

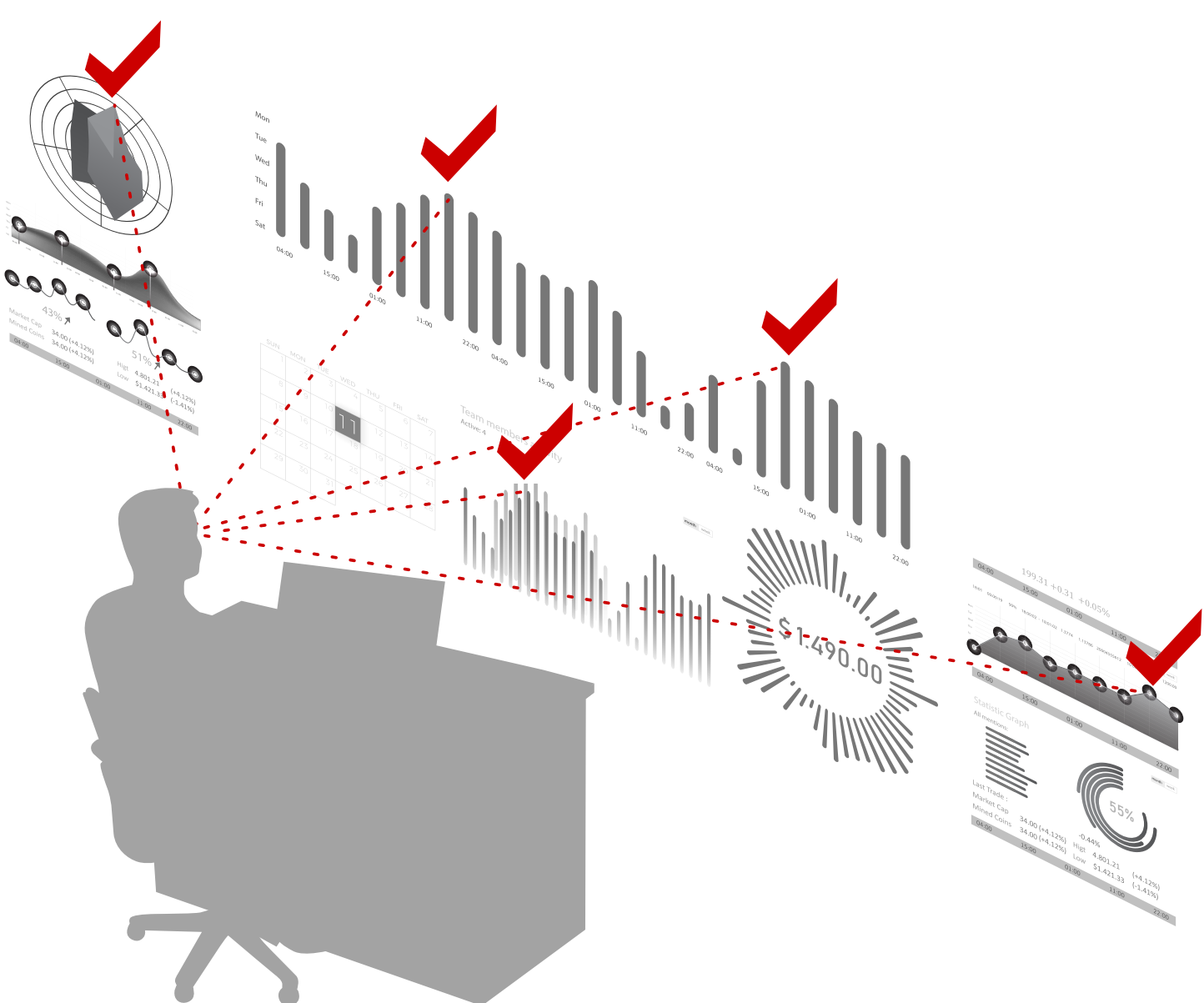
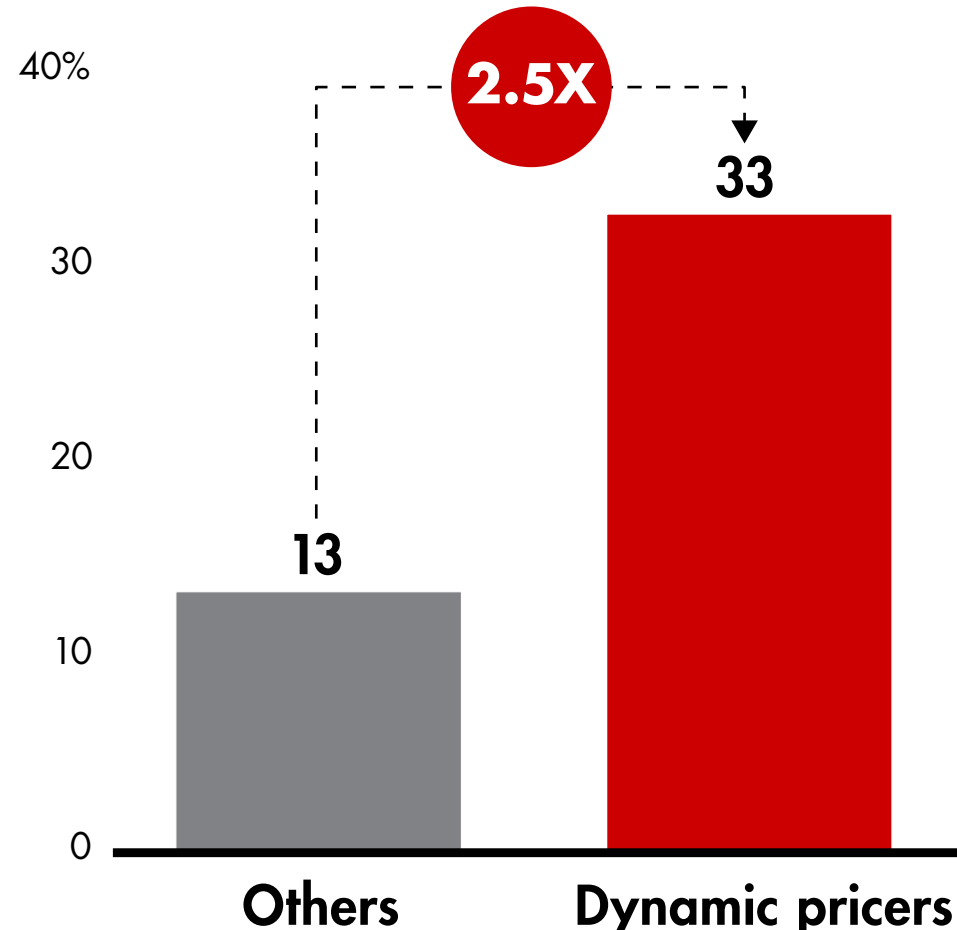
IN PRICING, KILLER TOOLS CAN'T REPLACE SOLID SKILLS

Digital tools can help improve pricing decisions, but they can't replace good fundamentals.

Pricing tools are important

Nearly half of companies we surveyed use dynamic pricing, and those firms are much better at monitoring markets.

Percentage of respondents that diligently monitor market prices



Source: Bain B2B Pricing Capability Survey, 2018 (n=1,704)

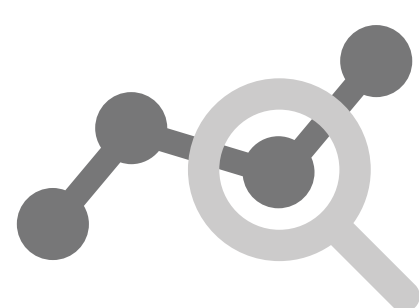
How digital tools are changing pricing

Four themes are emerging around digital technology in B2B pricing.



The rise of "sales cyborgs"

Digital tools can analyze many factors at once and give sales reps real-time guidance on pricing strategy.



Less internal friction around pricing decisions

Digital technology makes it much easier to coordinate decisions with data about inventories and capacity.



Better B2B customer experiences

B2B buyers expect things that are common in B2C, such as product ratings, real-time inventory and shipping progress.



Growth of new, disruptive pricing models

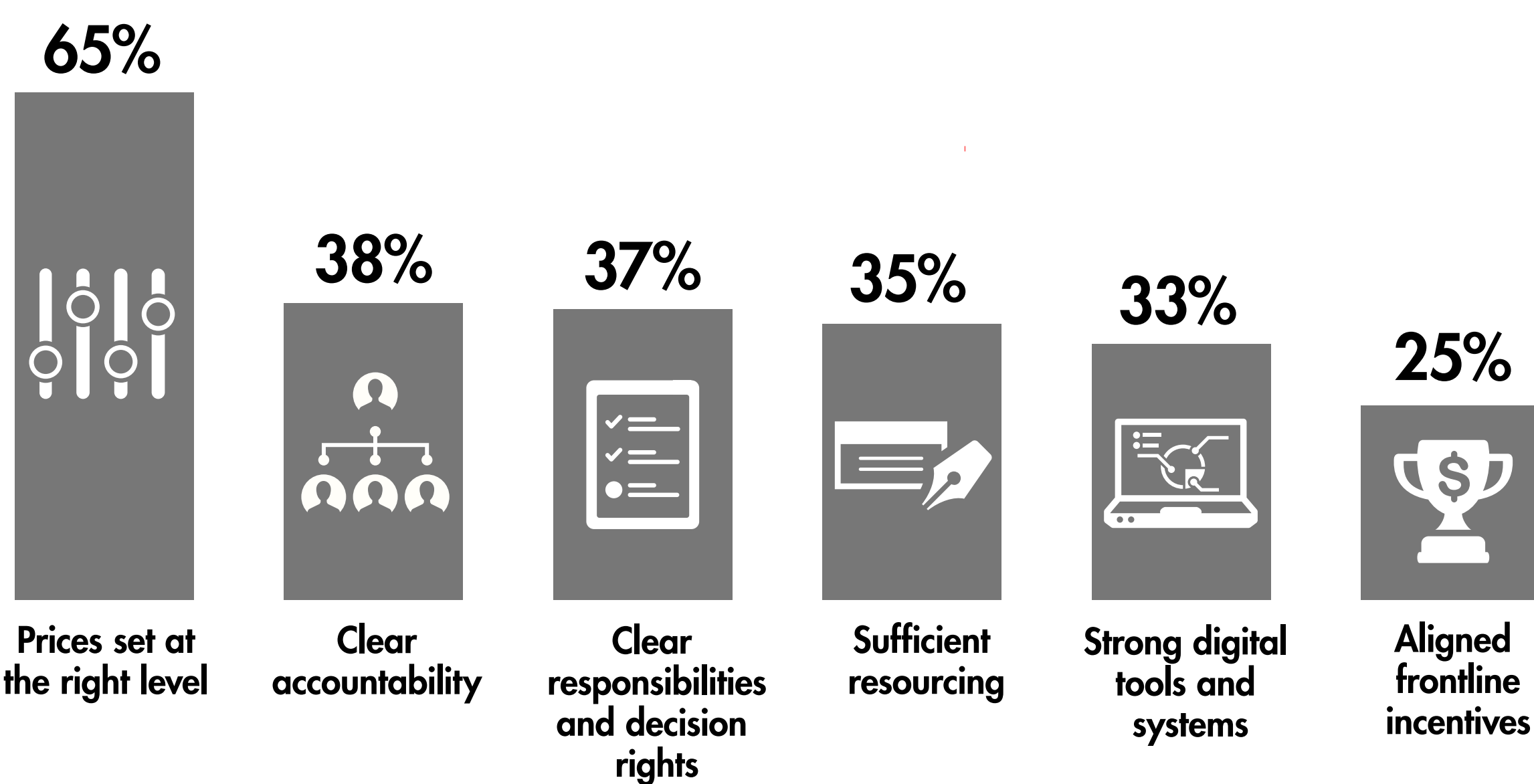
Models like software as a service allow customers to pay only for usage or outcomes rather than product ownership.

But the fundamentals are still what matters

Good pricing skills and strategy are the most critical factors for success.

What drove the success of your last pricing initiative/program?

Percentage of mentions



Keys to strong pricing fundamentals

Digital tools are most effective when they support solid pricing logic and capabilities.



Don't set prices in a vacuum

Invest the time to connect pricing strategy to business, product and go-to-market strategies.



Use segmentation to find out what customers value

Understanding customers helps companies determine where a price premium can make a difference.



Clean data beats fancy analytics

Digital leaders focus upstream to set up the right data feeds and get data that's in a usable format.



Assign clear cross-functional accountability

Articulate decision rights and understand how those decisions are communicated within the organization.

Read more:

 [The Secret to B2B Pricing in a Digital World](http://www.bain.com/b2b-pricing-tools)
www.bain.com/b2b-pricing-tools