



# PRICING AND BIG DATA

THROUGH THE USE OF MICROSOFT™ POWER BI®

## EXTRACTING VALUE FROM BIG-DATA AND MACHINE LEARNING TO IMPLEMENT VALUE-BASED PRICING

ADVANCED TOOLS CONSULTING COMPANIES USE FOR PRICING ANALYSIS AND PROFITABILITY OPTIMIZATION WHEN DEALING WITH BIG DATA

*"If you don't know where you are going, any road will take you there";*

this seminar will tell you where to go and how to get there when big-data is involved and your ultimate object is to optimize your company's profitability.

Most companies do implement analytics, but these analyses are often tailored to accounting or financial needs, and this is especially true where the amount of transactional data (invoice data, orders, billing data, etc.) is overwhelmingly large. Most departments, facing a complexity that seems hard to nail down, decide to forgo any attempt to make sense of this wealth of data. This seminar is designed to explain the tools and goals of an advanced, professionally undertaken Pricing analysis, along with insights on how to monitor and quantify the financial results. It will provide:

**The goals:** what can be achieved with primary data (internal) that has been sitting in the company for years. For example: segmentation of customers based on willingness to pay and future profit potential;

**How can big-data be made understandable:** visualizing complex data in intuitive graphics, that can be interactively modified, to allow all stakeholders to use it in their daily decision-making. For example: implementing a Sales decomposition analysis comparing sales and margins that will allow the Sales Director to make decisions on the major accounts and give clear targets to KAMs.

**How to get there:** the specific analyses that managers must use to get to the goal. For example: a Sales variance analyses to distinguish what an increase (or decrease) in sales is attributed to – may that be due to price or volume changes – and adapt the corporate strategy accordingly.

## FOR WHOM

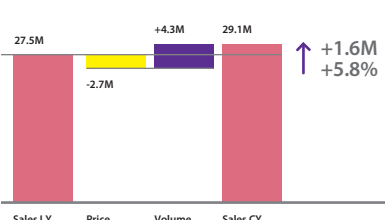
First-hand experience of Power BI increases the value that can be extracted from this workshop

- Chief Operating Officers, Chief Marketing Officers, Chief Financial Officers
- Marketing managers, General managers, Sales Directors
- Pricing managers
- Business development managers
- Heads of business units
- Key account managers (KAMs), strategic account managers
- Vice presidents, senior vice presidents
- Controllers, accountants
- Statisticians of accounting and controlling departments

Big-data is as powerful as it can be scary; yet the leaders in every industry have a clear plan on how to extract maximum value from their primary data

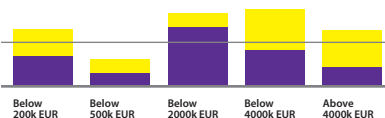
Having clear, road-tested goals and using powerful analytics, is the only way to optimize pricing and join the industry leaders circle.

## CONTENTS



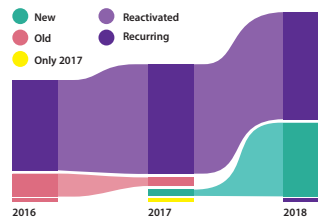
### SALES VARIANCE ANALYSIS

Splitting sales data into:  
Price effect  
Volume effect  
Mix effect  
X-rate effect



### OFFER VS ORDER ANALYSIS

Segment data in a meaningful way to define realistic target and improve your win-rate



### SALES DECOMPOSITION AT ACCOUNT LEVEL

Splitting sales data into:  
Price effect  
Volume effect  
Mix effect  
X-rate effect



### DISCOUNT ANALYSIS

Techniques to analyze discounts, data cleaning, and getting the Discounting Guidelines just right

# OVERVIEW PRICING AND BIG DATA



## THE 7 TOOLS OF PRICING FOR A BIG DATA ENVIRONMENT

### 1 Presentation – The objectives of strategic pricing using Big Data

Unleashing unparalleled opportunities with Big Data for Pricing practitioners



Overview of what can be achieved with respect to old methods

### 2 Presentation and tools – The 7 tools, their strategic importance, and expected impact of the identified levers

7 tools that will be used throughout the seminar are presented and their importance and expected impact explained



1) ABC analysis Company vs Customer, 2) Sales variance and price effect, 3) Sales decomposition and bridges 4) Offer vs Order analysis, 5) Data cleaning for Discounting & Discounting guidelines, 6) Pricing Account Plan and Key Account Performance Metrics, 7) The Levers – under-promising and over-delivering

## COFFEE BREAK

### 3 Case study and groupwork – hands-on work on the template provided – part I

Participants work in groups of 3 on datasheets provided (10'000 lines, 4 years period) and implement the first 3 analysis

### 4 Presentation – “Don’t fall off the ladder” the right steps to take early on to avoid fixing analysis later-on. Automation of reporting with automatic feed of new data

Feedback on early analyses of groupworks



Explanation of (common) mistakes in data interpretation early on



The 8 steps of (BIG) data gathering, before analysis.

## LUNCH BREAK (1:00 PM – 2:00 PM)



## ANALYZE. IMPLEMENT. REPEAT.

### 4 Groupwork and group discussion – hands-on work – part II

Implementation of analyses 3-6



Feedback on analyses undertaken



Group discussion: what impact could they bring to your organization in terms of EBIT

### 5 Groupwork and group discussion – hands-on work – part III

Implementation of analysis 7



Feedback on analyses undertaken



Group discussion: how will you make a compelling business case to implement the analyses in your organization & the “proof-of-concept” template

### 6 Group discussion - Summary of main takeaways

Group presentation: the top findings

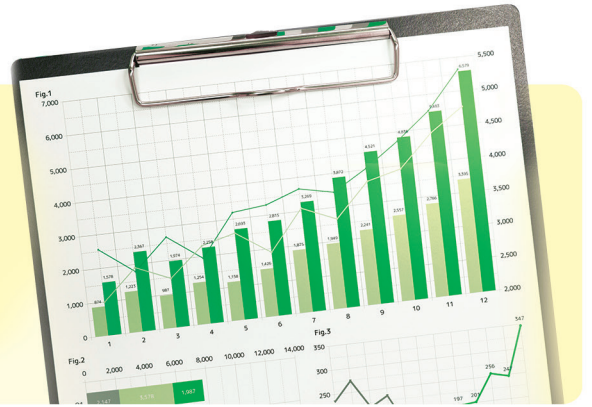


Quiz with prize: the 3 top analyses that you could do in minutes once you have used the 7 tools (and that used to take months without Big Data)



Personal objectives, extra analysis, and personal deadline for implementation

## END OF WORKSHOP (5:00 PM)



Academic excellence and managerial experience, for years by the side of Global 50 companies from all over the world

## WHY DO WE SUGGEST ATTENDING THIS WORKSHOP?

Pricing is the most important lever that managers have to generate profit, but it is sometimes interpreted as set by external forces – like competition and production costs. Even though those forces should be taken into account during the pricing decision-making, it is also important to look at the Value our offer generates for customers. Leading companies in any industry, even in presence of commoditized products (chemical industry, raw materials, etc.), enjoy above-average profits thanks to the right implementation of strategies built upon value-based pricing; what these

leaders do, is to set prices based on the value that customers obtain from their product or service. These strategies are particularly important during periods of economic uncertainty, when customers – especially in B2B realities – increase their demand for discounts, putting the company's profitability under a lot of pressure. What emerges from our experience is not only that it is possible to counteract these demands, but also that this can be done in a cost-effective way; this stems from the ability to calculate the value of the company's offering and leverage its uniqueness.

## HINTERHUBER & PARTNERS

HINTERHUBER & PARTNERS ([www.hinterhuber.com](http://www.hinterhuber.com)) is a premier consulting company specialized in Strategy, Pricing and Leadership. It stands for the combination of academic excellence and real world business experience to deliver a lasting impact in client results and capabilities. Kennedy Information, a Bloomberg business, ranks Hinterhuber & Partners among the top consulting companies globally in pricing strategy consulting. HINTERHUBER & PARTNERS has successfully completed projects concerning

strategy, pricing and leadership for numerous companies in Germany, Italy, Switzerland, Austria, United States of America, China, and it regularly takes part in international conferences. For pricing, it participates to conferences like: Management Circle AG (Germany), Business Circle AG (Austria), Management Center Innsbruck (Austria), Strategic Account Management Association (USA), Marcus Evans (USA) and Professional Pricing Society (USA).



### ABOUT THE WORKSHOP FACILITATORS:

#### DR. EVANDRO POLLONO, MANAGING DIRECTOR AT HINTERHUBER & PARTNERS

Dr. Evandro Pollono has been visiting lecturer at Alcalá University (Spain), he is co-author of the article "Value-based pricing: The driver to increased short-term profits", published by Finance and Management; he is also a contributor of the book "Pricing and the Sales Force". Evandro Pollono deals

with companies operating in diverse industries, supports them in their strategic development and foster their growth and differentiation through seminars in the field of Pricing. He is also involved in startups, with projects encompassing different industries, with the common denominator of digital technologies.



#### ROLANDS PUPKEVIČS, SR. CONSULTANT FOR DATA & ANALYTICS

Rolands Pupkevičs is Senior Consultant of HINTERHUBER & PARTNERS specialized in data and analytics. He holds a Bachelor degree in Economics from Stockholm School of Economics in Riga and CFA designation from CFA Institute. He has more than 15 years of experience in investments, finance and data analytics. Recently, he has

worked on multiple consulting projects on pricing for large and medium-sized companies, including Bosch, Exxelia, and Veritas Petroleum Services (VPS). His main responsibility is to develop ad-hoc analytics and derive financial insights for the client.

## REGISTRATION

To register please send an e-mail with the date desired, the name and number of participants to [evandro.pollono@hinterhuber.com](mailto:evandro.pollono@hinterhuber.com). You will receive a confirmation and a pro-forma invoice, depending on spots availability. The participation fee for the two-day workshop is all-inclusive, including material e soft-drinks, for 4 950 € per participant. From the second participant of the same company (i.e. same billing address), a 15% discount is applied. Up to two weeks before, it is possible to cancel from the seminar free of charge. After this the full

amount is due. The cancellation request must be sent in written form via e-mail. In case of cancellation from Hinterhuber & Partners, the full amount will be refunded. We are committed to make the seminar as interactive as possible, therefore we try to limit the number of participants to 12 at any event. If interested in dates different from the ones proposed, please contact us directly to find out future dates or plan an ad-hoc seminar. All prices are to be intended VAT excluded.