



ShopperIQ®-Price Predictor™ - Our Pricing Elasticity Solution

Determine Your Optimal Price

Pricing is a crucial lever for CPG manufacturers, providing a huge opportunity to increase revenue. Traditional elasticity analysis uses limited, disrupted, historical scan data that only looks backward, not forward. It does not allow us to understand the impact of potential **new** pricing tactics. And volatility from COVID exacerbates the flaws in historical sales data given the structural shock and pace of pricing evolution. To determine optimal pricing, direct research is needed on shopper's response to value offerings.

Our new approach, Price Predictor™, combines the predictive benefits of Virtual Shopping with Machine Learning to achieve the perfect price.

Virtual Shopping is ideal for testing pricing because it puts shoppers in the context of an actual purchasing decision with a realistic set of competitive alternatives.

Machine Learning then runs tens of thousands of simulations to explore all possible scenarios. Results are forward-looking and can be updated regularly.



ShopperIQ®-Price Predictor Advantages:

- ✓ Strong correlation of virtual shopping research to in-market performance with 90% accuracy
- ✓ Findings based on current market conditions
- ✓ Results are forward-looking and can be updated regularly

Find out how we can help you optimize price quickly and with reduced risk.
Contact us: info@decisioninsight.com

The Virtual Shopping + Machine Learning method is effective because it delivers:

- 1. Accurate Price Elasticity** that considers cross elasticity and removes the effects of market shocks
- 2. Realistic Market Trends** that consider multiple variables like distribution, promotions and marketing
- 3. Fast, Cost Effective Results** with the ability to update regularly

Simulation Timeline

