

The Price is Right!

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BY DATAWEAVE

Picture this. You're approaching the biggest sale of the year for your business, the number of offerings are ever growing and your competitors are inching in on your turf. How then are you to tackle the complex & challenging task of pricing your offerings? In short how do you know if the price is right?

Here's how we think it's possible:

1. Prioritize your objectives

Pricing can be modified based on your priorities. A good pricing intelligence tool lets you understand pricing opportunities across different dimensions (categories/brands, etc.). Which categories do you want to score on? Which price battles do you choose to fight? Once you have decided your focus areas, you can make pricing decisions accordingly.

2. Trading off margins for market share (or vice versa)

Trading off profits for larger market shares often decreases overhead and increases profits due to network effects. This means that the value of your offerings increases as more people use them (e.g., the iOS or the Windows platform). If margins are crucial do not hesitate to make smart and aggressive pricing decisions using inputs from pricing intelligence tools.

3. Avoiding underpricing and overpricing

Underpricing brings down the bottom line and overpricing alienates customers. Walking the thin line between these is both an art and a science. An effective path to a balanced pricing is employing a pricing intelligence tool. A pricing intelligence tool helps you in getting the price right with ease for any number of your products.

4. Understanding consumers and balancing costs

Who IS your buyer? How much is she willing to shell out for the products you are selling? How much should you mark up your products to recuperate your costs? What can you do retain your consumers and attract new ones? What steps are my competitors taking to achieve this (discounts/combos/coupons/loyalty points)? Answer these questions and you are closer to the ideal price.

5. Monitor competition

The simplest and the most effective way to price your product right is to monitor your competitors. Every pricing win contributes to your profits and boosts your bottom line. Competitive Intelligence products let you monitor your products across any of your competitors.

Conclusion

There are many ways to determine the right price for your products. An effective pricing tool goes a long way in helping you determine the right price for your products. It augments your experience, intuition, and your internal analytics with solid competitive pricing data.

Why not give pricing intelligence a test ride then? Email us today at contact@dataweave.in to get started.

About PriceWeave

PriceWeave provides Competitive Intelligence for retailers, brands, and manufacturers. We're built on top of huge amounts of products data to provide features such as: pricing opportunities (and changes), assortment intelligence, gaps in catalogs, reporting and analytics, and tracking promotions, and product launches. PriceWeave lets you track any number of products across any number of categories against your competitors. If you'd like to try us out request for a demo.

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PRICING

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