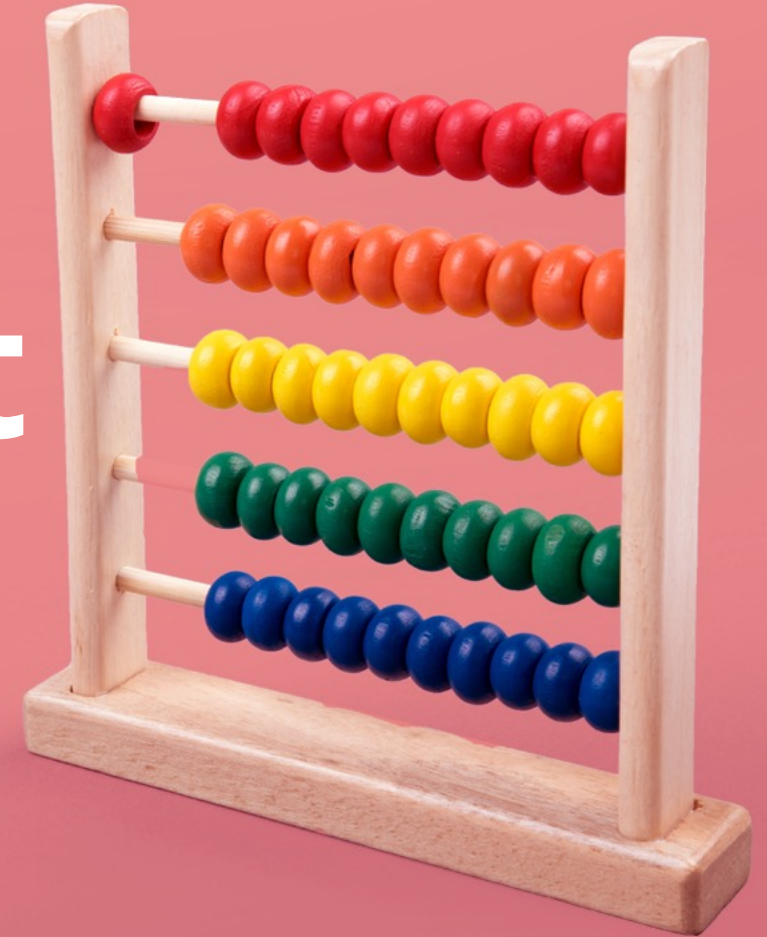


CASE STUDY

Making sure the price is right

Developing an advanced price optimization solution for a leading Fortune 16 healthcare company



fractal 

The big picture

Processes are tricky to master. In an era that has seen business move more rapidly everyday, even the slightest inefficiency can lead to a poor performance, a drop in revenue, or client dissatisfaction.

Major corporations are made up of a lot of moving parts, and it's the gaps in between that can lead to leakage.

In a competitive landscape, there's an increasing need to make sure processes are automated, smooth and work at speed, to allow companies to plug those gaps and ensure they're performing to the best of their capabilities.



Pricing remains the single most effective way to influence demand. It is the fastest lever an organization can pull to impact financial results and to meet the evolving needs of its consumers.

The challenge

Our client, a Fortune 16 company which is one of the oldest and largest providers of wholesale medical supplies, equipment and healthcare technology in the US, faced exactly these challenges: they needed to manage a complex portfolio of products, with a variety of different contract terms that dictate pricing and rebates.

The company found that these high levels of variability had a negative impact on the creation of new sales deals.

The decentralised and manual processes that the company had in place allowed room for human error, and led to inefficiencies in their processes, **ultimately damaging revenue and value creation.**



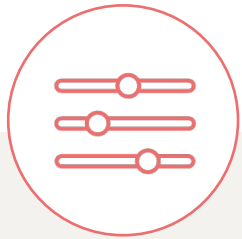
What the client needed

Our client needed to streamline their processes, and to implement a one-stop price optimization and management solution that would allow them to create deals faster. A smoother, automated approval process was also required, one that could be leveraged to provide smart pricing insights across all the companies audience segments and channels.

Fractal's deep understanding of the healthcare industry across a variety of verticals made us an ideal partner when taking on these challenges.

A transformative solution

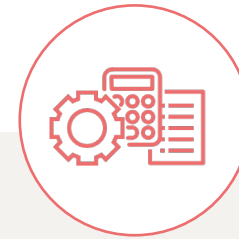
Our comprehensive suite of advanced technology solutions helps our clients create strong and efficient healthcare systems.



We worked with the client to provide a personalized solution to their complex challenges.



It needed a custom approach that enabled **50-100 business users** to access real time dynamic pricing in order to price the contracts.



We met the challenge with an advanced CPQ price optimization and management solution.



Starting with a proof of concept, we designed a completely new product. In twelve months, we went from POC and prototyping to MVP and production.



A transformative solution

What we provided

The advanced CPQ offered our client a dynamic pricing approach that takes into account all internal and external drivers. This can be adjusted in real time to determine optimal pricing. Our BuySide Price Forecasting automatically updates with competitive moves, changes in raw-material prices, regulatory constraints and drug category changes (Rx to OTC).

The system creates optimized deals in real time, allowing the user to modify pricing drivers and levers, and includes a recommendation system that allows analysts to choose the best deal for organization and customer.

The inclusion of smart guardrails allows for further analysis, leading to higher value creation.

The solution was designed to be highly adaptable and customizable - with no limits on the types of apps you could build or visualizations you could create.

A transformative solution

Leveraging the data

Data is key, and our solution allowed the client to leverage sales, financial and customer data to make sure that all pricing decisions were optimized.

It also offered:

- The ability to create model categories and custom categories
- Customized sales pricing cover
- An automated approval process
- 24/7 accessibility
- Integration into secured enterprise
- A solution ecosystem
- Multiple class of trades comparison

A custom UI layer was built using R Shiny, HTML 5 and JavaScript, with a processing layer built with R Studio. We chose to use Shiny apps as they are horizontally scalable, with the ability to create interactive web applications with enterprise level security and support. They also come with the benefit of an open source ecosystem for R, along with the open source ecosystem for JavaScript visualization libraries, allowing for highly custom applications to be created.



The results

The immediate impact

The solution was rolled out to the client's individual business units with 100% adoption rate, and they felt the benefits of our solution immediately. They could dynamically price their deals in real time, with a 90% reduction in the time spent on deal creation and approval.

90% reduction
in time spent on deal
creation and approval

Long-term benefits

Our solution will give the client a number of benefits over time, including a significant improvement in their top and bottom line. This new, streamlined pricing strategy will allow the company to grow and attract clients.

5% improvement in the bottom line

2-5% top-line growth

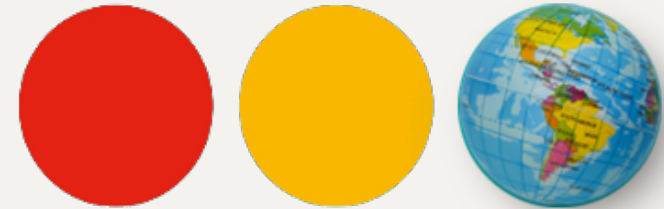
90% time improvement for getting their products to market

Enable better decisions with Fractal

Fractal is one of the most prominent players in the Artificial Intelligence space. Fractal's mission is to power every human decision in the enterprise and bring AI, engineering, and design to help the world's most admired Fortune 500® companies.

Fractal product companies include Qure.ai, Crux Intelligence, Theremin.ai, Eugenie.ai & Samya.ai.

Fractal has more than 2,300 employees across 16 global locations, including United States, UK, Ukraine, India, and Australia. Fractal has consistently been rated as India's best company to work for, by The Great Place to Work® Institute, a 'Leader' by Forrester Research in its Wave™ on Specialized Insights Services, Computer Vision & Customer Analytics and as an "Honorable Vendor" in 2021 Magic Quadrant™ for data & analytics by Gartner.



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