



## CASE STUDY :

# PRICE BENCHMARKING

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*"I just wanted to drop you a note to acknowledge the exceptional report you prepared for us. The report addressed all of the questions I was hoping it would and gave us tremendous insights into this category. It will help to support our go-forward decisions about insourcing versus outsourcing and the development considerations."*

**-Chief Product and Strategy Officer**

### **Situation:**

The product management and pricing staff at a financial services group benefits provider were being bombarded by complaints from customers and the sales organization that pricing was too high. It needed to understand how prices compared in the marketplace.

### **Solution:**

Line of Sight Group conducted an apples-to-apples pricing analysis based on defined population sizes and a specific set of services and options. We conducted interviews with key participants in the value delivery chain along with benefits consultants and other buyer decision influencers, and analyzed the results based on different customer scenarios.

### **Benefit:**

While it was not one of the original objectives, the client discovered that new pricing models were being employed by some competitors giving them a distinct advantage with some buyers and market segments. The findings also confirmed that, in fact, they had slipped into a premium pricing category and were quickly developing a reputation as "high priced." The client's marketing staff immediately began a campaign to defend against lower priced competitors while the product team began developing more flexible pricing models. The client also initiated a more in-depth study of costs and processes to re-position its own pricing more competitively.

