# **Predictive Analytics For Pricing Strategy**

What is predictive pricing? Explore the role of predictive analytics and predictive software in predictive pricing.

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* **Predictive Analytics For Pricing Strategy**

### Table of contents

* [Historical Data in Predictive Pricing?](https://competera.net/resources/glossary/predictive-pricing#1)
* [Predictive Analytics as a Pricing Strategy](https://competera.net/resources/glossary/predictive-pricing#2)
* [Profit Opportunities with a Pricing Analytics Solution](https://competera.net/resources/glossary/predictive-pricing#3)
* [Pros and Cons of Predictive Pricing](https://competera.net/resources/glossary/predictive-pricing#4)
* [Conclusion](https://competera.net/resources/glossary/predictive-pricing#5)
* [FAQ](https://competera.net/resources/glossary/predictive-pricing#6)
* [Stay updated on retail news](https://competera.net/resources/glossary/predictive-pricing#7)

## Historical Data in Predictive Pricing?

Predictive pricing, also known as predictive analytics, is a pricing strategy setting the intersection between business strategy and data science. Predictive analytics provides great opportunities for maintaining a competitive advantage. When it comes to analytics and data science standing behind predictive pricing, it is crucial to understand the type of information it works with. In terms of the role of historical data in predictive analytics, the data on historical sales is one of the primary sources.

Historical data on sales grants in-depth insights into how prices have changed with time under the pressure of different market conditions. Essentially, historical data on sales is a major source of data fueling algorithms standing behind predictive analytics. As a distinct pricing strategy, predictive pricing often depends on the quality of pricing software. When using artificial intelligence and machine learning, algorithms within the pricing software at the core of predictive analytics can handle vast amounts of data and later translate it into insights showing how pricing can be better adapted to current market conditions.

## Predictive Analytics as a Pricing Strategy

The experts indicate that predictive analytics to pricing can create the conditions in which revenue gains can be presented. That quick gain is a major factor in determining whether predictive analytics should be used further. Predictive pricing can be applied to the paradigm correlating to finding ways of transforming the information into margin gains. Many companies use predictive models as viable strategies for better understanding the market conditions. Predictive analytics is an evolutionary step of traditional business intelligence.



The important factor of predictive analytics correlates to the scope of analysis. Instead of focusing on the entire market, predictive analytics should be applied to a particular market segment. One should understand that there are specific factors that can be considered in predictive analytics - demand, supply, price elasticity, competition, and customers. However, when it comes to assessing the factors in the entire market handling such elements can be problematic. Namely, there will be too much data to collect, analyze, and maintain. Keeping that in mind, narrowing the scope of analytics increases the likelihood of more accurate pricing predictions.

## Profit Opportunities with a Pricing Analytics Solution

Utilizing predictive analytics often leads to optimization of pricing decision-making. It can drive incremental sales and profits. Predictive analytics is proven to lead to about 15-20 percent improvements in price and promotions, about 1-3 percent increase in sales, and about 2-5 percent increase in margin enhancements. Successful implementation of the results of predictive pricing can help a company exceed its profit margin targets.

Many businesses lack the required degree of visibility into the marketing mix, customers, and products. When companies do not have a clear vision of what happens in the market, and what a product presents in itself, it is easy to miss available opportunities and make certain decisions. Importantly, when looking for profit maximization from predictive analytics, there are particular questions that a company employing the strategy needs to address. For instance, companies need to consider the following:

* What are the appropriate price points to maximize the sales?
* How often should price promotions be presented?
* What is the impact of predictive pricing on competitive brands?
* What price gaps and price thresholds to consider?
* What is the role of price sensitivity in prediction?
* What strategies help maximize short- and long-term brand expansion goals?

Asking these questions is important when a business employs predictive analytics. While they might not seem as apparent, the more information a company receives through pricing software, the clearer the utilization of the questions mentioned above will be.

## Pros and Cons of Predictive Pricing

When properly applied, predictive analytics and predictive pricing have their distinct advantages. However, the phenomenon can create more problems than solutions in some situations.

Speaking about the pros of predictive analytics, it is crucial to suggest that it applies to many businesses. The method can work with predictive modeling, optimization, and transaction profiling. Along with a wide outreach, predictive pricing can grant managers and people who make executive decision tools positive affect sales and revenue forecasting. Essentially, one of the final advantages of predictive pricing stems from the fact that it includes the use of advanced technologies. Artificial intelligence and machine learning stand behind predictive analytics development and testing methods that will be much more sophisticated shortly.

Along with the pros of predictive pricing, there are particular cons to consider. First and foremost, to use the full power of predictive analytics, a company needs to have full access to the information it intends to analyze. In such a context, if a company does not have sufficient access to required data, predictive analytics won’t work. Second, there can be issues with considering different variables. The system of predictive analytics functions in a manner that correlates other variables to the data it analyzes. However, suppose the user presents the wrong variables into the system. In that case, there is a great chance the predictive software offers inaccurate results, which means a company receives a recommendation on a pricing strategy that might not be as useful as predicted. Third, time plays a major role in predictive pricing. There are particular factors that the algorithm cannot predict, for instance, consumer behavior. If some predictions might be useful initially, they might lose their worth a bit later.

## Conclusion

Predictive pricing or predictive analytics is a method of establishing prices based on the collected and analyzed data. Predictive analytics uses modern technologies to help companies raise profits and reach business objectives. There are particular advantages and disadvantages to the phenomenon. Companies utilizing the approach should have sufficient access to data, clearly establish variables, and use the method in the short term rather than in the long term.

# Predictive Analytics For Pricing Strategy: Why & How For Non-Data Scientists

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The majority of high ROI data science projects fall into the predictive analytics camp.  That’s why there’s so much interest and buzz around this field.  I’ve implemented predictive analytics solutions for my clients around several business cases.  What I want to do with this series of posts is present some of these uses.  In later posts I’ll detail the available approaches to predictive analytics with pros/cons to each.  No math or jargon…I promise.

Predictive analytics for pricing strategy is one of a growing number of intersections between data science and business strategy.  This is where the hype becomes real.  Like the Jaguar commercial says, “With power like this comes great opportunity.”  While many businesses are using advanced analytics, few are using it for business strategy.  The opportunity here is for a sustainable competitive advantage so let’s dive right in.

**Pricing Strategy**

I start talking about predictive analytics’ impact on business strategy with pricing strategy.  That’s because predictive analytics applied to pricing is where some immediate (3 to 6 months) revenue gains can be made.  Those quick wins are a great foundation to justify building further predictive analytics capabilities as the business needs them.  All this requires a shift in thinking about how to determine pricing so I’m going to start there.

Right now businesses charge customers a price based on research done for a large segment.  Initial pricing, bulk discounts and sales are all done based on the average behavior of a large segment (5000 to 1M) of customers.  Predictive pricing can be applied to this paradigm but it’s not the most effective way to implement.  That’s because the incremental revenue from predictive analytics applied to large segment pricing results in relatively small gains in margin.  Many businesses have built pricing strategies that are as sophisticated as predictive models using traditional business intelligence methods and platforms.  Using the tool to do what the business has always done isn’t enough to get the ROI that the tool promises.

Let’s look at pricing in a more personal way.  Rather than profiling large market segment behavior, let’s shrink the segment size.  In doing large segment behavior research the familiar bell curve shows some customers are willing to pay a lot more for a product than the majority of customers in the segment.  Let’s ask two key questions:

* **Why are they willing to pay more?**
* **Why isn’t everyone else?**

This is more than an interesting thought experiment in perception of value.  The answers to these two questions form the basis of a personalized predictive pricing model.

**Customer Needs & The Product’s Value Proposition**

When I’ve explored this segment for clients some obvious results emerge.  Customers or businesses with the highest abilities to pay (big budgets or high incomes) will say yes to higher prices for a number of reasons.  That’s great to know but let’s strip out those customers from the segment.  The remaining customers lead to the not so obvious results.  There is a segment who understands the product’s value proposition in relationship to their needs better than any others.  As a result, they are willing to pay more for the product because they value it more.

This segment isn’t as uniform as you would think.  Their needs vary greatly.  Their paths to understanding the product’s value proposition are also diverse.  Bring the larger segment data back into the picture and you’ll find larger groups with the same needs who are willing to pay lower prices.  There are larger groups who took the same path and are also willing to pay lower prices.  It’s time to look at the second question.  Why is that?

For an individual customer, there is an optimal price based on their needs.  That’s the price they would pay if they had a complete understanding of the product’s value proposition as it relates to their needs.  There’s a lot of math behind the scenes to calculate that price which is the real meat of the predictive model but let’s avoid diving into that because it would really complicate things.

What comes out of grouping customers by common needs is tiered pricing or any other method of price discrimination.  Please don’t confuse this practice with discriminatory pricing because it’s worlds apart from them.  This is a purely needs and value based model.  Each needs group has an optimal price and these are the foundations of pricing tiers.

**Optimal Attainable Pricing – The Best Price You Can Get**

 Now that we have defined out optimal pricing tiers let’s take a look at what I call optimal attainable pricing.  Through the last exploration we’ve come to a price that represents the absolute best case scenario.  That’s when a customer not only understands the product’s value proposition but also understands how it relates to their needs.  This perfect customer is able to come to a rational conclusion about how those two result in what they’re willing to pay.  Obviously, that’s a very small number of customers.  Optimal attainable pricing addresses what happens more frequently which is customers don’t completely understand their needs or the product’s value proposition.

This is where a pricing model begins to zero in on truly personalized pricing.  Optimal attainable pricing models look at information like the path the customer took to purchase as well as information about the customer to determine:

* **The customer’s actual needs group: What needs to they believe they have?**
* **The customer’s actual value group: What is their understanding of the product’s value proposition?**
* **The customer’s decision analytics: How does the customer arrive at a price for the product?**

Those descriptive analytics are fed into a predictive model to determine that customer’s optimal attainable price.

There’s an obvious role here for marketing.  The customer’s needs group and value group can both be influenced by personalized marketing.  Customizing the buyer’s path to purchase or customer journey can increase their awareness of their own needs as well as the product’s value proposition.  This is education based marketing on steroids and a perfect place to start a content marketing strategy.  The purpose of marketing grows to include optimizing pricing by delivering the right message at the right time.  I wrote a lot more about customer lifetime value and customer journey mapping [here](https://www.linkedin.com/pulse/predictive-analytics-why-how-non-data-scientists-vin-vashishta).

This strategy also leads to a range of prices.  What happens when a customer who paid more for a product talks to one who paid less?  There needs to be some transparency in pricing so that this interaction makes sense to both customers and doesn’t leave the one who paid more with a negative perception.  There’s an art form here that I could write an entire post on.  Personalized pricing needs an explanation that’s honest and well communicated.

That sounds like a tall order but look at all the reasons that exist for different customers paying different prices.  Pricing tiers are a great example.  If a tier has more features, customers expect to pay more.  This explains needs based pricing in a simple and up front manner.  Negotiating skills are seen as a natural price discriminator that is accepted from car dealerships to B2B selling.  Loyalty programs are gaining acceptance as a natural influencer on price.  There are a lot of options but the bottom line is a needs and value based pricing strategy can be completely transparent to the customer without causing a negative reaction.

**Competitive Factors In Predictive Pricing Models**

Hidden within this predictive model are the competitive factors of pricing.  A customer’s optimal attainable price is influenced by the pricing of alternatives that they are aware of.  Without directly measuring it this model already incorporates the “as is” impact of competitors.  That impact is constantly changing so while the initial model works well in the short term, it will become less accurate as time goes on.

Pricing models at companies like Amazon, WalMart and Best Buy take competitors’ price changes as a large influencer on their pricing.  Prices at these retailers are closely aligned because they’ve trained their customers to be very price sensitive.  Pricing at companies like Apple or Gucci aren’t influenced at all by changes in competitors’ prices because their customers have been trained to be insensitive to pricing and more influenced by brand loyalty or affiliation.  For those businesses, the model is heavily weighted towards customer needs and value when evaluating competitors’ strategies and predicting their influence on price.

Here’s a story that clarifies the value of predictive analytics for overall business strategy.  Best Buy beat out rival Circuit City by competing on price.  Circuit City’s business model couldn’t support aggressive price based competition.  By attempting to change their business model to match Best Buy’s they undermined their own value proposition and eventually went out of business.  Recently Best Buy has been undermined in the same way by Amazon and other online retailers.  The customers they trained to be price sensitive in their competition with Circuit City abandoned them for lower prices online.

What’s different now is that Best Buy has the analytics to understand their customers’ needs and value groups.  They know that there is a segment of their customer base who wants to be able to physically interact with a product before buying.  They have an opportunity to show customers their unique value proposition through marketing because of this understanding.

Predictive analytics is the next step in the evolution of business strategy and analytics.  A predictive pricing model that incorporates competitive factors can model different scenarios allowing a company to prepare for potential disruptions.  In the past businesses did this manually but were only able to plan for what’s known.  A predictive model expands those capabilities significantly and speeds the process through automation.

A predictive model isn’t a crystal ball into the indefinite future.  It does provide executive leaders with an understanding of the impacts of new competitors or changing competitive strategies on their own business.  Best Buy and many other businesses that have experienced a disruption are able to respond to it shortly after the impacts are felt.  With predictive models a business is able to respond to a disruption shortly after it occurs.  The model gives a business insight into the likely impacts of disruptions allowing them to start the response sooner.

While modeling large markets is difficult, the microcosm of market pricing is a lot simpler making the predictive models more accurate.  The key impact of competitors is measured in customer value grouping.  Pricing, brand loyalty and brand image all go into the model’s evaluation of customer value for each product in the market.  Quality data is another huge factor in model accuracy when it comes to adding in competitive factors.  I can’t underemphasize the need to constantly gather data on the model’s three key analytics: customer needs, customer value and customer decision analytics.  Time to insight depends on how quickly the model detects changes in the market which has a lot to do with how often new data comes into the system.

**What’s Next**

In the next post in this series I’m going to cover predictive analytics for product strategy.  I wanted to do products and pricing together but this post would have been too long or too light on detail if I had.  Be sure to share your thoughts in the comments section.

Improve Profitability with Pricing Analytics and Strategy Optimization

Using pricing analytics to optimize pricing decision-making represents one of *the*largest, multi-million dollar opportunities for companies to drive incremental sales and profits. With an effective pricing strategy, it’s not uncommon for companies to:

* Achieve 15 – 20% improvements in price and promotion investments
* Drive 1 – 3% increases in sales
* Obtain 2 – 5% margin enhancements

Integrating pricing data into the broader analysis of [marketing mix modeling](https://mma.com/solutions/marketing-mix-modeling/) enables businesses to successfully implement the results of a predictive pricing model and reach or exceed these targets. Often this “low hanging fruit” opportunity goes unpicked, and sales opportunities and profits are lost.

Unlocking Profit Opportunities with a Pricing Analytics Solution

Many companies lack the required level of visibility into the profitability of their marketing mix, products and customers. And without a clear picture, it’s easy to miss opportunities and make misguided decisions.

Ipsos MMA’s [pricing optimization solution](https://mma.com/technology/activate-unified-measurement-platform/) provides companies with answers to fundamental pricing questions, giving them more accurate insights to drive decisions and successfully predict and measure outcomes.

* What are the right price points to maximize sales and profits?
* How often should I price promote and at what depth to achieve my sales and profit targets?
* What items are synergistic that can be bundled and promoted together for incremental sales?
* What is the impact of competitive pricing on my brands and competitive brands?
* How does the category respond to changes in pricing levels and what is the impact on sales and traffic if the category and/or key brands/products take price increases/decreases?
* What price thresholds and price gaps pose the most risk to my sales and brand position?
* What is the impact of price promotion on brand equity?
* What is the right amount of price promotion and marketing activity? Which activities can be bundled to produce the best results?
* How should I price against specific consumer segments and create price tiers and/or zones to optimize sales and share in specific markets?
* What is the pricing sensitivity to my own and competitive products that will result in switching?
* What is the economic and operational effect on pricing and how should I react?
* What is the best pricing architecture for my product portfolio given competitive and category trends/pressures?
* How do I develop strategies that maximize short- and long-term brand growth objectives?

Pricing decisions impact virtually every part of an organization. Ipsos MMA’s strategic pricing analytics solution enables companies to improve their understanding of the impact of pricing decisions and make more informed and forward-looking decisions across the organization. The result leads to higher sales and improved profitability.

Executing Effective and Profitable Pricing Strategies

Ipsos MMA provides clients with a solution designed to support winning on the pricing battle fronts. The goal is to not only provide a rich mix of fact-based, predictive statistical insights, but also to enable those insights by connecting them to the marketplace. By understanding what will happen under various conditions, companies, by way of a pricing simulation tool, can prepare, plan and enact more effective and profitable pricing strategies. Clients are also armed with the information needed to respond to competitive threats and challenging market conditions quickly and proactively.

* Consultative insights and value proposition: By closely working with cross-functional business teams, MMA develops [predictive analytics](https://mma.com/solutions/marketing-mix-modeling/) and embeds them within easy-to-use pricing simulation software. This data enables teams to war game and plan for various real-life and target scenarios in order to reach sales and profit objectives.
* Powerful, real-time pricing simulation software and scenario planning capabilities: The ability to conduct real-time “what if scenario” simulation activities across brand and competitive products allows our clients to understand the direct implication of pricing actions on sales and profits for their own brand as well as competitive items.
* Predictive statistical models: Custom client-specific models incorporate a rich set of data enabling an expedited understanding of what will happen, when and where based upon different real and planned pricing scenarios.
* Integrated price and promotion data platform: Data is collected at a granular level by Ipsos MMA’s professional data management personnel. The data is collected, cleansed and harmonized in a powerful database that acts not only as a modeling and pricing analytics platform, but also as a database for developing rich and insightful business reporting.
* Experienced consultative support and value: Count on partner-level insights from [experienced predictive analytics consultants](https://mma.com/about/executive-team/) who work collaboratively with clients to assimilate the predictive insights into ongoing business processes that support value creation.

[Contact an MMA pricing analytics specialist for a complimentary consultation](https://mma.com/about/contact-us/)

# The 6 Best Predictive Pricing Analytics Software in 2023

July 25th, 2022 (Updated 06/15/2023) | 11 min. read

By [Dr Martin Wricke](https://www.pricefx.com/learning-center/writer/dr-martin-wricke/)

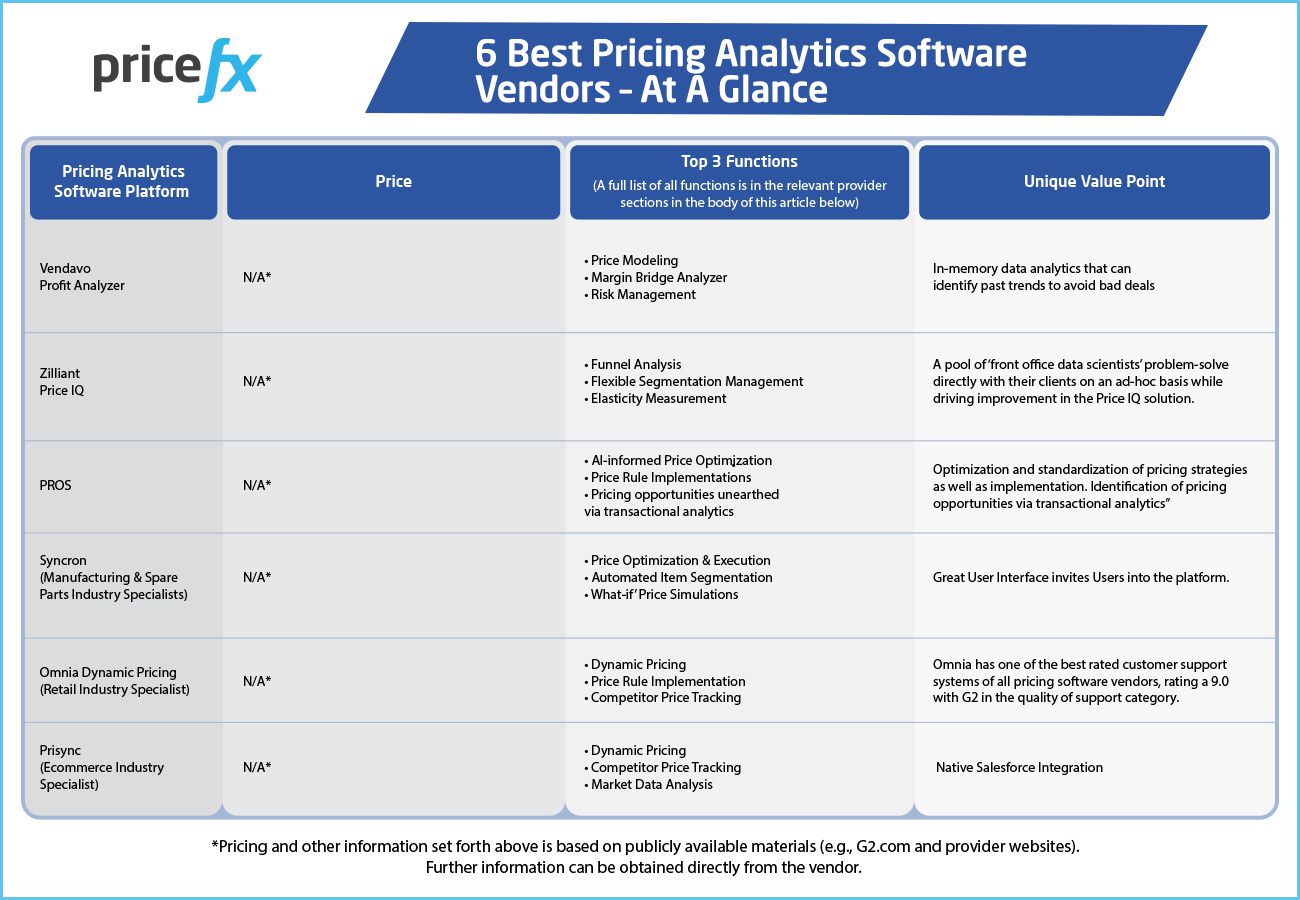
Although big data and analytics have become common catchphrases in the modern business world, many companies still fail to implement practical pricing uses for the plethora of data they have available at their fingertips. The chances are you have all the sales and transactional, product and customer data you could ever hope for stored in your CRM, ERP, Qlik, Power BI, Tableau or Excel spreadsheets. It’s wonderful to have all that data available, but if you’re not using it to analyze what are most profitable pricing your products, then your optimal pricing efforts are simply guess work. If that’s where your organization is right now, then the time has come to consider your [pricing analytics software](https://priceoptimization.org/price-analytics/) options.

Whichever pricing system you are currently using, to maximize the use of the data you already have, augmenting it and powering up that data with smart technology will be key to your organization’s future profitability.

At Pricefx over the last decade, we have helped companies across all ranges of industries to dramatically improve profitability and market share by defining optimal prices and pricing strategies with pricing analytics software. The software helps companies understand what drives their customers’ buying decisions and integrates this knowledge to meet the company’s pricing needs and business objectives.

To get us started, let’s dig down into what pricing analytics software is and what it does before we move on to discussing the best 6 pricing analytics software to consider in 2022 (other than Pricefx of course).

## Reviewed: 6 Best Predictive Pricing Analytics Software Vendors



Here are the Top 6 price analytics software vendors that pitch themselves as solutions for larger, enterprise businesses (although some of the solutions may also suit smaller national and regional companies).

***Please note, this article concentrates on the analytics functions of pricing software, not that of business intelligence software.***

To learn more about the differences between these two different types of analytics software, check out this recent article:

[](https://www.pricefx.com/learning-center/pricing-analytics-software-vs-business-intelligence-software/)

Note, most of these pricing analytics software vendors mentioned in this article do not publicly advertise their prices, however, many vendors set up a free demo upon request to learn how the tool can act as your analytics solution, identify the use cases for your organization’s pricing needs and arrange your unique pricing from there. If you’re interested, you should reach out to the applicable vendors to discuss demos and pricing.

The reviews in this article are based upon publicly available information, including information gathered from reviews, rankings, and testimonials from pricing analytics software comparison sites, [G2](https://www.g2.com/categories/pricing) and [Gartner.](https://www.gartner.com/en/documents/3992178)

Undertaking your own pricing analytics software research to combine with the information we supply below is recommended to reach your own independent pricing analytics software decision.

Please be aware that any other company trademark is owned by those companies and not by Pricefx. Nothing that appears in this article is intended to suggest any affiliation with or sponsorship by companies other than Pricefx.

### 1. Vendavo Profit Analyzer

**Price: N/A***– Pricing information can be obtained directly from Vendavo.*

**Description:**Profit Analyzer delivers in-memory analytics to assist in identifying profit trends and opportunities for improvement. It allows for understanding of the true profitability of customers, products, market segments, or channels over time and find out what drives bad deals.

The root causes for margin leakage can be identified painlessly and corrective improvement actions are quantifiable. Revenue or margin changes from one period to the next in terms of price, volume, mix, win/loss, or cost can be tracked to take improvement actions.

**Functionality**:

* Develop, direct, and organize target analysis, shareable to relevant decision-makers via dashboards.
* Develop charts and tables, compare data across multiple data sources.
* Review and update opportunities and track price compliance through configurable dashboards.
* Execute comparative analysis and view groups with highest and lowest margin contributions.
* Run break-even analysis of products and customers.
* Observe the relationship between volume, price and mix across multiple business dimensions.

**Unique value:**[In-memory data analytics](https://pages.vendavo.com/Vendavo-Commercial-Analytics-DataSheet_LP-DownloadPage.html#:~:text=Vendavo%20Commercial%20Analytics%20delivers%20powerful,out%20what%20drives%20bad%20deals.) that power a handy risk management feature that can identify past trends to avoid bad deals.

### 2. Zilliant Price IQ

**Price: N/A***– Pricing information can be obtained directly from Zilliant.*

**Description**: Zilliant Price IQ® supplies price optimization that accounts for all the factors that drive price and rationally align price/customer/order/product relationships simultaneously. The tool also allows you to statistically measure what drives your price responses, all while enforcing the necessary guardrails and producing price guidance for the diverse ways price can be expressed in your B2B organization.

**Functionality:**

* Changing business dynamics and market change responses
* Price elasticity measurement in microsegments
* Constraint-based price optimization
* Simulation of revenue and margin impact of price changes before implementing in the marketplace
* Control and execute optimal pricing strategies to achieve competing profit-and-loss objectives

**Unique value:** Zilliant’s talent pool of ‘front office data scientists’ [problem solve directly with their clients](https://www.g2.com/products/zilliant/reviews/zilliant-review-4328236) on an ad-hoc basis while driving improvement. The Price IQ product offered by Zilliant drives their price optimization model and their scientists are good at interpreting customer needs.

### 3. PROS

**Price:**N/A**–***Pricing information can be obtained directly from PROS.*

**Description**: PROS is a great price optimization and analytics tool and a well-integrated software system. A friendly, knowledgeable and customer-service oriented support team takes the place of the encouraged self-sufficiency of some of the other pricing analytics vendors on our Top 6 list.

With the PROS analytics solution being part of a wider pricing management software solution, it allows organizations to consolidate all relevant pricing information across their business in one location. Pricing teams can create and manage pricing strategies using user-configurable rules. Thie analytics component allows users to scale across their product catalogs, regions, countries and channels, as well as customers, to ensure that the prices are optimized is always correct, regardless of context.

**Functionality:**

* AI-informed Price Optimization
* Pricing strategy automation capabilities
* Comparative analysis and identifying groups with highest and lowest margin contributions.
* Analyse which products and customers are the most profitable and why
* View volume, price and mix relationships across multiple business dimensions and set prices accordingly
* Demand Forecasting

**Unique value:**  [“Optimization and standardization of pricing strategies as well as implementation. Identification of pricing opportunities via transactional analytics”.](https://www.g2.com/products/smart-price-optimization-and-management/reviews/smart-price-optimization-and-management-review-4589856)

### 4. Syncron

**Price:**N/A**–***Pricing information can be obtained directly from Syncron*

**Description**: Syncron manages fluctuating market conditions and supply issues to provide pricing transparency where a lack of visibility into pricing data exists, enabling businesses to optimize their service parts and or manufacturing industry pricing strategy with an automated pricing analytics tool, aligning prices across regions, product relationships and customer types and to maximize their margins.

**Functionality:**

* Price Optimization & Execution
* Automated Item Segmentation
* Price List Management
* ‘What-if’ Price Simulations

**Unique value:** Great User Interface invites Syncron users into the platform. Ease of use and [an inviting platform lends itself to strong user adoption](https://www.g2.com/products/syncron-price/reviews/syncron-price-review-878213) of the pricing analytics tool in many manufacturing organizations.

### 5. Omnia Dynamic Pricing

**Price:**N/A – *Pricing information can be obtained directly from Omnia.*

**Description**: [Omnia’s Dynamic Pricing module](https://www.omniaretail.com/dynamic-pricing) is the home of pricing analytics for this unashamed retail industry expert pricing vendor. It boasts at its core a self-learning algorithm built around price elasticity that utilizes internal product and sales data with that obtained from other sources such as Omnia Pricewatch and Google Analytics. By determining those products needing to attract larger volumes of sales i.e., “high elasticity” products, and products able to have a high margin i.e., “low elasticity”, the Omnia pricing analytics offering generates optimal pricing for retailers specifically. The Omina algorithm looks to reject pricing suggestions pitched higher or lower than the market rate and therefore ‘fixes’ any existing outlier prices of your products.

**Functionality:**

* Dynamic Pricing
* Price Rule Implementation
* Competitor Price Tracking
* Elasticity-based pricing
* Market Data Analysis
* Predictive Pricing Models
* Price Forecasting
* Price List Management

**Unique value:** Omnia offers users handy insights into their own prices and strategies, simultaneously providing information on competitor pricing. However, the Omina system can be difficult to understand, and it has been stated in several independent reviews [that the pricing formulas can be difficult to discern](https://www.g2.com/products/omnia-dynamic-pricing/reviews/omnia-dynamic-pricing-review-5373606) when you first begin using the Omnia platform. Perhaps understandably then, Omnia has one of the best rated customer support systems of all pricing software vendors, [rating a 9.0 with G2](https://www.g2.com/products/omnia-dynamic-pricing/reviews#survey-response-5373606) in the quality of support category.

### 6. Prisync

**Price:**N/A – *Pricing starts from $99 per user per month. Full price information can be obtained directly from Prisync*

**Description**: Prisync is a price optimization and merchandise management tool primarily pitched at Ecommerce businesses. The solution helps track competitor prices, optimize your prices against them, and track your stock levels. The solution aims to help businesses set pricing strategies in order to increase profits and has different pricing plans in place depending on the number of SKUs to be tracked within an account and the feature set required by the user.

**Functionality:**

* Dynamic Pricing
* Competitor Price Tracking
* Market Data Analysis
* Predictive Pricing Models
* Price List Management
* Profitability Analysis

**Unique value:**

According to the reviews on G2, Prisync is the hands-down champ when it comes to customer service for reviewed pricing analytics tools, [scoring a whopping 9.6 in that category](https://www.g2.com/products/prisync/reviews).

[Slow onboarding and implementations have been reported](https://www.g2.com/products/prisync/reviews/prisync-review-5169525), but are counter-balanced by the level of support to help ease customers through the extensive set-up process.

## Why is Pricefx Writing About Its Competitors in the Pricing Analytics Software Space?

Pricefx has been an innovator in the pricing analytics software space since it was founded in 2011 when our CEO and co-founders discovered that the traditional pricing analytics software options were not as good nor as customer friendly as they should be.

Fast forward to the 2020’s and Pricefx has become an industry leader in the pricing analytics software industry and has become known industry wide for our [fast, flexible and friendly pricing solutions](https://www.pricefx.com/principles/)that puts our clients at the center of everything we do.

A unique approach to price optimization to monitor and optimize your prices in real time sets Pricefx apart. The holistic Pricefx approach to pricing unlocks your data trapped in disparate systems and supplies your sales team with the required transparency and information to defend the prices you have set to both your existing customers and new prospects alike.

Empowering the easy flow of data from multiple sources to your pricing analytics set-up, Pricefx allows you to access the deepest and most accurate insights you possibly can, to make better and faster decisions based on the largest and cleanest data set possible. Informed by artificial intelligence (AI) and machine learning (ML) with a “clear box” approach, our Pricefx analytics allows you to define pricing strategies that both your sales team and executive-level decision-makers can get behind while simultaneously measuring the value of your pricing with the solution.

Those sales insights can be easily and intuitively displayed in a selection of flexible and easily customized dashboard displays. What’s more, a one-of-kind KPI benchmarking system is the only solution of its kind in the pricing world. Pricefx Plasma gives it users a unique business advantage to improve their pricing strategy and execution. Users can leverage an unprecedented set of more than 20 pre-defined market-relevant performance KPIs to reveal insights into pricing across their industry and to measure their pricing performance against their competitors. To learn more about Pricefx Plasma and how it can potentially provide unique benefits to your business, see the video below.

As one of market-leaders in the pricing analytics category (The [Gartner Review Site gives us with a score of 4.4 out of 5](https://www.gartner.com/reviews/market/configure-price-quote-application-suites/vendor/pricefx/product/quoteconfigurator) and we also boast a [high ranking of 4.4 of 5 with G2](https://www.g2.com/products/pricefx/pricing)), we would like you to know from our position as a leading pricing expert and multiple award-winner about the pricing analytics choices that you are considering for your organization.

And that is precisely why we are writing about our pricing analytics software competitors. We want you to be armed with the best impartial information you need to choose which is the analytics software that your business requires for your unique needs.

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**Learn About Pricefx’s Recent Award-Winning Exploits Here**

[](https://www.pricefx.com/learning-center/pricefx-wins-awards-highlighting-technology-innovation-growth-velocity-and-its-industry-leading-partner-program/)

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## Now That You Know Your Options, How Do You Choose the Best Pricing Analytics Software for You?

Outside of Pricefx, now you know the next-best pricing analytics software tools that are in the marketplace today. We trust by reading this article you now have all the information you require to choose the right pricing analytics software that best suits your organization’s unique needs and business objectives.

If you’re interested in securing a pricing analytics software solution that you can combine with a total price management, CPQ software and rebate/channel management that is future-proofed and native-to-the-cloud to truly optimize and modernize your pricing efforts, then you will want to go with us here at Pricefx.

To assist you in making up your mind on the total pricing software solution that you require for your company, please check out these following head-to-head comparison articles:

* [Pricefx vs Zilliant](https://www.pricefx.com/learning-center/pricefx-vs-zilliant-choose-the-best-pricing-software-for-you/)
* [Pricefx vs PROS](https://www.pricefx.com/learning-center/pricefx-vs-pros-choose-the-best-pricing-software-for-you/)
* [Pricefx vs Vendavo](https://www.pricefx.com/learning-center/pricefx-vs-vendavo-choose-the-best-software-for-you/)
* [Pricefx vs Vistex](https://www.pricefx.com/learning-center/pricefx-vs-vistex-make-the-best-software-choice-for-you/)

If you are still unsure of the pricing analytics and other software needs that you require to keep on top of your pricing then, check out our recent blog article below;

#### Predictive Retail Analytics – Why Should You Use It?

###### **Posted 24 Mar / By**[**Chandra Gogineni**](https://www.comtecinfo.com/rpa/author/chandra/)**/ In**[**Retail Analytics**](https://www.comtecinfo.com/rpa/category/retail-analytics/)

A tablet with a shopping cart and pie charts

Description automatically generated

The retail market is hyper-competitive and most companies are struggling to maintain let alone increase—profitability. So, what must retailers do in times like these? They should turn to predictive retail analytics to out-crunch competition and win new business.

For example, optimization implementations in inventory management, personalization and promotions can earn quick paybacks for retailers investing in predictive retail analytics. What’s more, you don’t need to enable every use case to see results. Instead, start with areas that can create maximal impact in short times – like pricing optimization projects.

Unfortunately, most retailers still rely on old, time-consuming manual methods for price setting and end up either pricing too low and leaving money on the table or price too high and lose sales. The older methods of price setting make it nearly impossible for the pricing manager to track pricing patterns in real-time in order to ComTec from them. Whereas, pricing analytics tools can easily uncover new pricing options for retailers by analyzing customer-revenue profiles at product-volume, and sales channel levels.

Clearly, pricing optimization efforts offer significant gains. They can increase revenue and margins by as much as 5-10%. But companies need either in-house or out-sourced pricing analytics capabilities to unlock pricing’s full potential for their top and bottom lines.

We believe retailers can get off to an easy start with markdown and pricing optimization.

Now, let’s see how these two implementations can turn pricing into the newest engine of profit for your retail business.

## Markdown Optimization

With predictive retail analytics retailers, can achieve markdown optimization. Predictive models can tell merchants the right time to lower the price on an individual item in a particular store to maximize lifecycle pricing and profitability.

Traditionally, such decisions are taken by experienced staffers with extensive knowledge of customer tastes and behavior. Many a time, such recommendations carry the imprint of the staffer’s tastes, preferences and shopping principles along with that of the customer. Store managers and staff both feel they have a better handle on customer behavior than the number crunchers.  But analytics markdown optimization can yield better results. It can give timely recommendations on markdown candidates and markdown price and lower losses due to delayed decision-making.

Typically, retailers tend to lower prices massively at the end of a season to shed inventory and make way for new merchandise. But analytics can help you optimize this process for better results. How?

For instance, predictive retail analytics may suggest that the retailer markdown prices by a small margin immediately after demand starts tapering. The usual practice is to wait until demand bottoms out and then go for a steep markdown.

**How and why this retail analytics recommendation works:**

Technology is changing and shaping shopping dynamics more than retailers realize. Now if the customer likes an item in-store/online, he doesn’t proceed to buy. Instead, he/she does price shopping on their mobile. If a competitor is using analytics and is already offering the same item at a markdown price earlier, he will make the sale and not you.

Thus, predictive analytics can tell you by when and by how much to markdown price to maximize margins on an item over its entire lifecycle and not just the full-price selling window.

### #Retail Analytics Wish List

**Here’s what to ask your Retail Analytics Partner/provider:**

#2 – A decision framework that considers alternative prices and their impacts on profitability and inventory positions. It must yield best price information at SKU and store level. Such a model combines consumer demand data with advanced predictive techniques and what-if simulation to make price predictions that maximize lifecycle pricing.

#1 – Track the success of past and current markdown activities in the achievement of set financial and operational goals.

### #Business Impacts

Talbots:

Talbots revamped its markdown strategy using Oracle’s Retail Markdown Optimization Solution. They transitioned from 4 markdown periods in a year to monthly markdowns and saw an increase in gross margins over the lifecycle of their products.

Belk Stores:

Similarly, Belk Department Stores too used Oracle’s Retail Markdown Optimization solution to improve sell-through of their seasonal merchandise across 300 store locations.

You:

Implementing markdown optimization using predictive retail analytics can increase gross margins anywhere between 5-15% and deliver a 5-20% improvement in sell-through rates. Another added benefit is an expected 10-15% increase in inventory turns.

## Pricing Optimization

Besides gains from markdown optimization, retailers must also look towards pricing optimization during normal sales to drive up margins. Pricing optimization systems use predictive retail analytics techniques to ensure that product prices align with business objectives at all levels, from HQ to store front.

The earlier methods of trial and error relied on instinct, past buyer behavior, and current trends to arrive at product prices.  But given the way consumer behavior is constantly evolving, these methods often failed in right pricing products. It is here that pricing analytics helps. Predictive models can discover the optimal pricing strategy for each context (regional, state and store level).

Usually, pricing decisions and promotional decisions are taken at a higher level and implemented down the line. As it often happens, top executives are not completely clued-in on what pricing and promotion strategies work best at local levels. And, here price modeling tools can help by enabling hyper-localization. How?

Executives at HQ may set a certain price on product(s) that they believe will drive store traffic that season. But pricing analytics may recommend lower/higher prices in some regions or locations.

**While this may seem counter-intuitive at first, this is how it works:**

Customer behavior predictions are only one set of variables that weigh on pricing decisions, another important factor that determines price is demand and supply position. Items that garner consumer interest can be priced higher and still find a lot of takers as there will be few or no other retailers carrying the same item locally. A predictive pricing model can look at historical product pricing, competitor pricing, demand and supply dynamics, customer interest and margin targets to suggest optimal prices in real-time.

### #Retail Analytics Wish List

**Here’s what to ask your retail analytics provider:**

#2 – A decision framework that enables guideline price setting based on market dynamics and margin targets. The model must be able to measure the impact of pricing on sales and of price differentials on market share. Lastly, the model should align price recommendations with business objectives.

#1 – Self-learning pricing models that maximize profitability. These models let retailers set triggers for automatic price change based on specified customer behavior events. Thereby, reducing revenue loss due to delayed decisions.

### #Business Impacts

Retail intelligence company Upstream Commerce observed that automated predictive and dynamic pricing tools deliver an additional 20% net profit gain in comparison to partially managed catalogues – click to tweet

Amazon:

In Amazon’s marketplace, sellers that use algorithmic pricing benefit from greater visibility, sales, and customer feedback.

You:

Implementing pricing optimization using predictive retail analytics can increase revenues and margins anywhere between 5-15% and reduce return rates by up to 10% due to more competitive pricing. It also reduces management burden as less time is spent in price management.

[bctt tweet=”#ProTip for retailers planning to invest in analytics: “Start with pricing projects for quick ROI”” username=”@UInsights”]

The transition to a predictive pricing model isn’t always easy but is well worth the effort. Need a definite view on how much value predictive pricing models can offer in your case? Schedule a quick consult with retail industry experts at [ComTec](https://www.comtecinfo.com/rpa/contact/).