PLAYBOOK

Price Optimization Playbook

A practical path to the right price and discount discipline.

Orane Consulting

Data, SAP and AI that turn information into business results

Why it matters

Pricing is one of the fastest levers on profit, but only when list prices, discounts and promotions are managed together.

List price	Discounts	Mix	Promotions
starting point per segment	control exceptions	favour high-margin items	measure real uplift

- **List price:** starting point per segment
- **Discounts:** control exceptions
- **Mix:** favour high-margin items
- **Promotions:** measure real uplift

KEY TAKEAWAY
Small, consistent improvements compound.

The cycle

Five steps apply to any business.



Step	What to do	Output
Segment	Group customers and products by value and price sensitivity	Segments
Benchmark	Compare realised price with list, peers and cost	Price gaps
Set price	Set list price and discount bands per segment	Price policy
Control discounts	Approve exceptions and track leakage	Discount report
Review	Measure margin and volume effects	Monthly review

KEY TAKEAWAY
Work through the steps in order; revisit regularly.

Levers in detail

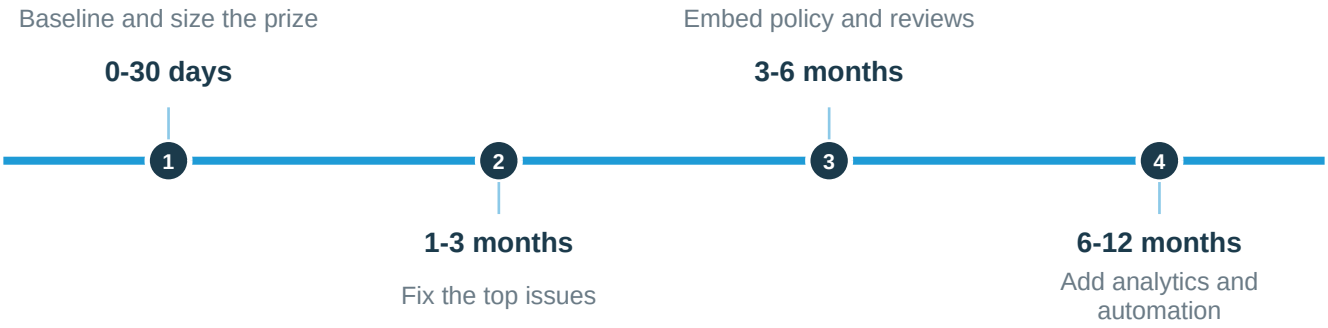
Each lever has a typical action and a measure.

Lever	Typical action	Measure
List price	Review against cost and market	List vs realised price
Discount discipline	Approval bands; track exceptions	Discount % of list
Mix	Shift effort to high-margin products	Mix margin
Promotions	Test and stop low-ROI promotions	Promotion ROI
Contracts	Review terms and rebates	Margin by contract

KEY TAKEAWAY
Pick the two levers with the largest value first.

Governance and roadmap

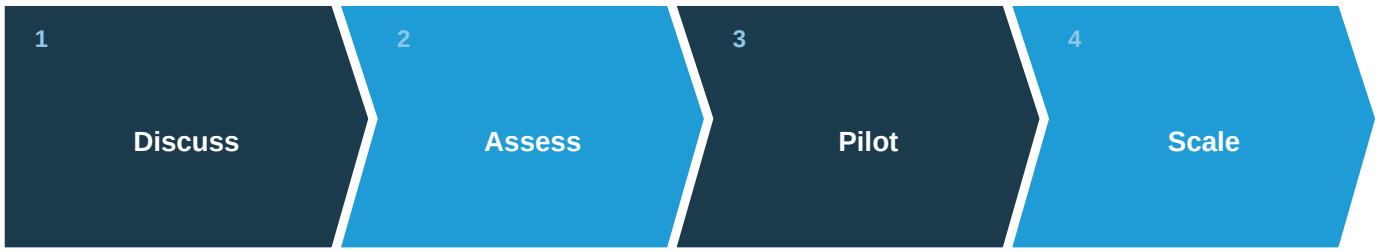
Governance keeps the gains.



Criteria	Yes	Partly	No
GOVERNANCE CHECK			
A named owner exists for each lever	☐	☐	☐
Targets are agreed and reviewed monthly	☐	☐	☐
Exceptions have an owner and due date	☐	☐	☐
Policies are reviewed twice a year	☐	☐	☐

About Orane and Next Steps

Orane Consulting helps organisations turn data into decisions across SAP, analytics and AI. Use this document as a starting point, then talk to us about applying it to your business.



Pick one area: Start where the value at stake is largest.

Agree the measures: Choose the few numbers that matter.

Talk to Orane: Discuss your situation and next steps.

KEY TAKEAWAY

Visit www.oraneconsulting.com to explore the 52 business problems we help solve and to download more playbooks, guides and templates.