

Revitalizing Market Position through Strategic Pricing and Promotion

Enhancing Market Share for a CPG Company

Background

- Our client is a **multinational Consumer Packaged Goods (CPG)** company selling snacks, baking, and meal products through major retail channels.
- They generate **~\$200MM in annual sales**.
- The company has achieved **substantial growth** through organic expansion and strategic acquisitions, focusing on enhancing its portfolio in the snacks, baking, and meal solutions sectors.
- Despite increasing overall sales, the client faced a **decline in market share** due to new competitive brands entering the market.
- **The Iris Pricing Solutions** team was initially contacted for advice on how to optimize pricing and promotional strategies to maintain and grow market share

Approach

To address this challenge, **Iris Pricing Solutions** recommended implementing data-driven and dynamic price and promotional guidance tools to achieve their business objectives.

The project was divided into 3 phases.

1. Diagnostics & Data Review

- Gathered historical data and conducted internal interviews with key stakeholders to

assess current pricing and promotional strategies.

- A **quick win analysis** was performed to evaluate products and competitors effectively.

2. Modeling

- **Elasticity Modeling** at various business levels of the business to help anticipate market reactions to price adjustments by a brand or competitors.
- Measured promotional effectiveness and provided guidance for priority promotion period.

3. Promotional Optimization

- Developed a dashboard for simulated scenario visualization and modification.

Results

\$8MM

The pricing and promotion optimization brought an additional **\$8MM in annual sales**.

5%

The team provided pricing recommendations that provided an increase of **5% in market share**.

Developed a Pricing and Promotion Optimization tool

to analyze market pricing dynamics, efficiently allocate promotion funds, and provide a practical war-gaming simulation tool.

