OVERALL OBJECTIVE

In this challenge, you’ll answer questions to see how well you consider relationships between price-related metrics when evaluating your pricing data. Use the last page to check your answers.

Review the tips below, to avoid common analytical missteps.

HOW DO THE METRICS RELATE TO EACH OTHER?

What are possible conclusions you can make based on the connections below?

- When price increases, and rate of sale decreases, while your weighted distribution remains the same: What can you infer?
- When price is lowered, and rate of sale increases, while your weighted distribution remains the same: What can you infer?

TIPS

- Pricing data is typically most actionable when analyzed at lower levels of the product, market and time hierarchies.
- When reviewing your price positioning, look at your brand level pricing - This is helpful when comparing brands at different price tiers, or when considering repositioning a brand at a different level.
- When analyzing price above item level, consider your assortment - An increase or decrease in sales for different pack sizes can influence selling price.
- Promotion can influence your average selling price - Depending on your brand position, the amount of sales that occur on promotion might be an indicator of lower or higher prices than expected.
- Evaluating price ladders will help you clearly view the range of your brand’s pricing.
- Always view your competitors’ pricing trends - Their actions can impact your performance.
- Match like items when comparing price to your competition.
- When comparing different pack sizes, use price per volume.

Need Guidance?

Contact your Nielsen Client Services Representative for additional support.
TAKING A CLOSER LOOK AT THE RELATIONSHIP BETWEEN PRICE, RATE OF SALES AND WEIGHTED DISTRIBUTION:

The relationship between price and other Nielsen metrics can help you evaluate how price changes impact your sales. Knowing what the relationships mean can guide proactive planning.

When price increases, and rate of sale decreases, while your weighted distribution remains the same:

- *It is an indication that your price increase impacted your sales negatively.*

When price is lowered, and rate of sale increases while your weighted distribution remains the same:

- *It is an indication that your price decrease impacted your sales positively.*