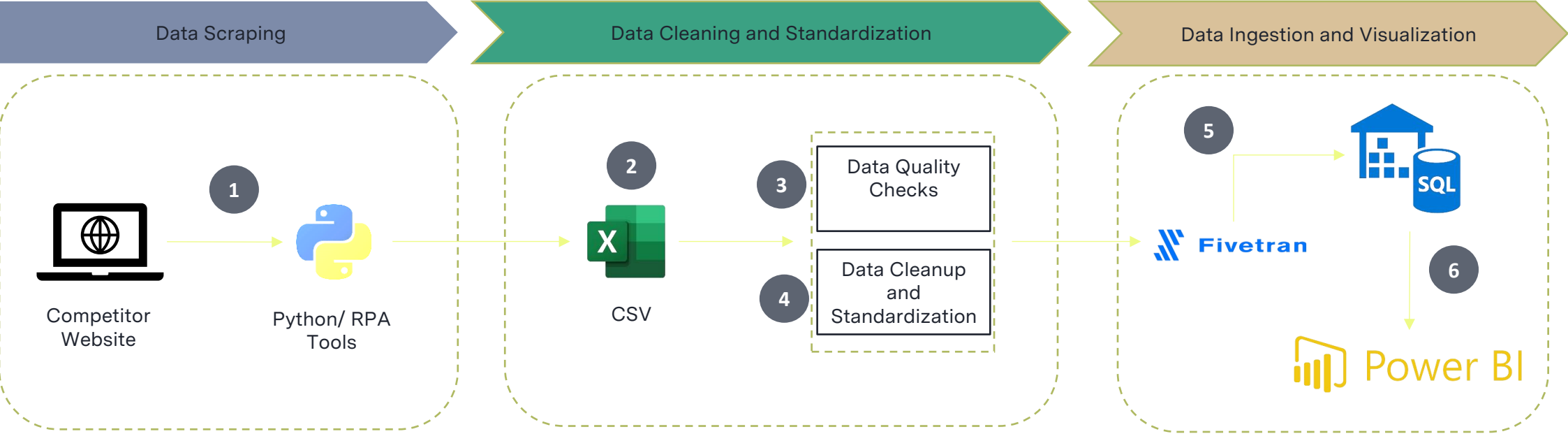
Competitor price benchmarking – Methodology

Framework to identify potential competitor-based pricing opportunities

1 Competitor Selection		2 Product Attributes Segmentation			3 Identification of Pricing Opportunities		
Direct	Indirect	Hair Grading	Installation Method	Length	Competitor Benchmarking	Price Opportunity Matrix	Brand/Product Positioning



Competitor price scraping – technology process



- 1

Python scripting/RPA tools to perform data scraping efficiently across the competitor websites for further feeding
- 2

Scraped JSON file is **converted to Excel/CSV using python** for data cleaning and standardization
- 3

Data quality checks are performed to ensure that scraped data aligns with the data available in website for all the selected attributes. **Random sampling approach** is leveraged.
- 4

Data cleaning and standardization to align the competitor SKU attributes with brand attributes. **Constant feedback loop** to be maintained with brand team to ensure accurate attribute mapping.
- 5

Fivetran to ingest data into Azure cloud SQL data warehouse to further support reporting and analytics needs
- 6

Microsoft Power BI to visualize the transformed competitor data along with the brand's data. Power BI can be further leveraged to perform competitor price benchmarking analysis.

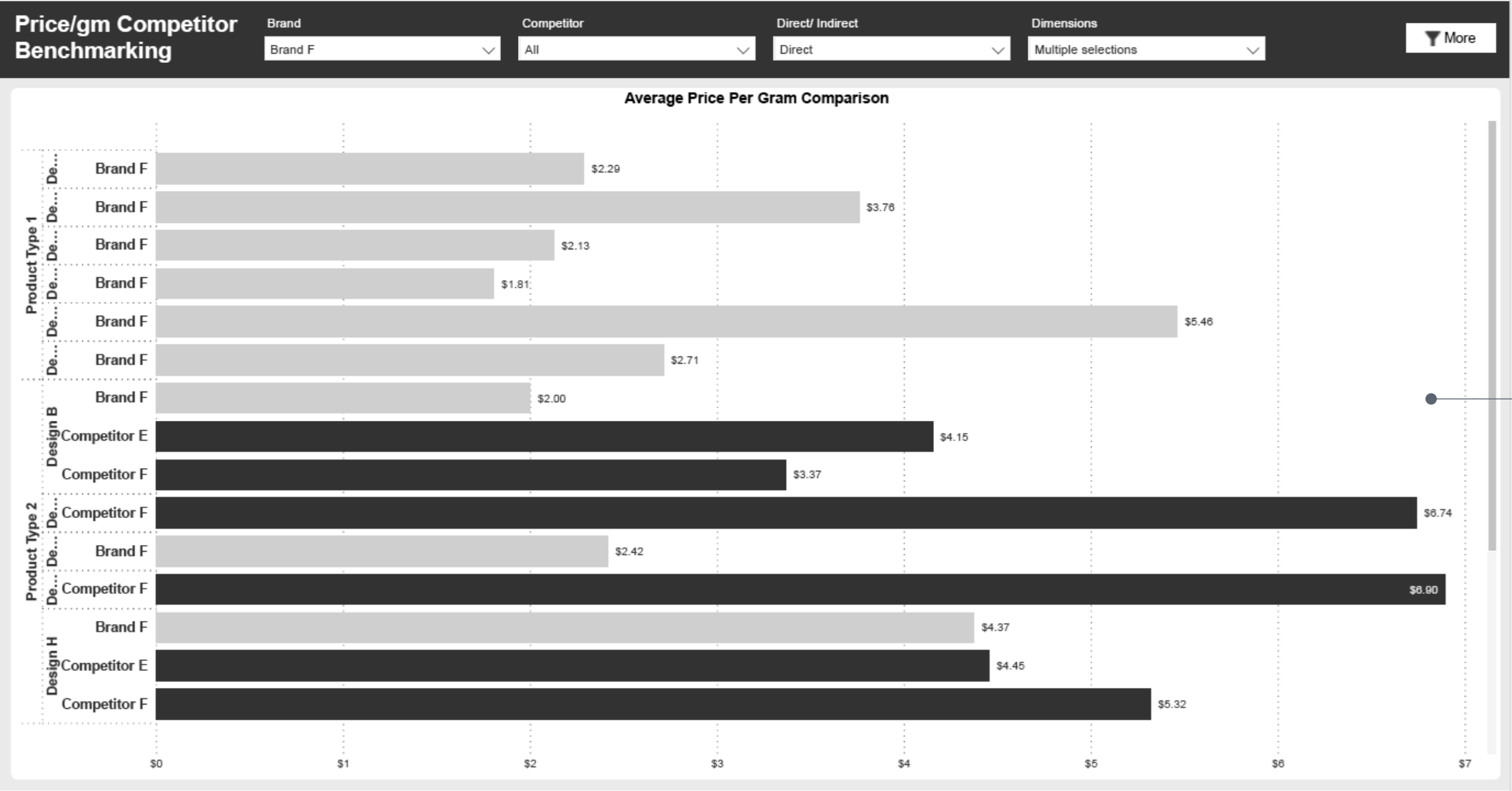
Competitor-based pricing opportunity summary



Filter Pane to deep-dive by Brand, Competitor, Direct/Indirect Competitors, and Potential Pricing Opportunity

Potential Pricing Opportunity SKUs Distribution by Segmentation

Product category benchmarking



Price benchmarks across client's products

Brand-SKU level segmentation



Segment deep-dive across one of the product attributes (design)

Comprehensive list of competitors' SKUs along with attributes