The Challenge of Beverage Alcohol Pricing

The global beverage alcohol industry is an extremely competitive market characterized by factors that make pricing extremely challenging. These include n-tier distribution with multiple channels to the end consumer, a complex regulatory environment, and a high volume of diverse products differentiated by brand, packaging, and price segments. Setting and managing prices across the value chain is a critical business process that has a huge impact on corporate revenue and profits. Shrinking margin pools is a major challenge for these value chain players, each trying to maximize their share while managing financial performance.

ERP systems and traditional packaged pricing solutions are not able to manage the complexity of beverage alcohol price structures and planning processes. As a result, many organizations manage pricing processes in a mix of disconnected, complex spreadsheets that are not scalable or repeatable, resulting in a sub-optimal pricing process and lost productivity. **Vistaar’s price & promotion solution was developed with industry leaders to manage the challenges faced by beverage alcohol suppliers and distributors.**

How does Vistaar Solve the Challenge?

Vistaar is the leader in price & promotion management solutions for the beverage alcohol industry. Our customers include many of the world’s leading beverage alcohol companies. When using the Vistaar Beverage Alcohol Price and Promotion Solution to manage pricing decisions across the beverage alcohol value chain, to leverage industry best practices, to access intelligent analytics, Vistaar customers have seen 30 to 50 cents per case in improved profit.

The solution operationalizes a pricing strategy along with effective promotion spend guidelines. It is tightly linked to sales execution with guardrails for optimized customer pricing, contract terms, promotion events and calendaring. This yields higher promotion ROI, increased pricing consistency, enhanced visibility in to the margin pool and more fact based decision making regarding price and volume tradeoffs. Finally, the solution closes the loop by providing a robust library of analytic reports from the integrated data model, which includes data from external data providers such as invoice level data.
Vistaar recognizes pricing locally and harmonizing globally is the new mantra for beverage alcohol companies. Depending on where you are in the beverage alcohol value chain, and the region you belong to, the Vistaar Beverage Alcohol Solution has something for everyone.

## Vistaar Solutions for Beverage Alcohol

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<th><strong>Market Price Management (MPM):</strong></th>
<th><strong>Benefits</strong></th>
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| MPM allows management and optimized setting of market prices through price structures. Distributors can also use it to manage price lists and discounts more effectively. | - Improved visibility to margin pool impact  
- Improved Gross Profit  
- Ability to Balance Margin and Volume Objectives  
- Rapid and Fact-based Competitive Response  
- National Account Price Planning and Visibility  
- Governance & Control  
- Increased Accuracy  
- Efficient Sales and Customer Communication |

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<th><strong>Key Account Management (KAM):</strong></th>
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<td>KAM enables planning at the account level by market. POS data helps determine price elasticity and determine an optimal competitive price. The simulation workbench helps compare various scenarios before finalizing a plan.</td>
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<th><strong>Price Performance Management (PPM):</strong></th>
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<td>PPM leverages Vistaar’s broad analytic and graphical library configured to analyze key aspects such as price realization, plan vs. actual in the beverage alcohol value chain.</td>
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## Vistaar BevAl Price & Promotion Planning Solution Capabilities

![Vistaar Solutions Diagram]

### The Vistaar Advantage

- **Flexibility:** Enables modeling of highly complex organizations, products, market segments, and workflows
- **Integrated Simulation Capabilities:** Scenario planning for any function or level; integration between planning and execution
- **Business-driven User Interface:** Versatile UI which facilitates user adoption and supports alerts and analysis
- **Extensible Architecture:** Enables integration of other processes into a single unified data model and pricing platform

Vistaar is a leading provider of price management solutions. Vistaar’s pricing software enables companies to achieve pricing best practices through price analytics, price optimization, price list management, and deal management. Vistaar is working with some of the world’s largest manufacturers, distributors and service providers to transform pricing operations into a strategic advantage. For these companies, Vistaar pricing solutions drive measurable price and margin improvements that deliver profitable growth and maximum shareholder value. Vistaar’s operations include offices across North America, Europe and Asia.