

Marketwerks Pricing Management

Is your company leaving profit on the table? How much would your earnings improve if you could selectively increase prices, and keep unit volume the same or higher?

It's seldom obvious where a company is underpricing. Marketwerks can help you find and act on pricing improvement opportunities your company may otherwise miss.

Do you measure and evaluate actual prices compared to intended prices? Whether your prices are rising, steady, or trending down?

Marketwerks can provide the detailed price and margin reports you need to drive improvement.



Sample pricing report showing out-of-control prices on a key SKU. Customers that didn't buy very much got some of the lowest prices! But that insight had been buried in inaccessible data.

Is your sales team prepared and incentivized to resist customers' pressure for lower prices?

Ask Marketwerks how to strengthen your commercial stance and align your team with your profit goals.

Are your prices based primarily on marking up from cost? Or based on competitors' prices?

Marketwerks can help your team with incorporating Value to the Customer into your pricing decisions and sales approach.

"Higher prices have many natural enemies within a company, and few natural allies."

Case Study

Challenge:

A manufacturer's cost of materials and energy jumped 35%, prompting a decision to increase prices consistent with the industry. But weaknesses in policies and processes allowed salespeople to avoid implementing most of the increases. Losses deepened.

Solution:

Assessed and strengthened policies, reporting, processes, tools, training, and incentives.

Results:

Price changes are now strategic and tracked, as senior management exerts stronger control over pricing. Actual transaction price trends and exceptions are now visible and measureable

Company went from breakeven to 8% operating margin.

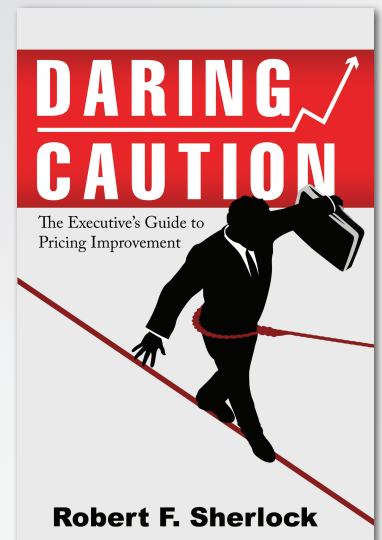
Daring Caution

It's Time for Better Pricing

Today's economy challenges every executive to find earnings improvement opportunities to offset the numerous risks to profitability. More effective pricing can provide a very powerful antidote to profit pressure, with one percentage point of price typically yielding 7% to 11% better operating profit. Yet it's common that executives hesitate to launch a pricing improvement initiative. They may lack good pricing information, and worry about losing volume if they push for higher prices. They may not know how to plan and carry out a pricing initiative, or how to overcome barriers to better pricing.

In *Daring Caution: The Executive's Guide to Pricing Improvement*, Bob Sherlock provides executives with a path for leading their organizations to get better at pricing:

- Recognizing common shortcomings in how companies price
- How to improve their process for making pricing decisions
- How to affect buyers' willingness to pay



MarketwerksSM Services

Some companies seeking to build stronger pricing practices can follow the initiative outline described in the book, and handle everything with their own personnel. Others find advantages in obtaining outside help. Marketwerks can help an executive team determine what'll be required, and provide a structured process, training, and implementation resources. Marketwerks enables a company to begin their pricing initiative sooner and accelerate results.

Marketwerks offers:

- Keynote presentations
- Assessment and implementation tools
- Workshops
 - Pricing Initiative Planning
 - Addressing specific pricing issues
- Consulting
 - Price reporting and analysis
 - Assessment
 - Implementation of improvements
- Training for the management team, marketers, and sales force

For additional information, contact Bob Sherlock at 847-382-6210 or rsherlock@marketwerks.com.