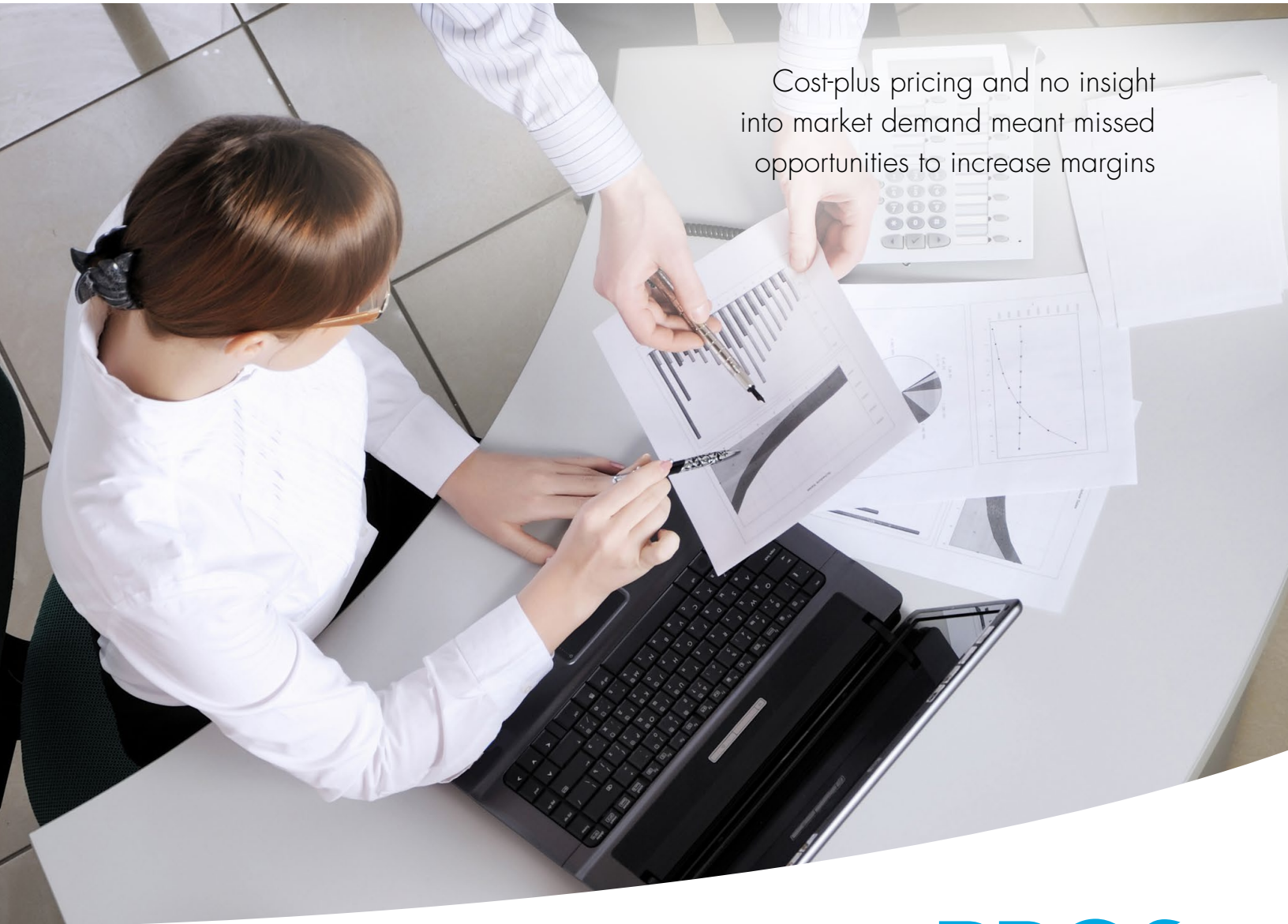




Customer Success Study
CONSULTING SERVICES

CONSULTING FIRM DISCIPLINES DEAL PROCESS TO IMPROVE PROFITABILITY WORLDWIDE



Cost-plus pricing and no insight into market demand meant missed opportunities to increase margins

EXECUTIVE SUMMARY

CUSTOMER

Multi-billion dollar, global management consulting firm

CHALLENGE

Thousands of professionals involved in pricing deals worldwide

Missed opportunities due to cost-plus pricing and lack of insight into market demands

SOLUTION

PROS Pricing Solution Suite:

Provided tools to quote profitable deals in a timely fashion

Delivered online system so executives could analyze trends and monitor compliance

Enabled entire deal teams to collaborate online

PROS IMPACT

Increased revenue and win rates

FIRM INCREASES MARGIN BY GAINING VISIBILITY INTO PRICING DEALS

This global management consulting company had thousands of professionals involved in tens of thousands of pricing deals, with much of the key pricing data stored on individual computers. With no central storage for important deal information, the firm’s employees had no visibility into underperforming clients, resource types, and business segments. Cost-plus pricing, along with a lack of enterprise-wide insight into fluctuating market demands, meant the firm was missing opportunities to increase margin. To improve profitability, the firm needed a comprehensive pricing strategy that would provide centralized information and guidance on deal pricing throughout its operations.

“PROS was the only solution that could meet the pricing challenges we faced, and scale out to thousands of users across the world.”

Deal pricing can be calculated using variable monthly resource and cost information to determine profitability.

The screenshot displays the PROS software interface. At the top, there's a navigation bar with 'Deal Details' and 'Price Options'. Below that, a 'Resource List' table shows various system integration projects with columns for 'Service Provided', 'Resource Location', 'Capacity Provided', 'Components', 'Labor Cost w/ Cost', and 'Target Labor Price'. A 'Deal Pricing Detail' table is also visible, showing 'Resource Price Components' with columns for '% of', '09 October', '09 November', '09 December', and 'Overall'.

Resource Price Components	% of	09 October	09 November	09 December	Overall
LandedPersonCost	Rate	99.27 USD	99.27 USD	99.27 USD	99.27 USD
ActualLandedPersonCost	Rate	12.74 USD	10.22 USD	14.21 USD	14.30 USD
LandedPersonCostAs	Rate	42.53 USD	41.94 USD	42.94 USD	41.89 USD
BaseLandedLaborCosts	Rate	12.74 USD	10.22 USD	14.21 USD	14.30 USD
Labor Inflation	Rate	0.00 USD	0.76 USD	0.75 USD	0.72 USD
Labor Inflation Coverage	Rate	0.00 USD	0.00 USD	0.00 USD	0.00 USD
Labor Inflation (Coverage)	Rate	0.00 USD	0.76 USD	0.75 USD	0.72 USD
Labor Cost Contingency	Rate	0.00 USD	0.00 USD	0.00 USD	0.00 USD
Labor Cost Contingency	Rate	2.89 USD	3.26 USD	3.90 USD	3.02 USD
Target Labor Cost Contingency	Rate	2.89 USD	3.26 USD	3.90 USD	3.02 USD
Labor Cost w/ Cost	Rate	17.25 USD	19.19 USD	17.90 USD	18.12 USD
Base Margin	Rate	18.00 USD	19.87 USD	18.84 USD	18.86 USD
Deal Margin	Rate	0.00 USD	0.00 USD	0.00 USD	0.00 USD

“PROS was the only solution that could meet the pricing challenges we faced, and scale out to thousands of users across the world.”

The PROS Deal Optimizer module, for example, empowered each deal team to collaborate online with the assurance of timely information access. PROS’ time interval functionality enabled teams to model deals and provided a monthly view of resource utilization and cash flow – vital information to assure efficiency and profitability over long-term engagements. In addition, access to all deal metrics empowered users to accurately price deals at every stage of the process – from deal creation to negotiation of payment terms and internal approval.

PROS SOLUTION ADVANTAGES

- Provided sales executives with the tools to quote profitable deals in a timely fashion
- Enabled sales teams to automatically apply real-time price adjustments based on resources used, such as position, skill level and geographic location
- Delivered scalable architecture that could handle thousands of users

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The firm utilized PROS external reporting integration to configure highly customized deal reports used by management to approve deals. User-friendly configurability also made the company self-sufficient in updating workflow business changes or best practices, and reduced the total cost of ownership by not requiring programmers to make changes.

PRICING TEAMS COLLABORATE IN REAL TIME TO INCREASE DEAL REVENUE AND WIN RATES

The company rolled out the PROS solution globally, with user adoption rising quickly. Deal teams now collaborate in real time using up-to-date pricing and resource information and are able to quickly respond to changing demand for specific skills with targeted price adjustments. The firm has increased revenue for hundreds of deals as well as increased deal win rates.

PROS PRICING SOLUTION SUITE

PROS Pricing Solution Suite™ consists of four modules that work together to get you to Pricing Excellence



SCIENTIFIC ANALYTICS

Identify segment-specific pricing, find opportunities for margin improvement, and forecast and monitor your progress proactively



DEAL OPTIMIZER

Quote the right price for each deal by using guidance, market insights, and integrated approval workflows



PRICE OPTIMIZER

Create the right price for each customer and product by setting science-based optimized pricing strategies and managing price lists automatically

Monitor your performance and adherence to policy



REBATE OPTIMIZER

Centralize and manage your rebate programs, and measure the effectiveness on deal profitability



About PROS

PROS Holdings, Inc. (NYSE: PRO) is a big data software company that helps customers outperform in their markets by using big data to sell more effectively. We apply 27 years of data science experience to unlock buying patterns and preferences within transaction data to reveal which opportunities are most likely to close, which offers are most likely to sell and which prices are most likely to win. PROS offers big data solutions to optimize sales, pricing, quoting, rebates and revenue management across more than 30 industries. PROS has implemented more than 600 solutions in more than 55 countries. The PROS team comprises more than 700 professionals around the world.

To learn more, visit www.pros.com.

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