



Overview

- Drives consistent pricing and promotions across all sales channels
 - Rapid price setting eliminates manual efforts in pricing execution, enforces price consistency, and decreases operational costs
 - Intuitive price authoring tool with mass update capabilities enables effective management of large product sets
 - Align pricing strategies to support corporate governance, while allowing for regional objectives
 - Easily control price changes based on profitability analysis and customer behavior
 - Coupon-activated discounts support promotions for products to selected customers
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IBM Pricing

Flexible price management that drives sales

Create, monitor, and manage pricing through a powerful engine

IBM Pricing is a standalone pricing engine that provides centralized maintenance for the creation, change, and publication of pricing and promotion data for your entire line of products and services—no matter how complex your pricing policies. IBM pricing administration empowers your business users and authorized partners to take charge of pricing maintenance by using effective dates on a granular level, allowing quick adjustments of price variables in order to increase sales margins. IBM simplifies the complexity of managing pricing and improves time-to-market with easy-to-use administration, enabling your pricing managers to take charge of price maintenance instead of waiting for highly skilled technical resources to work on change requests. The pricing engine is API driven and easily integrates with a variety of applications and data sources.

Offer flexible pricing capabilities

IBM Pricing is extremely flexible, and designed to support implementing and enforcing pricing and promotion policies and practices within your organization and across your enterprise. The IBM pricing engine provides the flexibility to support multiple pricing scenarios based on your specific company needs. Pricing scenarios include: Contract-based pricing; Cost plus pricing; Lowest price strategy; Price quantity breaks; Seller/Store-based pricing; and many more.

“We can now offer our customers a web-based order and pricing system that extends far beyond our previous mainframe-based system.”

— Christine Dingman, Director, Sales Support, CF Industries



Increase wallet share with multiple price offerings

IBM Pricing helps open new markets for companies supporting subscription-type bundles and offers. Offer subscription type bundles and offers with out-of-the box support for configuring and managing “solution bundles” with installation fee, activation fee, and recurring and non-recurring charges. IBM Pricing reduces the administration of maintaining phantom items to track the recurring charges and services that cause errors and inconsistencies across channels.

Enable customers to see appropriate pricing

The highly scalable and robust pricing engine is designed to handle extreme high volumes of pricing requests, typically seen on high traffic catalog sites. The IBM Pricing engine determines the appropriate pricing based on customer, customer segment, region, contract, or any other criteria you define. In a self-service environment, the pricing engine automatically applies pricing rules to list prices, and takes discounts based on coupon codes entered by users. It eliminates price inconsistencies for complex pricing scenarios such as configurable products and services sold and quoted across multiple channels.

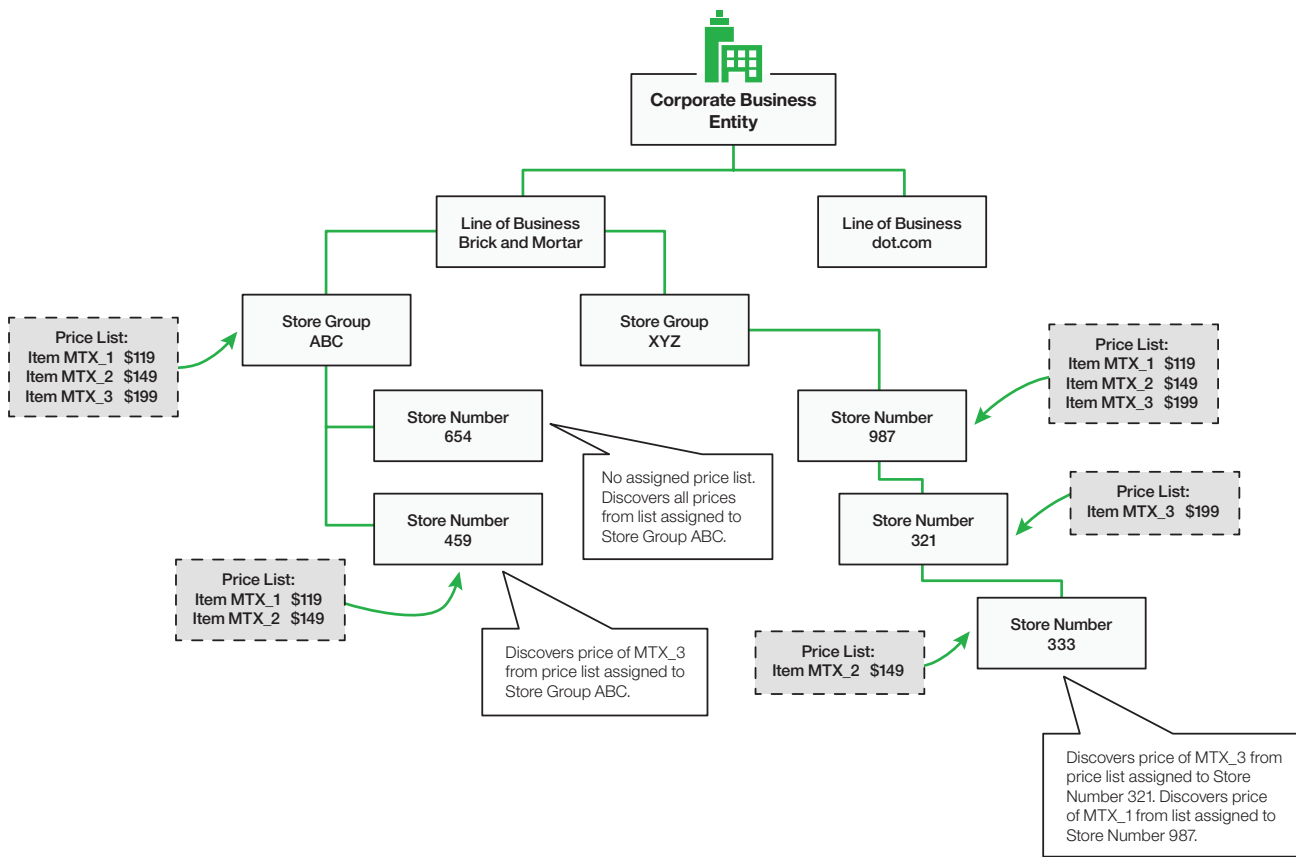


Figure 1: IBM Pricing flow

Capabilities	Description
Multi-enterprise capability	<ul style="list-style-type: none"> • Reduce pricing maintenance with master price lists and defined pricing organizations • Maintain a master price list from which inherited price lists are created to give certain discounts or charges to: <ul style="list-style-type: none"> - a specific customer or group of customers - a specific store or group of sellers
Contract-based pricing	<ul style="list-style-type: none"> • Inheritance Functionality – set pricing on organizational level when selling to individual buying entities of a large corporation • Define customer-specific prices and discount structures • Control access to products and services, couple pricelist with product entitlements
Promotional pricing	<ul style="list-style-type: none"> • Support many promotion types – free items, quality tier discounts, product upgrades, product category promotions • Promotional discounts – automatically apply based on flexible, definable triggers or require users to explicitly activate a promotion
Cost-plus pricing	<ul style="list-style-type: none"> • Establish cost-plus pricing models and targeted discounts • Define individual quantity breaks – per product, product groupings, or services to influence buying behavior
Price breaks	<ul style="list-style-type: none"> • Define individual quantity – influence buying behavior by providing incentive to buy higher quantities • Maintain pricing rules – apply discounts based on total order value • Drive minimum order value actions – such as adding of order handling costs
Combinational pricing	<ul style="list-style-type: none"> • Flexibly discount or mark-up – based on freely definable product attributes including product ID, product line, product groups, similar products, and complementary products • Global sales strategies – set prices in multiple currencies • Customer-specific attribute pricing – based on vertical market, geographic markets, and partner type • Apply item level shipping discounts including category and attribute level discounts, as well as percent or flat-fee
Segment-based pricing	<ul style="list-style-type: none"> • Apply pricing strategy per customer segment – flexibly build segments of customers and users and trigger pricing rules and promotions that are relevant • Use locale-based pricing factors for different geographic markets • Set prices in multiple currencies for global sales strategies • Set prices according to definable profile variables
Coupon Management	<ul style="list-style-type: none"> • Coupon Discounts – automatically apply or initiate by customer entered coupon codes • Limit coupon redemption by customer or order • Highly scalable Single use coupon generation and export • Set promotion redemption limits including per transaction, per customer and overall limit • Track Coupon usage by individual customers
Handling of price types	<ul style="list-style-type: none"> • Define price types – accurately model multiple price types such as one-time, recurring, cancellation, and other charges per product • Support of service sell – enable sales of service items that have various charge types • Supports recurring price types such as monthly, quarterly fees etc. • Supports subscription models • Supports billable and non billable prices
Pricing analysis	<ul style="list-style-type: none"> • Build customer and user segments – use the segmentation engine to analyze past buying behavior of your customers and assign them into segments • Simulate pricing scenarios – quickly understand effects of overlapping pricing schemes • Measure effectiveness of pricing changes and price promotions



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