

# Diver Platform® Pricing Advisor® for Manufacturing



## Insights that Optimize Margins to Increase Profitability

### The Challenge

In manufacturing companies, product pricing is complex. It requires constant oversight of rapidly changing elements, and is difficult to track.

The process is complicated by external factors such as:

- large product portfolios
- a growing number of SKUs
- the vast array of cost elements and distribution channels
- a large number of accounts

Internal factors compound the problem when there is a lack of integrated systems and tools to:

- manage and analyze pricing data
- plan and model pricing strategies
- calculate the impact of anticipated changes
- show chargebacks

Companies that are able to leverage a systematic approach to price management gain a distinct competitive advantage through optimized margins and higher profitability.

### The Solution: Pricing Advisor

Pricing Advisor helps to ensure everyone knows what suggested price points are, that no money is left on the table, and margins are kept within target ranges. Users can see all deal levels across all tiers and channels. The ability to see all of this in a centralized location allows users to better manage their data. This powerful analysis capability enables companies to discover opportunities for improvements and take action to grow revenues through effective price management.

### Meet Complex Pricing Requirements With A Centralized Pricing Solution

Pricing Advisor integrates and leverages existing cost data and pricing elements such as: case sales, state and federal tax data, product names, product details, and product costs. This data is seamlessly integrated from source systems and master lists — or input directly for centralized pricing. The resultant information is used by sales, marketing, and management to ensure that the correct pricing version is in effect. Price changes are communicated in real time — directly to users — via email notifications.

Leveraging the technology of Diver Platform, Dimensional Insight's all-inclusive, end-to-end business intelligence and information delivery platform, Pricing Advisor provides a fast, easy-to-use, one-stop pricing solution designed to deliver easy-to-understand results and powerful pricing analytics. Features include:

- rapid data entry
- automated tax calculations
- price change audit trails and reports
- chargebacks
- role-based pricing information delivery
- "what-if" analysis

## Pricing Advisor Users Experience Improved Pricing Efficiency

- Manage profitability better throughout the distribution channel, including visibility into price deals at every level and every market for every brand and SKU while seeing blended averages at higher levels.
- Effectively manage price structures to reduce margin leaks and comply with state laws.
- Improve pricing transparency.
- Create market-ready pricing for all unique state pricing requirements — and unlimited deal discount levels — by channel and account type.
- Improve management of price structures across the product portfolio by working bottom-up or top-down.
- Use trends to create new price structures.

MP	Current Volume	Product Group	Proposed Volume	Pack	Product Size
Cabrito 1.0 L	0.00	Spirits - Distilled	200.00	12	Liter
	Current	Current Extended	Proposed	Proposed Extended	Impact
COGS	\$ 89.79	\$ 0.00	\$ 96.00	\$ 19,200.00	\$ 19,200.00
FET	\$ 34.21	\$ 0.00	\$ 34.21	\$ 6,842.87	\$ 6,842.87
Overseas Freight	\$ 0.00	\$ 0.00	\$ 5.00	\$ 1,000.00	\$ 1,000.00
Drayage/Customs/Duties	\$ 0.00	\$ 0.00	\$ 1.00	\$ 200.00	\$ 200.00
<b>Landed US</b>	<b>\$ 124.00</b>	<b>\$ 0.00</b>	<b>\$ 136.21</b>	<b>\$ 27,242.00</b>	<b>\$ 27,242.00</b>
Supplier MI	13.70 %		7.34 %		
Supplier Margin	10.17 %		5.88 %		
<b>Supplier \$ Profit</b>	<b>\$ 16.98</b>	<b>\$ 0.00</b>	<b>\$ 10.00</b>	<b>\$ 2,000.00</b>	<b>\$ 2,000.00</b>
<b>Net FOB to Dist</b>	<b>\$ 140.97</b>	<b>\$ 0.00</b>	<b>\$ 146.21</b>	<b>\$ 29,242.00</b>	<b>\$ 29,242.00</b>
<b>List Price to Dist</b>	<b>\$ 167.00</b>	<b>\$ 0.00</b>	<b>\$ 170.00</b>	<b>\$ 34,000.00</b>	<b>\$ 34,000.00</b>
Supplier Profit After Adj	\$ 43.01		\$ 33.78		
Inland Freight	\$ 16.73	\$ 0.00	\$ 17.83	\$ 3,565.99	\$ 3,565.99
Purchase Allowance	\$ 0.00	\$ 0.00	\$ 4.00	\$ 800.00	\$ 800.00
Supplier Profit After PA	\$ 43.01		\$ 29.78		
<b>State Tax</b>	<b>\$ 9.50</b>	<b>\$ 0.00</b>	<b>\$ 9.50</b>	<b>\$ 1,900.00</b>	<b>\$ 1,900.00</b>
Variable Tax	\$ 0.00		\$ 0.00		
<b>FOB Landed to Dist</b>	<b>\$ 193.23</b>	<b>\$ 0.00</b>	<b>\$ 213.00</b>	<b>\$ 42,600.00</b>	<b>\$ 42,600.00</b>

  

Deal Level	Current Volume	Percent	Proposed Volume	Percent
MP	0.00	33.33 %	66.66	33.33 %
Cabrito 1.0 L	0.00	Current	Proposed	Proposed
	Current	Extended	Extended	Extended
Discount to Retailer	\$ 5.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>DA or Free Goods w/ Funding %</b>	<b>100.00 %</b>	<b>\$ 0.00</b>	<b>100.00 %</b>	<b>\$ 0.00</b>
<b>DA or Free Goods w/ Funding Amt</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 3.00</b>	<b>\$ -199.98</b>
Supplier Profit After DA	\$ 43.01		\$ 26.78	

Pricing Advisor's "What if" analysis provides a powerful tool for ad hoc analysis.

## Pricing Advisor Delivers:

- **Centralization** – Centralized management of cost and pricing information through all distribution tiers in all markets
- **Streamlining** – Streamlined price management and communications workflows across distributed organizations and delivered to diverse users
- **Trend Analysis** – Trend analysis that enable changes to be made in real time
- **Guidance** – Guided and automatic calculations, analysis, and modeling of price changes and scenarios
- **Chargebacks** - Automated transaction for supplier pricing supports



## About Dimensional Insight

Dimensional Insight is a leading provider of integrated business intelligence and performance management solutions. Our mission is to make organizational data accessible and usable so everyone from analysts to line of business users can get the information they need to make informed, data-driven decisions.

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