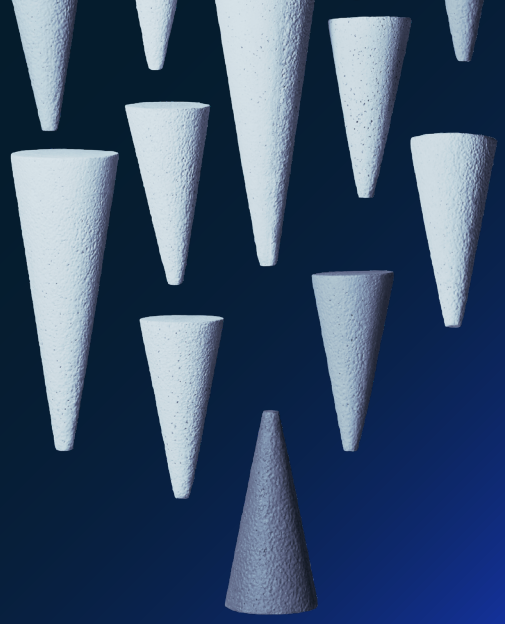
Periscope® by McKinsey



Pricing Solutions for Consumer Goods: Dynamic pricing and data-driven promotions

Pricing Solutions provides consumer goods executives the analytics, automation, and expert insights they need to optimize pricing and promotions based on demand, margins, and competition.

Pricing Solutions helps consumer goods companies set, manage, and optimize prices in real time to maximize profitability.

Successful consumer goods companies constantly adapt product prices in response to rapid changes in the market and frequent competitor adjustments. For companies offering large numbers of SKU's and brands, however, dynamic pricing can be a challenge.

Pricing Solutions dynamically recommends pricing and margin optimization for each product in a company's portfolio. We use prescriptive analytics and the most up-to-date sales, cost, and competitor data to optimize two areas of pricing strategy:

Price-setting
Our technology automatically monitors the web for competitive price changes and overall strategy changes within categories, recommending real-time price moves that optimize each product's margins.

Promotions
Our online platform allows pricing managers to test multiple offers on small groups of real shoppers and monitor clearance promotions in real-time to automatically set new markdown prices for underperforming events. We use big data to uncover patterns of successful past promotions and improve future planning and execution.

Why Pricing Solutions?

World-class technology
Pricing Solutions embeds world-leading intellectual property and McKinsey know-how in a single platform that executives use to gain transparency into pricing decisions and create lasting impact. Our technology and services provide consumer goods companies the capabilities they need to develop sophisticated pricing strategies that drive consistent top line growth.

Unrivaled data and analytics
Our proprietary algorithms are based on insights from the McKinsey pricing practice and the experience of more than 550 pricing experts around the world. We incorporate syndicated retail data, competitor prices, and pricing rules into our rules engines to provide relevant and effective recommendations.

Long-term capability-building
Our experts work with pricing managers to develop the best practices and muscle memory necessary to react to current and future pricing challenges. By hosting in-person workshops and technology-based training sessions, we ensure your team understands the methodology behind each strategy you implement.

Pricing Solutions for Consumer Goods by the numbers:

2.5%
Sales lift

1.5%
Margin uplift

10-20%
Increase in trade spend effectiveness

Get started

To learn more about our suite of pricing solutions for consumer goods, contact us at contact@periscope-solutions.com or visit www.mckinsey.com/periscope