

# Price Optimization Solutions

*Maximize revenue through science*

2024 CONSTELLATION SHORTLIST

The Constellation ShortList™ presents vendors in different categories of the market relevant to early adopters. In addition, products included in this document meet the threshold criteria for this category as determined by Constellation Research. This Constellation ShortList of vendors for a market category is compiled through conversations with early adopter clients, independent analysis and briefings with vendors and partners.

## ABOUT THIS SHORTLIST

Price optimization solutions allow organizations to predict how buyers will react to different price points and pricing models. These optimization models often use big data, predictive analytics, machine learning and artificial intelligence tools to craft initial pricing, promotional pricing, discount pricing and substitute pricing. Constellation estimates that the software market will be \$3.0 billion by 2029 with a 14.8% CAGR.

Optimization begins with customer segmentation. Using different attributes such as channel, time of day, location, etc., math is applied to determine what constraints can be included in the optimization process. Optimization strategies can be determined by understanding the pricing problem as yield management, markdowns, list pricing, customized pricing, etc. This year's new requirements include tighter integration with order orchestration systems and CPQ. Expect new features such as better recommendations and next-best action to be table stakes by 2030. As systems integrate with automation and AI, users will expect greater mass personalization at scale and dynamic scenario generation.

This list mixes both business-to-business and business-to-consumer solutions. Constellation believes many of the vendors started out in one mode and have customers in the other as B2B and B2C converge to P2P networks.

## LIKE WHAT YOU SEE?

Consider partnering with Constellation Research on your go-to-market-strategy. Email [ShortList@ContellationR.com](mailto:ShortList@ContellationR.com) for more info.

To learn more about Constellation Research Shortlists visit: [www.constellationr.com/ShortList](http://www.constellationr.com/ShortList)

## 7 SOLUTIONS TO KNOW

Constellation evaluates more than 40 solutions categorized in this market. This Constellation ShortList is determined by client inquiries, partner conversations, customer references, vendor selection projects, market share, and internal research.

- MODEL N
- ORACLE ADVANCED PRICING
- PRICEFX
- PROS
- REVIONICS
- VENDA VO
- ZILLIANT PRICE IQ



## THRESHOLD CRITERIA

Constellation considers the following criteria for these solutions:

- Support multiple pricing models
- Enable complex promotion rules
- Manage price lists
- Prescribe pricing segmentation
- Facilitate markdown scenarios
- Deliver dynamic pricing
- Provide advanced analytics
- Create pricing optimization models
- Collect competitive insights
- Apply machine learning and artificial intelligence to identify, learn and predict new models
- Integration with CPQ and order orchestration systems

## BUSINESS THEMES



Data to Decisions



Matrix Commerce

## ABOUT CONSTELLATION RESEARCH

As an award-winning Silicon Valley-based strategic advisory and futurist analyst firm, Constellation Research serves leaders and organizations navigating the challenges of digital strategy, business-model disruption and digital transformation. Constellation works closely with solution providers, partners, C-suite executives, board of directors, and its Constellation Executive Network of buy-side leaders to lead the way in research coverage and advise clients how to achieve valuable business results.

## FREQUENCY OF EVALUATION

Each Constellation ShortList is updated at least once per year. Updates may occur after six months if deemed necessary.

## EVALUATION SERVICES

Constellation clients can work with the analyst and the research team to conduct a more thorough discussion of this ShortList. Constellation can also provide guidance in vendor selection and contract negotiation.



## R "Ray" Wang Founder & Principal Analyst

R "Ray" Wang provides insight into how disruptive technologies and new business models—such as digital transformation— impact brands, enterprises and organizations. He also focuses on harnessing innovation, creating next-generation business and IT leadership, and applying the new rules of business. Wang has held executive roles in product, marketing, strategy and consulting at companies including Forrester Research, Oracle, PeopleSoft, Deloitte, Ernst & Young and Johns Hopkins Hospital.

