

# Revenue Enhancement Case Study

## AArete's Customized Pricing Model Helps National Transportation Company Achieve Immediate Enhancements in Q4 Revenue



### SITUATION

An industry-leading transportation company approached AArete for assistance with development and implementation of a strategy to increase Q4 revenue. The company's technical and resource limitations hindered the executive team's ability to effectively operationalize a solution. They sought to enhance Q4 and future revenue by leveraging AArete's industry experience and analytics expertise to develop a robust pricing model capable of dynamically pricing all products across all locations.



### APPROACH

AArete performed a comprehensive assessment to understand the unique client landscape and identify the optimal approach to strategy development and implementation. The client's existing pricing schema required manual inputs for each unique route and location, limiting their capability to efficiently optimize prices. AArete performed a segmentation analysis, leveraging geo-spatial methods to determine rental volume by location, route pricing strategies, and consumer demand. We identified the routes driving profitability and developed a model to help the client dynamically price primary and secondary routes.



### RESULTS

Using AArete's customized dynamic pricing model, the client was able to efficiently price products across all routes. They were also able to address seasonalities and other consumer demand factors, while minimizing supply chain expenditures. After implementing AArete's pricing structure, the client achieved an estimated Q4 revenue enhancement of 2%-5%, surpassing their initial goals.

