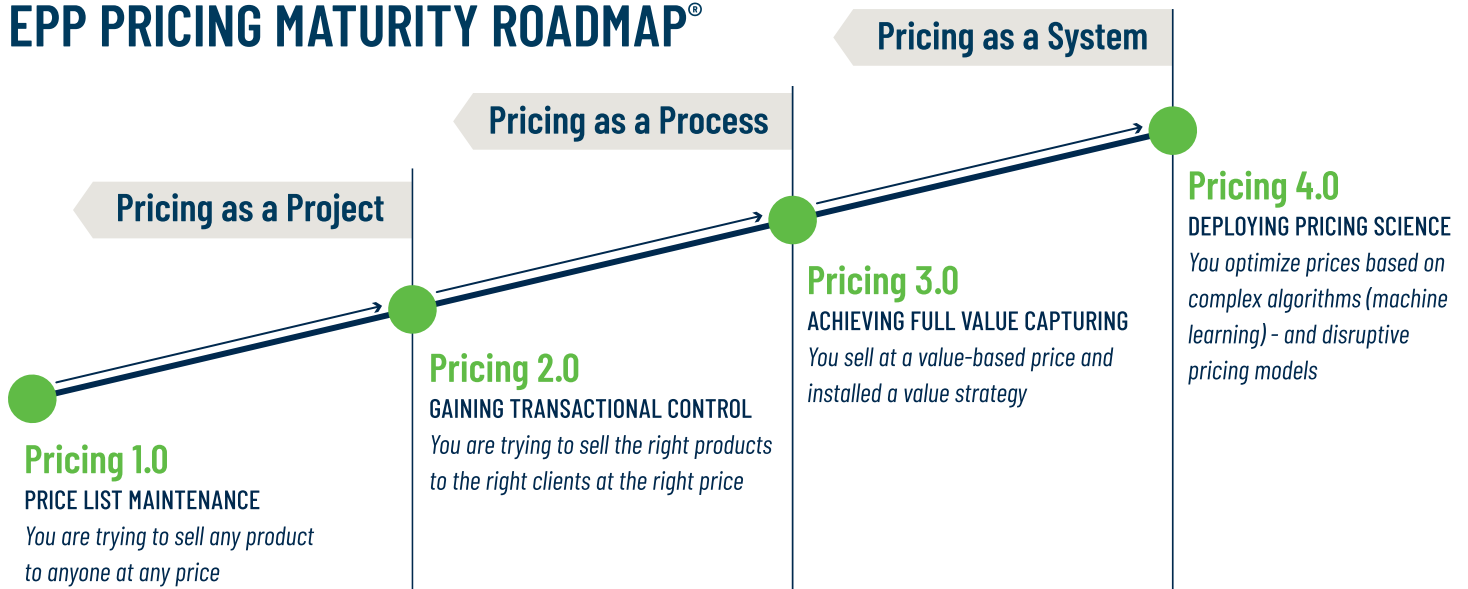


# PRICING'S HIDDEN OPPORTUNITY

Organizations that build their pricing maturity realize incremental revenue and profit from improved pricing discipline. The more mature your pricing function, the better your bottom line. The third annual EPP Pricing Maturity Survey looked at overall progress and found organizations are slow to mature and often get stuck treating pricing as a project. The overall lack of growth in maturity means there's a huge opportunity for you.

## EPP PRICING MATURITY ROADMAP®



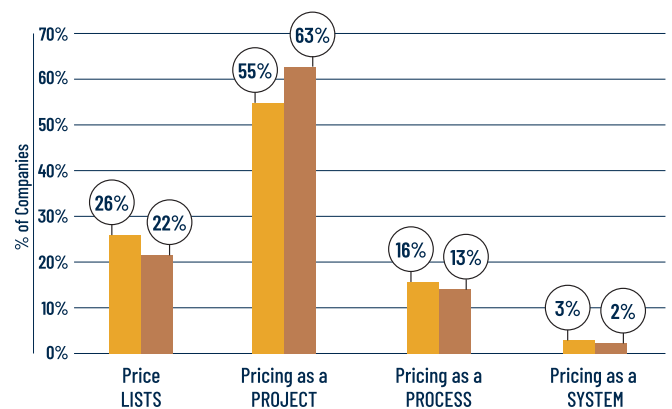
## HOW ARE ORGANIZATIONS DOING?

### Falling Pricing Maturity

Overall, organizations aren't improving in their pricing capabilities and maturity. The companies in this study change year over year so it isn't an exact comparison but generally, maturity is flat or regressing for many.



### PRICING MATURITY LEVEL 2016 VS. 2019



50%

Don't have an effective price escalation process nor the tools to support one

42%

Have very little or no training operations or budgets for pricing staff

52%

Don't have a vision for how to develop pricing maturity skills

79%

Deal with pricing portfolio inconsistencies

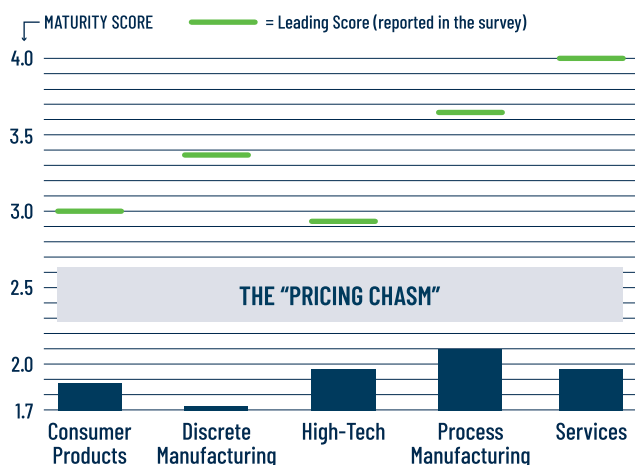
8%

Say top management is aligned with price strategy

97%

Want to formulate a roadmap for desired pricing maturity

## PRICING MATURITY BY INDUSTRY



## PERCEPTION VS. REALITY GAP

There is general uncertainty among pricing professionals on their organization's maturity level.

35% perceive themselves to be at a LEVEL 1 (maintaining price lists)

35% 22% were actually at a LEVEL 1 when capabilities were assessed

34% perceive themselves to be at a LEVEL 3 (pricing as process)

34% 13% were actually at a LEVEL 3 when capabilities were assessed

## THE POWER OF PRICE

Most organizations don't yet realize the full power of price. Because just a 1% improvement in pricing can lead to more than 7% increase in profits, there is significant room for great profit improvements for all but the companies that are already reaping that value.

### OVERALL PRICING MATURITY 2019

