



## INDUSTRY BRIEF: EQUIPMENT RENTAL MARKET

### INTRODUCTION

The highly fragmented equipment rental industry is comprised of both large and small providers, offering everything from 250-ton earthmovers to fog and snow-making machines. These diverse products and broad range of players are creating extreme pricing pressures and intense competition. Ensuring the profitable utilization of your assets requires a deep understanding of the ever changing price-demand relationships in your markets. What's more, increasing regulatory hurdles and the recent economic downturn are putting additional strain on profit margins, forcing you to rethink how you're going to reach your business goals. Operating in this tough environment, equipment rental providers must be able to:

- Increase organizational agility in an industry where demand is heavily dependent on economic growth and seasonality.
- Improve financial return on capital-intensive assets.
- Uncover insights and take advantage of opportunities from the consolidation of large players and increased competition from smaller, niche providers.
- Understand the true cost-to-serve of customers in a market with increasing environmental and safety regulations.

### ACHIEVING PRICING EXCELLENCE

To maintain profitability and take advantage of revenue opportunities, you need the right tools to help improve financial performance through better forecasting, dollar and time utilization, and pricing strategies. You also need consistency in pricing, and a way for your salesforce to provide price quotes based on factual data analysis, not gut instinct.

Many organizations are limited by their reliance on pricing systems that are restrictive and do not fully support pricing best practices. They struggle to answer the questions critical to improving their financial performance, such as:



- How can we identify and best take advantage of pricing opportunities in our markets?
- What is the correct balance between higher rates and higher time utilization of assets?
- How can we better anticipate high-value demand to come?
- Have we correctly segmented our customers and markets? Are we correctly setting prices for these segments?
- How can we identify our most profitable or underperforming customers, equipment, and locations?
- How can we better support our salespeople to meet the financial goals for their territories?
- Can we gain better visibility into individual sales representatives' pricing practices?

## OUR INNOVATIVE APPROACH

At PROS, we take a very different approach to the business of pricing and revenue management. We believe that for you to fully thrive and remain competitive, you need answers to all of these questions—and you need them now. We help you generate business insights out of the millions of bytes of data being captured to solve your most complex pricing issues.

Some companies are attempting to do this with industry-specific ERP applications and spreadsheets. This approach takes significant time and resources and will not meet the demands of a dynamic market.

That's why so many businesses today rely on PROS. With more than 25 years of delivering pricing solutions to some of the most successful companies in the world, we know the pricing solutions that work to deliver results and empower companies to outperform.

## YOUR PRICING ADVANTAGE

When you choose the PROS Enterprise Pricing Solution, you're investing in a system that enables you to proactively identify revenue opportunities and execute rate changes at market speed. Taking into account the unique needs of the equipment rental industry, our advanced software leverages pricing data, turns it into a competitive advantage, and enables you to achieve better customer segmentation, insight into willingness to pay, and sales guidance at the point of transaction. With accurate insights into forecasted demand, you're able to identify optimal rental rates for your assets. PROS enables you to win more deals with less risk, while delivering a consistent and improved customer experience.

*Unique offerings:*

It is the depth of our pricing science and proven successes that differentiate PROS from the competition. We help you maintain profitable rates from customers who understand the value of the services provided, while identifying and improving underperforming customers. This ability to identify customer-level willingness and adjust pricing for only the underperformers in a peer group is unique to the PROS solution, and enables your sales teams to provide the right price for the right products at the right time.

### *Best practices:*

Pricing best practices are embedded in the software, ready to implement. The PROS solution begins with preconfigured templates and measures for the equipment rental industry. The solution has been configured based on our knowledge of the rental industry and leverages our successes working with customers in other supply-constrained industries. As a result, you receive a higher return on your investment from faster time to value while at the same time enjoying lower risk.

### *Actionable insights:*

PROS provides easy-to-understand, actionable insights into everyday business-critical revenue and utilization decisions. You're able to align business strategy and pricing best practices by modeling price/demand sensitivity and executing pricing strategies consistent with your business objectives.

### *Professional services:*

Our professionals can help you get started on your path toward pricing excellence, ensuring you have the right infrastructure in place. We'll help you effectively manage, execute, and communicate improvements to pricing throughout your organization— from preparing for the magnitude of change to formalizing new processes and performance measures.

## DELIVERING RESULTS

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PROS customers have achieved significant improvement in top-line revenue growth and profits. Faced with uneven demand and constrained by high acquisition costs and lead times associated with increasing supply, these organizations were able to maximize the revenue generated from their existing assets. In fact, companies who have implemented and rely on PROS for yield optimization have achieved on average an annual 3-5 percent increase in revenue. Yield optimization is only one of many areas in which PROS can help you significantly improve your bottom line.

## 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 500 solutions in more than 55 countries. The PROS team comprises more than 650 professionals around the world.

To learn more, visit [www.pros.com](http://www.pros.com).

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