

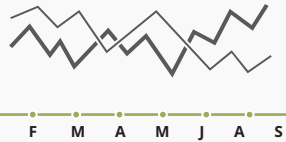


# Improving Profitability through Pricing Analytics

## CHALLENGE



Combining "billing" data from multiple, disparate sources and effectively analyze it



Understanding pricing trends and patterns - How did we price/re-price deals in the past 6-12 month period and what was the impact on volumes i.e. price & volume variance analysis



Enable price optimization for the Bank i.e. understanding price elasticity at a client, industry and product level

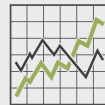
## APPROACH



Apply complex business logic to "atomic" level billing information (relationship pricing, future potential, etc.) and statistical techniques to determine price dispersion, potential to re-price and its impact



Decompose revenue variations into price and volume across multiple dimensions like industry, geography, payment type, etc.



Compare client specifics with industry, segment and portfolio averages and trends

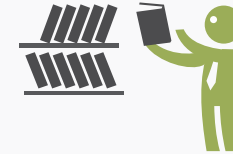


Filtered intelligence shared easily with a geographically dispersed sales force

## BENEFIT



Clear framework to identify pricing efficiency/inefficiency



Hindsight view to determine efficacy of re-pricing decisions



Foresight view on elasticity and dispersion indicating potential to re-price

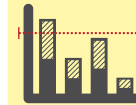


Ability to segment clients based on price-point, volume buckets and cross-sell parameters

## IMPACT



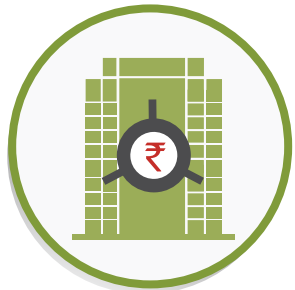
Top tier client charge codes priced significantly below portfolio mean indicating re-pricing potential leading to a multi-million dollar revenue up-side



Price volume elasticity benchmarks enabling better pricing decisions

"We had to validate and cleanse data across various time periods and technology platforms, and then build a Smart data mart to ensure that the Bank is able to arrive at the correct insights and opportunities for re-pricing, upsell etc. This meant automating complex business logic, with multiple permutations and combinations. This had to be fail-proof."

**SANDEEP SANDHU**  
Chief Data Scientist, Pragmatix



## CLIENT NEED

A global bank requiring insights into its large billing information to better price existing and prospective customers and help its dispersed sales force better informed pricing decisions