Packaging Giant uses Price+ to Slash Deal Cycle Time by 69%, adds 4% Margin uplift

DESCRIPTION: Fortune 500 Global Paper & Packaging Company

REVENUE: $18.25 Billion

KEY BUSINESS CHALLENGE: Cut sales costs and ideally improve margins

This customer success story is about one of the world's leading paper and packaging companies. Their name has been redacted, per their request, to protect the market advantage they enjoy by using Price+.

The Challenge

This global Fortune 500 company is revered because of their strong brand, long track record of innovation, and expanding global footprint.

They lead the pack, but sales cycles were lengthening, price exceptions spiking, and customers were saying they were no longer easy to do business with.

The President guessed that their pricing was all over the map. Sales had a lot of autonomy, there were more go-to-market channels every day, and priorities kept switching from profit margin to volume and back again.

The President had to find a way to reverse these trends, all while maintaining — and ideally improving — margins.

A colleague with extensive pricing experience suggested that, theoretically, they could take a big bite out of costly exceptions and long sales cycles if they improved their pricing.

What Didn't Work

The President first tried off-the-shelf pricing software from a well-known brand, but it was never adopted because users didn't trust the math behind the price recommendations. They knew the business better than a black box.

What's more, the software didn't fit their sales process.

Next, they tried top-tier management consultants, then considered taking on the project internally. But, the data was too messy and the scale of the business too large for either approach to get off the ground.

The Winning Solution

The President heard about Revenue Analytics from a new hire, and took them up on their offer of a free analysis.

When Revenue Analytics ran the company's data through their prescriptive pricing engine, Price+, it showed that they could give the President the big efficiency and gains they wanted while at the same time eliminating the price exceptions that had made the sales cycles long and kept customers waiting.

The company hired Revenue Analytics to implement Price+ into its existing technology stack, thus systematically delivering micro-segmentation and corresponding price guidance for every deal and product.

Leveraging proprietary machine learning algorithms to auto-calibrate to market performance, Price+ helped the company achieve annualized benefits of 396 bp of margin improvement while reducing quote times to just minutes and cutting price exceptions by 69%.

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