

## Client stories

---

Introducing a structured pricing framework to the UK across multiple business channels

# Client Background

Our client is a prestige global alcohol supplier.

## Why did they get in touch?

The client had unstructured pricing across 12 channels including indirect RTM complexity.

The strategic intent of their customers was not effectively reflected in net pricing & trade agreements.

They had no simple framework in place to help account managers with negotiations.

# What is the journey?



# What are the benefits?



7-10%

Net revenue opportunity identified over 3 years, equivalent to £12m+



1%

Net revenue opportunity identified in year 1 of implementation



68%

Identification and removal of over 68%, £550k, of misused free products ('quick wins')

# How are we partnering?

## Seeing Clearly

How were we able to see more clearly?

- We encouraged greater visibility of net price across 12 channels through Acumen Radar™. Identification of 44% of trade spend as unconditional long-term historic discount
- Actual spend on FOC bottles and how the customer was gaining from it in their margin – what was the real impact?
- Now able to calculate price exposure risk at any level of the P&L between customers in seconds.
- Defined conditionality within the business using best practice conditionality spectrum – what was truly conditional?

## Thinking Differently

How were we able to think differently?

- Trade terms repurposed in collaboration with account teams to represent strategic intent and reward for conditionality
- Role of wholesaler evaluated and new approach created to reflect wholesaler collaboration in execution & business development
- Brought external best practice from other organisations to drive new thinking within the business
- Eliminated historic discounts that were built into the customer margin and converted into demand driving discounts

## Working Smarter

How were we able to work smarter?

- List price model created and client trained for future use.
- New trade terms agreement template created to assist with management & measurement of future agreements
- Modelling tool provided to assess impact of change at SKU / customer level.
- Helped create consistent approach to valuing POS, Customer Trips and Training sessions.
- Teams were trained in negotiation skills and selling techniques to drive implementation with customers

# Hear it from our clients...

"Definitely getting more leverage than we've ever had in pricing conversations before"

*Sales Director*

"Finally, some help pricing new products"

*Marketing Lead*

"I can see this massively increasing engagement from our account teams"

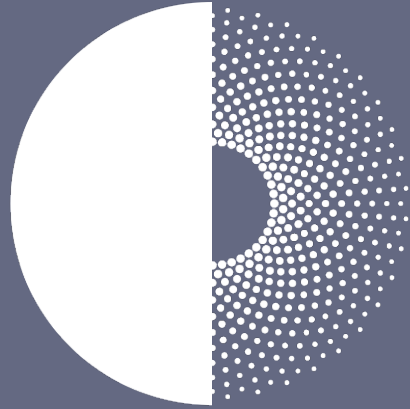
*Account manager*

"Externally, we will be able to defend our decisions, which we have never been able to do. It's just brilliant!"

*Account manager*

"This will make us money! Customers can only invoice for what they have actually done"

*Finance director*



acumen