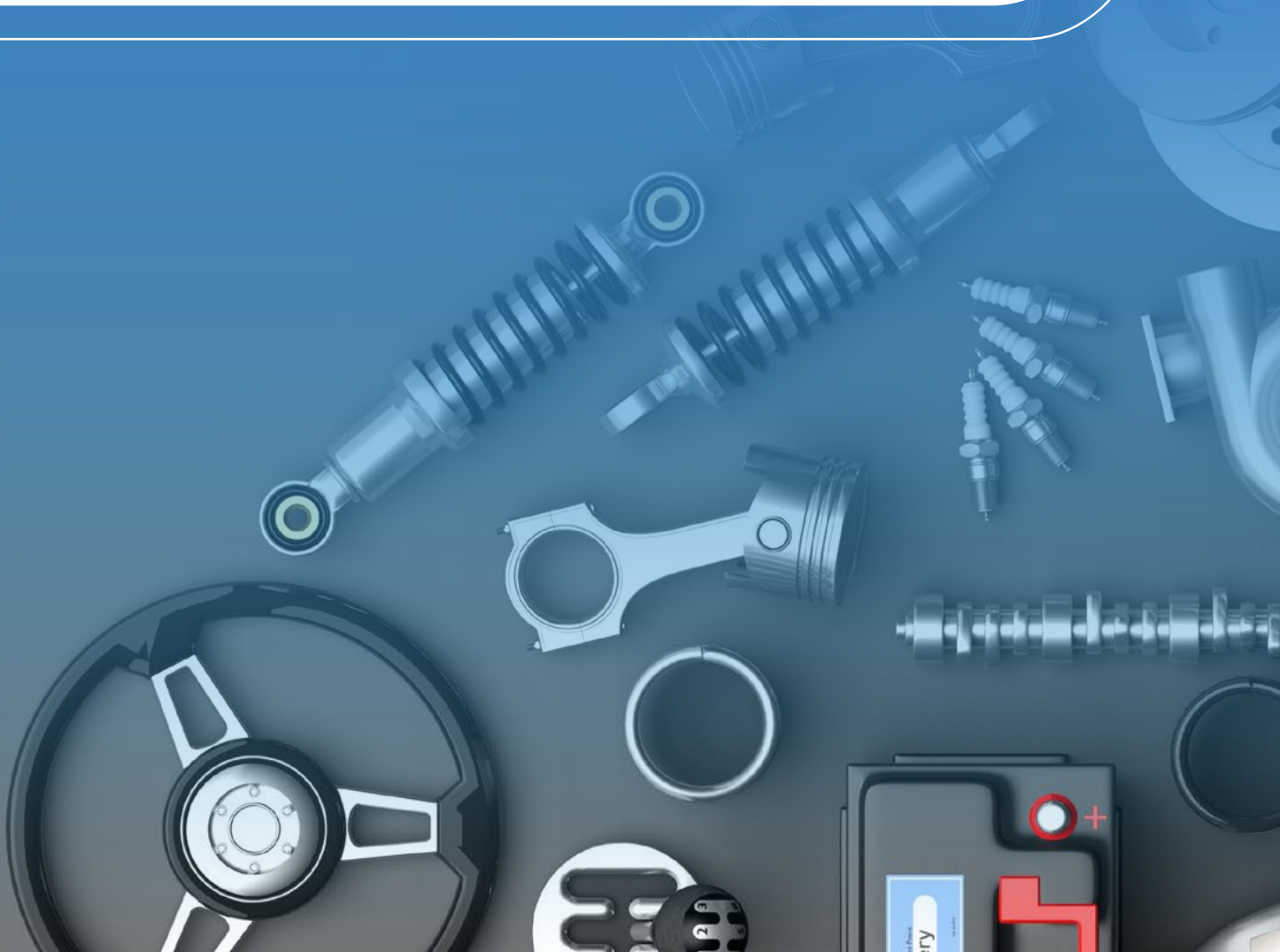




MANUFACTURING INDUSTRY

# CASE STUDY

This Aftermarket Auto Parts Key Player Achieved  
a Swift 17.6% Margin Increase with Pricefx's  
Efficient Pricing Management



# About the Customer

From  
**United States**

Industry  
**Discrete Manufacturing**

This prominent player operates in the US aftermarket auto parts industry, with their products trusted by major distributors. Since their inception, this leading company has been at the forefront of the automotive aftermarket, pioneering solutions once only available from original equipment manufacturers. Innovation and problem-solving have always been their guiding principles.

Today, their extensive catalog features thousands of products, reflecting their dedication to meeting the evolving needs of their customers and generating substantial revenue, exceeding several billion dollars annually.



# Customizing Strategies for Optimal Pricing and Increased Efficiency

## The Challenge

Slow market response times

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Manual and error-prone pricing processes

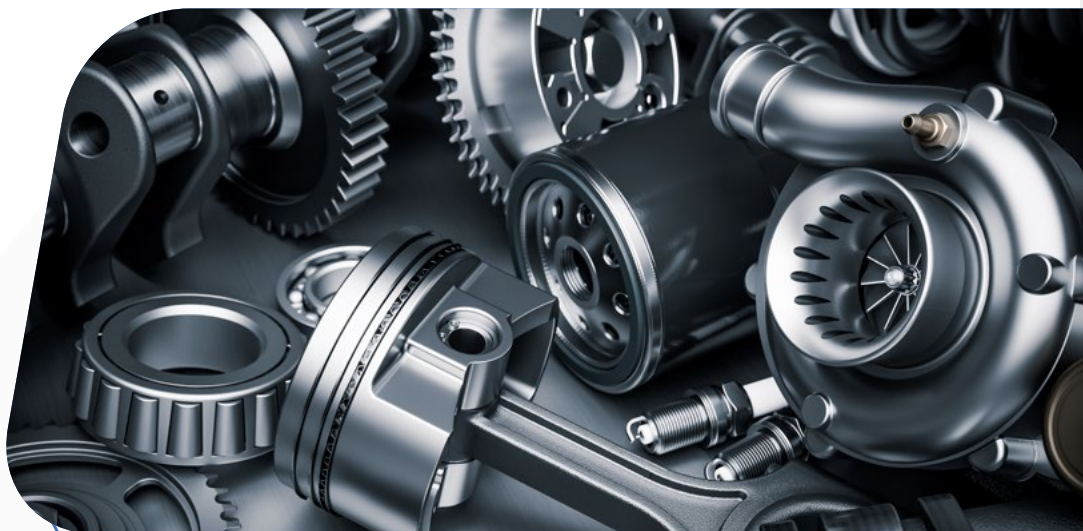
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Difficulty in customer segmentation for optimal pricing

The company has traditionally managed their parts pricing through Microsoft Excel, leading to several challenges: slow market response times, manual and error-prone pricing processes, difficulty in customer segmentation for optimal pricing, and a lack of actionable insights for the sales team. Additionally, they were unable to leverage internal and external data sources to better inform pricing decisions.

To address these issues, the company became focused on revolutionizing their pricing and promotion management. By integrating advanced automation into their pricing processes, they aim to ensure consistency across all sales channels and significantly boost efficiency. Currently, they employ six distinct pricing strategies and have initiated price management.

However, they recognized the need for customization to achieve the desired efficiency and effectiveness.





# Comprehensive Pricing Solutions with SAP and Salesforce Integration

## The Pricefx Solution

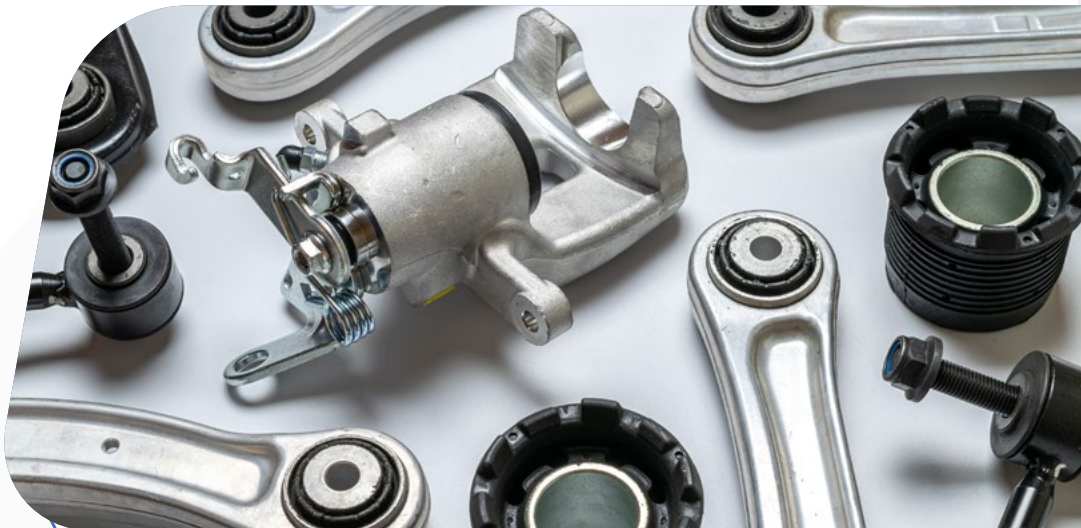
### Analytics

### Price Setting

### Agreements and Promotions

Pricefx delivered a comprehensive end-to-end solution seamlessly integrated with SAP and Salesforce, leveraging the following capabilities:

- **Sales Insights** provide pricing decision makers with reliable information quickly, allowing them to confidently execute pricing actions. Transparency regarding low margin products and customers allows them to take quick specific pricing actions.
- **Price Setting** efficiently manages pricing across multiple sales channels and handles extensive price lists for hundreds of thousands of parts in various regions. The company has established and continues to establish new price-setting strategies, policies, and updates to existing pricing, and executes annual price changes with ease as frequently needed.
- **Agreements and Promotions** evaluate the effectiveness of promotional activities to optimize marketing efforts.



# Halting Margin Decline and Achieving an Immediate 17.6% Increase

## The Challenge

**+17.6%**

Immediate Margin Increase

**+9.3%**

Revenue Increase

**By 85%**

Time reduction for price  
change execution

After experiencing a significant drop in gross margin in the six months prior to implementing Pricefx, they quickly halted the margin decline by centralizing and automating their pricing processes globally with Pricefx. This led to a 17.6% increase in margin due to improved execution of price changes and avoiding unnecessary discounting.

Despite overall flat sales volumes, they achieved a 9.3% revenue increase by establishing new price-setting strategies and utilizing automated waterfall impact analysis on price and discount changes.

The company's previously fragmented, manual, inefficient, error-prone, and unscalable processes for price and promotions management, quoting, and analysis have been significantly improved. Pricefx has successfully centralized, automated, and enhanced these processes, e.g. price change execution time was reduced by 85% resulting in increased efficiency, reliability, and scalability.

With the implementation of Pricefx, they successfully established an automated, bi-directional data exchange within their existing IT landscape, seamlessly integrating SAP software in a safe, easy, and reliable manner.





"Our price change execution process and analytics have been thrust into the 21st century, and I'm thrilled to continue enhancing the platform to execute our market strategies like never before."

## Director of Pricing

Aftermarket auto parts company



"Pricefx has reduced the time it takes for our organization to execute a price change by 85%. Our custom-configured analytics have also enabled our leaders to make informed decisions quickly and confidently, like identifying "leaky profit buckets" across our population of customers and products."

## Director of Pricing

Aftermarket auto parts company