

Ingredients Distributor: Pricing

Uncovered “Quick Wins” pricing opportunities while building out a long-term internal capability

Project Overview

Deliverable Examples

Client Context

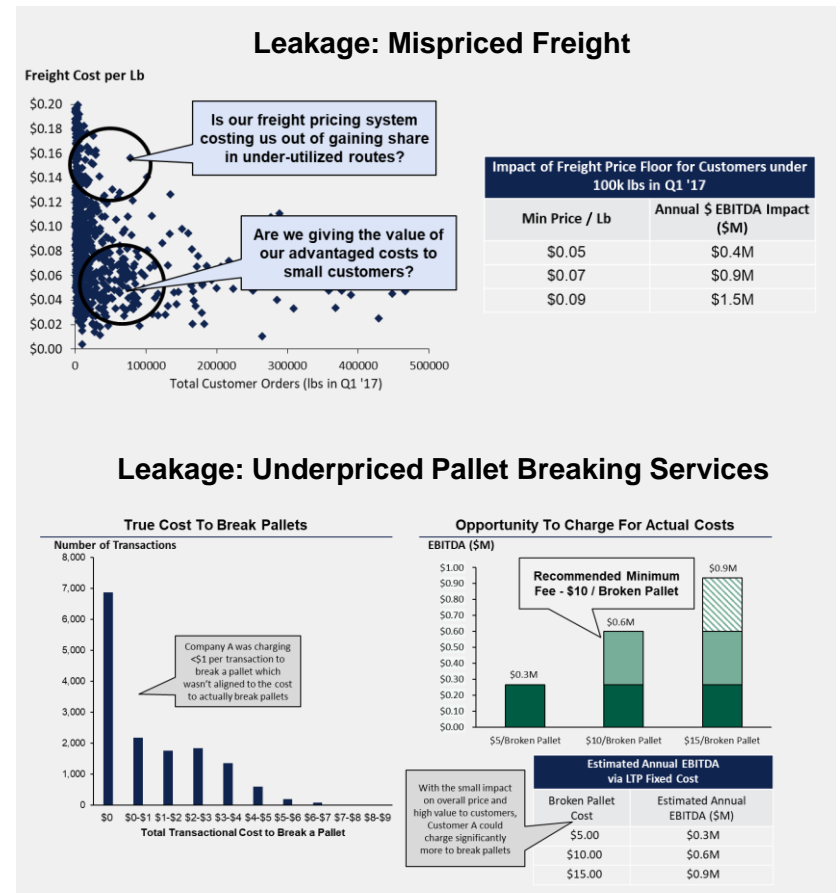
- Large private-equity owned ingredients distributor that was struggling to reach margin expectations of its owners
- Lacked line of sight into where they had opportunities to plug leakage, improve pricing discipline and better differentiate prices
- Recognition that they needed to build an internal pricing desk, but needed outside assistance to jump start process
- Looking for a mix of quick wins to fund the project as well as long-term sustainable margin enhancements

Approach

- Conducted a leakage hunt with a focus on getting "Cost Plus" right
- Addressed pricing variation opportunities across smaller and medium sized customers
- Established a stronger competitive pricing model which accounted for customer / product leverage to drive margin
- Identified pricing and portfolio management tactics for Top 20 customers
- Established better pricing processes and tools and foundation for new pricing desk

Outcome

- Built pricing program expected to yield \$6-\$8M in additional EBITDA annually
- Management team executing against the plan currently



Note: Full case studies available upon request
Names & Numbers Modified to Maintain Confidentiality