

Efficiency of Dynamic Pricing



INTRODUCTION

Price has always been the main attribute of the product evaluation. Buyers demand more than ever and seriously approach the selection of the best offer on the market. In consequence companies developed a customer acquisition strategy by a large variety of product versions, discounted bundles and special offers.

The following case study reveals how to easily manage personalized pricing for multiple products and provide shoppers an expedient deal depending on their needs using practical set-up of the prices, all that illustrated by one of our clients.



SNAPSHOT OF RESULTS

- Ability to provide flexible pricing segmentation
- Time-saving product price management
- Secure personalized pricing
- Full control over the order page setup



CLIENT

CoolUtils is a professional award-winning development company which offers a wide range of multimedia software. The company holds a strong position on the worldwide market scale and is seriously approaching its product localization for users throughout the whole world. The main objective is to develop smart and user-friendly utilities in order to make routine work with digital media easier and time saving.



PRODUCTS



The company developed numerous smart tools for managing the most common types of media files: converters, graphic tools, system tools, document processing utilities and many others. The software focus is spotted on the efficiency and usability in managing files for basic PC users.

All the applications are presented to a consumer in a large selection of license versions depending on the type of file format and number of users.

KEY CHALLENGES

- Accomplish a time-saving price management
- Achieve automated and easy-to-use price setup for multiple products
- Obtain full control over pricing settings
- Generate secure and personalized order page links



CHALLENGE

Companies are developing multiple products, offer advantageous upgrades and discounts in order to provide the best deal on the market and stand out among the competitors. Retailers are willing to interest consumers with a unique beneficial price value by the virtue of personalized offers created specially for each buyer. By doing so, software suppliers face a critical issue in managing their numerous product settings, especially prices.

Client's vision:

CoolUtils developed a variety of tools and extensions for PC users to operate with different digital formats. To achieve product recognition and higher sales volumes CoolUtils serve their products via flexible pricing segmentation, namely:

- Product licensing scheme - providing a customer an ability to use a product under different sets of terms and conditions, in client's case number of users.
- Product upgrades - giving existing consumers a chance to use product extras for reasonable prices.
- After-sale service - offering premium support.
- Discounts - beneficial product options for specific shoppers, for instance buyers who joined the client's Facebook group.

The following flexibility and price personalization resulted into the vast number of settings for each product option.

At this point the company faced its crucial challenge: finding an efficient and time-saving solution for managing flexible pricing.

PayPro vision:

While being an ecommerce solution provider, PayPro objectives are:

- Provide a secure, uncomplicated and fast setup feature for a large number of product versions, add-ons and after-sale services
- Flawless management for personalized pricing without a risk of data loss, fraudulent purchases and unstable settings
- Automated, time-saving process of set up in order to provide a software retailer more time to focus on the product development

SOLUTION

GENERAL

The above mentioned pricing segmentation requires a lot of price setting patterns which are time-consuming, can cause errors and inaccurate data.

Dynamic pricing has proven itself as the best practise of changing the prices for multiple products depending on the customer's behavior or needs in real time manner.

Dynamic pricing can be applied in the following cases:

- **Promotions:** giving shoppers beneficial offers during holiday season, presenting a new upcoming product via beta versions;
- **Special offers:** propose an advantageous deal via discounted upgrades, add-ons or extensions, follow-up leads with discounted special offers;
- **Personalized product packages/bundles:** offering shoppers a wide selection of unique products, for example icon sets or add-on bundles.

PRACTICAL SOLUTION

Within PayPro EasyCommerce platform dynamic pricing feature is provided in 2 types:

Manual Dynamic Product Setting (Using Easycommerce Control Panel)

How it works?

For example, the objective is to set up an upgrade price or a discount price in favor of already existing product users.

In control panel client chooses the product which already has a base price but also requires personalized pricing;



Checkmarks dynamic pricing feature, fills in personalized value and data in the corresponding field;



Clicks "Generate link" button and the personalized order page link pops up in a window.



The same steps should be taken each time in order to apply dynamic settings.

Automatic Dynamic Product Setting (Using External Link Generator)

External link generator can be downloaded from control panel by clicking the following button;



Using this generator a client fills in particular product secret code (assigned for each product in control panel) and dynamic settings;



After the data has been applied, client receives an encrypted order page link.



The code allows to automatically generate personalized links for all products without a need of completing each step.

Benefits

- perfect for setting up promotions, special offers
- practical for setting prices for license
- great for setting up personalized product packages/bundles
- automation
- full control over link generation versions, upgrades

Product data which can be personalized via dynamic pricing:

- price per currency
- product name
- product description
- discount in percentage value



```
<https://order_page_link.com/&has  
h=XScMfs51Zd9AOBz6Kv8gtSRQKh  
gfcc7+CTDea...>
```

The dynamic product settings are fully encrypted (DES encryption) and cannot be changed by anyone in the generated link.

Product	Quantity	Price
 Total PDF Converter Com Commercial License Volume discounts are available for this product	<input type="text" value="1"/>	\$55.90
Choose Delivery Method: <input type="text" value="Electronic (Downloadable)"/>		
Total: \$55.90		

When customer follows this link he sees a regular order page with already included personalized price.

A shopper has exactly the same experience as if he used a regular link.

The benefits of setting up flexible prices through dynamic pricing feature:



time-saving: saves up to three quarters of time on average



secure: encrypted link with ineditable price



strategic: prices can be updated easily according to the competition offers



easy to set up: three simple steps of setting up the feature



reliable: doesn't affect customer experience during shopping

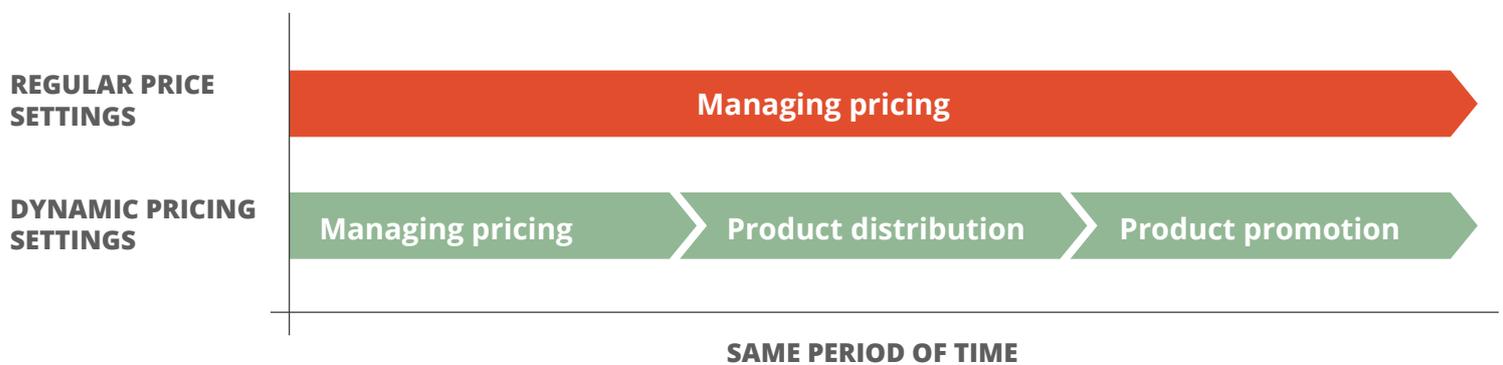


RESULT

Before using PayPro EasyCommerce solutions CoolUtils have been partnering with another provider which didn't have dynamic pricing as a feature. Due to this, the company's account managers had to create separate number of settings for each product. Updating product prices was time-consuming, inaccurate and inflexible.



2/3
OF TIME IS SAVED ON
PRODUCT PRICING



While others are still setting up prices for numerous products, CoolUtils can spend their time efficiently on product distribution or promotions.

With the help of dynamic pricing feature, CoolUtils managed to:

- actualize license schemes according to consumer needs
- operate with pricing of after-sale services and upgrades for products just in a few clicks
- easily assign up-to-date prices based on the market offer



REFLECTION



"Nowadays, all ecommerce solution providers are very similar to each other. We've worked with many of them, and can easily distinguish PayPro from others because of their great support service and cooperative work. Before using PayPro EasyCommerce, product pricing was very inconvenient, unreliable and time-consuming. Now with the help of dynamic pricing we can set up prices for our numerous products, upgrades and discounts just in a few clicks."

Olga Lapshinova - Founder of Softplicity (CoolUtils)

"CoolUtils became one of the successful examples of managing flexible pricing via easy-to-use dynamic settings. It is so simple that our clients don't even need additional assistance of our account managers."



Alex M. - Web-Developer at PayProGlobal

"While working with our clients it's always a pleasure to receive new ideas along with feedback and comments on already existing features. This is a pure source of inspiration for our team. CoolUtils also shared some thoughts on how we can make dynamic pricing feature even more efficient and we seriously consider them to be implemented in the nearest future"



Alex R. - Development Manager at PayPro Global

For secure and efficient management of product pricing with the help of simple and time-saving settings, contact sales@payproglobal.com for more details.

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