



How Pricing Intelligence helps E-Tailers in having edge over competitors?

Description

Pricing: *The Critical factor affecting the sales in E-Commerce.*

Price remains the major sales agent for driving a customer's final purchase decision. "60% of consumers globally rate price as the biggest reason to shop from where they do" according to Total Retail Survey conducted by PWC, Feb 2016. If we talk about Indian consumers, 31% of the consumers prefer to purchase online as they perceive online products are cheaper.

In India, MRP includes all taxes and retailer / e-tailer can sell at price below the MRP. Thus, retailers are not restricted with the lower limit of pricing. As a consequence, Brands are coming up with Minimum Advertised Pricing policies. MAP is the price described by the manufacturer for selling of the branded products. MAP agreements are the attempts made to protect the brand reputation and standardize the advertised prices .

Identification of MAP violation becomes very crucial to:

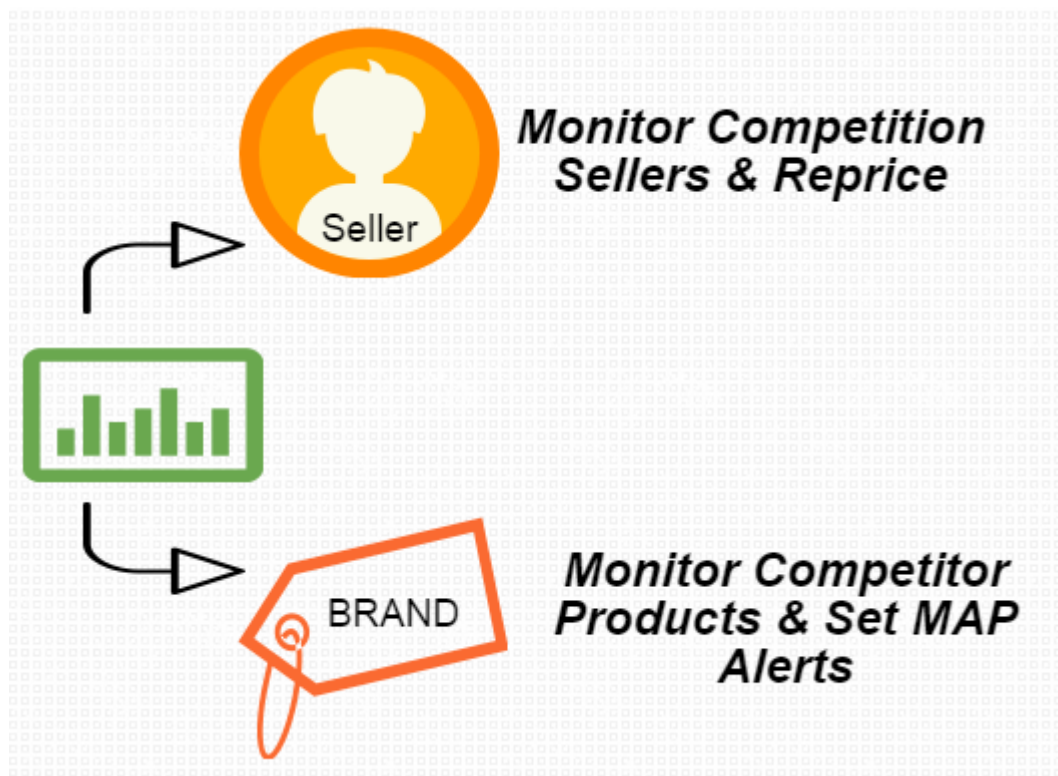
1. Promote fair competition across various channels, especially the traditional offline retail
2. Prevention of underpricing.

3. Protecting fair margins.
4. Protecting Brand image
5. Creation of Brand value among consumers.

To Track MAP violators, check out our product [Kinator](#)

Dynamic Pricing strategy is the result of transparency of prices on the internet. Market players use dynamic pricing strategy based on consumer demand, traffic, weather, geography, time, consumer past trends, competitor's pricing and various other factors .

Key Points For Pricing



Some Tips for sellers to smartly price your products in dynamic world:

- **Price Intelligently**

There can number of factors consumers evaluate for the purchase on E-commerce platforms. Like, one consumer might be looking for the lowest priced product and other would be looking for a quality product at affordable price. So you need to define your image, the way you want to portray- it can be a seller offering lowest prices or a seller offering the quality product quickly at a higher price. Amazon facilitates sellers with Match Low Price Feature to quickly match the lowest prices for the products seller is selling. For more detailed info, you can log in to your amazon seller account and go through the section

https://sellercentral.amazon.in/gp/help/help.html/?itemID=200836360&ref_=ag_200836360_a_r0_co

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Low Price Comparison

Sellers can also

Listings in the same condition

om seller wants to compare the prices

Listings with all fulfilment methods

Listings from sellers with any feedback rating

Listings with any handling time

Cancel

Save changes

for a Low price.

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Buy box price on Amazon

View the price of the offer that is winning the Buy Box. In Amazon Seller Central Panel , you can view the buy box price for your active listings in Manage Inventory, check the Buy box price column to view the Buy box price.

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Monitor Competitors

Monitor your competitors to stay competitive and Prefer to price in accordance to your competitors. Using Kinator, you can view the minimum and maximum price offered by the competition.

You can use repricing tools as well to stay ahead in the dynamic world. Segment your competitors based on your preference.

? Add the newly registered sellers and the ones with a rating less than the defined in Ignore section.

? You can also ignore multibrand sellers like Cloutail.

? Filter based on the number of reviews posted for the seller. The new entrants with a few reviews can be ignored.

? Dispatch Time: Ignore the sellers having dispatch time more than specific days, as preferably consumer won't buy the product from a seller offering late delivery.

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Peak Pricing

Peak Pricing can be used when the demand of the product is very high and you are the only one offering the product.

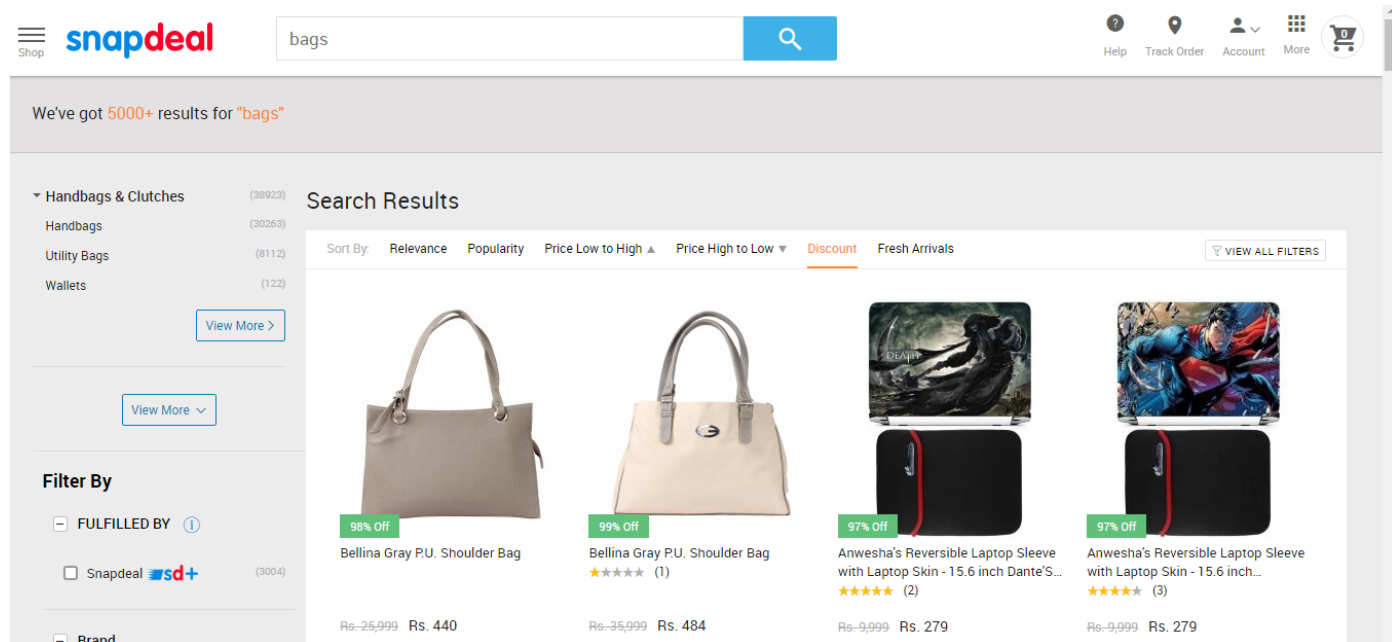
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Free Shipping

Focus on offering free delivery of products for standard intervals. I as a consumer never bothered to calculate the total pricing of the product, even if the seller charging me Logistic charges is offering product cheaper to the one offering free delivery.

Discounting Model

Who doesn't love sales??? Shoppers always keep an eye on the discounted products. A major chunk of consumers uses **Price : Low to High Filters** and a significant number of consumers also use **Discount Filters**.



So if your consumers fall under this category and you haven't offered any discounts. The probability of losing sales is high as your products won't be even visible in search results. Whenever it comes to shopping, buying any product at 80% off gives me a "wowwww" feeling irrespective of the amount I paid.

Repricing Products

In dynamic space of E-Commerce, it's crucial for a seller to reprice products timely. Sellers can automate the process of pricing products using repricing tools.

In repricing tools, sellers can define a set of criteria assessing which it prices the product. Like, you can define if a seller X has Buy box, reprice your product 1% above seller X's price. You can have a different strategy for the sellers like Cloutail.

In E-Commerce, it's not always the game of profit making. A major chunk of E-Commerce players are yet to achieve breakeven. Sellers can define whether they want to maintain profit margin or willing to ignore profit margin.