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| Select a basket of products, and price range  Test 5-7 price points and offer to some prospective customers.  Volume does matter, this applies to cases where ou have high volume products  Do both “Who put it in cart” and “Who purchaased it”  Test for significance (maximize volume)  Lowest price may not be the winner |
| **Try these models yourself**  They find that that polynomial (curve fit) models generally work well |
| Earlier (Macro Stripes – Economic Buyer)  Fine tuning now (tickling the subconsious part of the brain 9.99 vs 10, etc.)  You are looking for a spike. |
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| **Testing Value here (Gross striping)**  Put in Cart = Lowest Price ($34.99)  But Max Purchase = something else (higher price - $39.99).  Lower price may be perceived as lower quality. |
| Substriping  Old school statistics 🡪 $39.39 wins (rhyming price)  **Not testing value anymore** |
| 1000 products but maybe only10 produce all margins. We can not remove all others.  Added COGS (Cost of Goods Sold) 🡪 Include all cost (have finanace help)  More revenue is not necessarily more margin. |
| PCAT (Product Catalog) – Bottom Left  Create Randomiztion ahead of time – don’t rerun it each time for a new customer.  What happened 🡪 who put in the cart (how many ms between display and put in cart also)  Who bought it? How much time they took to buy? |
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| You have to know the persons time zone to find if they are in “wine-o-clock” |
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| Price testing for luxury goods is a speciality (predisential suite) – volume is lower, and buying experience is seldom traceable.  Example above is for ride sharing 🡪 many parameters but high volume helps to test this out.  But you need a lot of live data such as weather in the customers Zip code  Retrain these either weekly or monthly (world changes quickly). |
| Husband and Wife shown different price for the same product. |
| Keeping gender, age (but don’t keep customer IDs).  Security can be an issue.  Scalability can be an issue.  Model sharing and collaboration  Model refreshing, version control |
| Cloud Dataase are accessible and fast  Tabular data is best |
| Share in Zepl (online), you can also find who is using it. |
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