High Pocket Price Adjustments

❓ Situation

Your data has identified an opportunity that contains Pocket Price Adjustments which are either positive or negative, so what do you do next? In Profit Advisor, Pocket Price Adjustments generally represent a cost or charge that may have been provided by your company or calculated as the difference to the Pocket Price Price Point. In either case, they represent an adjustment to the Pocket Price.

The fields in your data used to calculate certain adjustments will be very specific to your business. The data that makes up the adjustment could be from one field, the combination of several fields, or you might have left this adjustment field blank, in which case, Vendavo Profit Advisor does the calculation. Depending on the source of the underlying data in the adjustment, your actions will differ. We recommend that you work with your data team and utilize Vendavo's data model, as it expands, to reduce the number of fields that reside in catch-all adjustment buckets. This will allow you to derive greater benefits from the system by allowing the application to be more precise in its analysis and recommendations.

✅ Recommendation

The conditions described below describe the source of the underlying data and possible actions that you should explore.

Condition	Action

One field from your company's internal systems was used to calculate the adjustment	☐ Locate the underlying field
	☐ Consider relabeling the field in future data loads
	☐ Decide on an action to take on this particular policy shortfall
	   ☐ If it's a surcharge, consider if the charge was charged at the correct levels given the Customer's Classification, etc.
	   ☐ If it's a cost, consider raising price or a matching charge to increase recovery

More than one field from your company's internal systems was used to calculate the adjustment	☐ Locate the fields that make up the adjustment
	☐ Consider relabeling the field in future data loads
	☐ Decide on an action to take on this particular policy shortfall
	   ☐ If it's a surcharge, consider if the charge was charged at the correct levels given the Customer's Classification, etc.
	   ☐ If it's a cost, consider raising price or a matching charge to increase recovery

No fields from your company's internal systems were supplied, and the adjustment was calculated by Vendavo Profit Advisor	☐ Evaluate the size and nature of the calculated adjustment
	☐ Decide on an action to take on this particular policy shortfall
	   ☐ If it's a surcharge, consider if the charge was charged at the correct levels given the Customer's Classification, etc.
	   ☐ If it's a cost, consider raising price or a matching charge to increase recovery
	☐ Decide if it makes sense to enhance or adjust the underlying data in future data loads