



“Our pricing managers and category managers achieved a sales margin improvement range of 3-7% in various departments.”

Synchronization of pricing strategy and execution – board members regained control over prices; pricing managers earned credibility with a single source of pricing truth.

About Super-Pharm

- **Country:** Poland
- **Industry:** Pharmacy & Drugstore
- **Sales Channels:** 92 stores and an e-shop
- **Pricing Zones:** 4
- **Active SKUs:** 27,000
- **Yieldigo Modules in Use:** Everyday price management

Risks and Challenges



Pressure on Margins Due to Competition

The pharma and drugstore industry is extremely saturated in Poland with 8 different organizations attempting to earn their part of the EUR 16 bn national market share.



Key Contributors Not Synchronized

Pricing managers and board members experience frequent misunderstandings as both work with differing pricing-related data and information.



Inaccurate Decisions About Prices

Pricing managers make pricing decisions based on a mix of imprecise information gathered from different teams, thus bogus data and accurate figures are intermixed.



Implementation & Onboarding

- Super-Pharm's leadership was facing pressure on margins, people not synchronized, inaccurate decisions about prices.
- Super-Pharm's Management Team initiated the pricing competency by defining **two key people responsible for pricing**, who cooperated closely with an onboarding consultant from the Yieldigo team on:
 - a. **Setting up a step-by-step business strategy.**
 - b. **Enabling a routine of daily pricing** and full control over prices.
 - c. **Obtaining user training from Yieldigo's expert for business-critical needs** and offering further learning opportunities.



Solution

- Users can **automate up to 90% of their pricing actions** with the following modules: rules and strategies setting, what-if simulations, product families, reports, exports, and the machine-learning price optimization engine.
- Pure **competition-based pricing combined with margin optimization**. Prices are within safe price ranges, making everyone feel well-supported.
- 12 people manage prices of brick-and-mortar stores and e-shop in one software. The **single point of pricing truth supports informed decisions about future pricing strategies** and tactics arranged with the board.
- Pricing managers are **enabled to provide an immediate response to every Chief Commercial Officer's pricing strategy adjustment** thanks to the what-if simulations capability. This response includes forecasted impacts of revenues, margins, volumes, and price indexes.
- **Pricing managers are informed about products with negative margins** whenever competitors push prices.
- Gradual rollout of **brick-and-mortar stores and e-shop**.



Results

- Super-Pharm pricing managers now have a competitive advantage – they are **equipped with pricing techniques that allow them to execute any demand from the company board.**
- They can **react immediately to any competitor price strategies and price movements.**
- **Empowered to react in less than 24 hours** to supply chain market changes.
- Pricing managers alongside category managers achieved a **3-7% sales margin improvement** in various departments.
- **Data used for pricing decisions made by the Chief Commercial Officer and Head of Pricing are now at 93% quality**, compared to 60% before cooperation started.
- **A-Z 100% control and management visibility of the pricing process** over the whole assortment with one source of pricing truth.



Conclusion

Super-pharm was able to regain full control over their prices and became empowered to react to changes in their market and competition, in less than 24 hours. Pricing managers also regained the trust of their organization by being well-backed by accurate figures and reliable strategy creation via what-if scenarios. With the ability to automate up to 90% of their pricing actions, manual errors were eradicated, all while winning back 3-7% of sales margin. With 100% control and management visibility of the pricing process over the whole assortment with one source of pricing truth, the organization can now steadily navigate its market smoothly, all while keeping leadership in the driver's seat.



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