

Retail Measurement Services

How well do you know NielsenIQ price metrics?

Challenge activity



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Objective

In this challenge, you'll answer questions to see how well you consider relationships between price-related metrics when evaluating your pricing data. Use the last page to check your answers.

Review the tips below to avoid common analytical missteps.

How do the metrics relate to each other?

What are possible conclusions you can make based on the connections below?

- When price *increases*, and rate of sale *decreases*, while your weighted distribution *remains the same*, what can you infer?
- When price is *lowered*, and rate of sale *increases*, while your weighted distribution *remains the same*, what can you infer?



Tips

- Pricing data is typically most actionable when analyzed at lower levels of the product, market and time hierarchies.
- When reviewing your price positioning, look at your brand level pricing - *This is helpful when comparing brands at different price tiers, or when considering repositioning a brand at a different level.*
- When analyzing price above item level, consider your assortment - *An increase or decrease in sales for different pack sizes can influence selling price.*
- Promotion can influence your average selling price - *Depending on your brand position, the amount of sales that occur on promotion might be an indicator of lower or higher prices than expected.*
- Evaluating price ladders will help you clearly view the range of your brand's pricing.
- Always view your competitors' pricing trends - *Their actions can impact your performance.*
- Match like items when comparing price to your competition.
- When comparing different pack sizes, use price per volume.

Need guidance?

Contact your NielsenIQ Client Services representative for additional support.



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Check your answers

Taking a closer look at the relationship between price, rate of sales and weighted distribution:

The relationship between price and other NielsenIQ metrics can help you evaluate how price changes impact your sales. Knowing what the relationships mean can guide proactive planning.

- **When price *increases*, and rate of sale *decreases*, while your weighted distribution *remains the same*:**
 - It is an indication that your price increase impacted your sales negatively.
- **When price is *lowered*, and rate of sale *increases* while your weighted distribution *remains the same*:**
 - It is an indication that your price decrease impacted your sales positively.