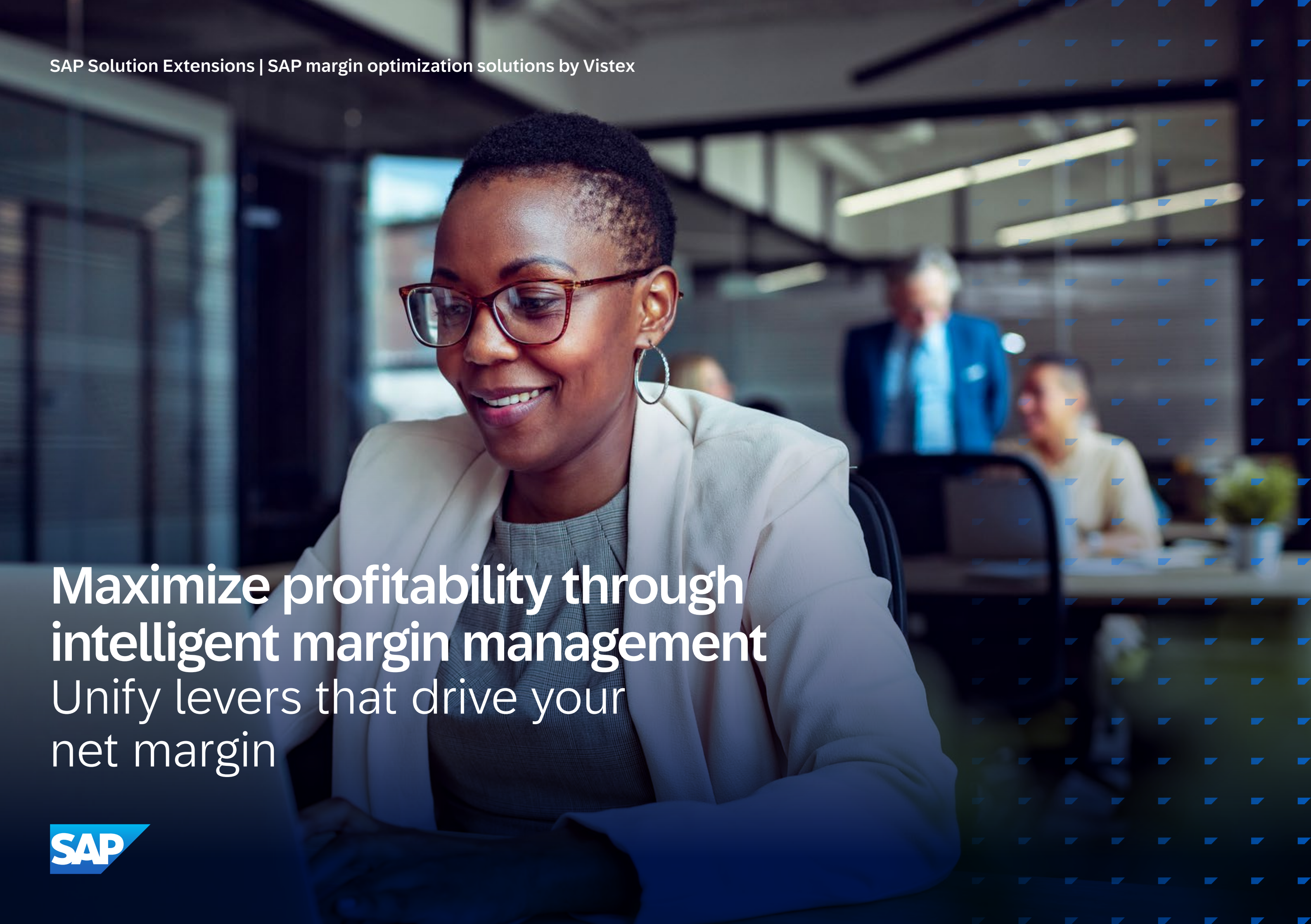

Maximize profitability through intelligent margin management

Unify levers that drive your net margin

SAP

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Optimize margins by taking control of gross-to-net profitability

Business success depends on optimizing your net margin. To do this effectively, you need to optimize everything that affects it—from costs and pricing to trade promotions, incentives, and royalty management. SAP margin optimization solutions by Vistex enable control of the pricing, programs, and processes impacting net margin, **helping you boost profitability**.

Margin management presents a complex challenge with a plethora of factors to consider. Stakeholders across sales, marketing, purchasing, and finance each have their own, sometimes conflicting, interests. What's more, fragmented IT landscapes mean that all too often, different teams can't see the impact of a multitude of programs and initiatives.

Offering comprehensive support across key areas of margin management, the margin optimization solutions help you understand the knock-on effect of different decisions on your bottom line. Available in a single integrated portfolio with tailored templates for specific industries, the cloud-based solutions help simplify your IT environment, replacing multiple point solutions and providing you with increased visibility and control over your net margin.

Meet complex pricing challenges with intelligent automation

Optimizing pricing is crucial if you want to maximize margins. To manage complex pricing scenarios efficiently, clear visibility into your pricing and incentive strategies for customers and channel partners is key.

The SAP Extended Price Management solution by Vistex provides comprehensive and user-friendly pricing management support, from list to pocket price and with gross-to-net analysis that includes buy- and sell-side incentives. You can quickly adjust prices, execute mass pricing updates, and reduce manual administration tasks.

The SAP Price Staging Hub solution by Vistex enables consistent and accurate pricing across multiple channels by quickly recalculating and storing high-volume price changes.

Key functionality of the price management and price staging solutions includes:

- **Price administration**: Maintain and improve list and sales pricing more efficiently and intelligently.
- **Deal management**: Define and execute on-order promotions.
- **Price analytics**: Evaluate the true margin and the gross-to-net impact of pricing, incentives, and revenue-sharing programs.

Maximize the value of trade and channel programs

For many companies, nurturing channel partnerships is key to business growth. But do your incentives yield positive ROI? You may spend more time focusing on improper claims, processing errors, and incorrect and late payments than analyzing performance to optimize margins.

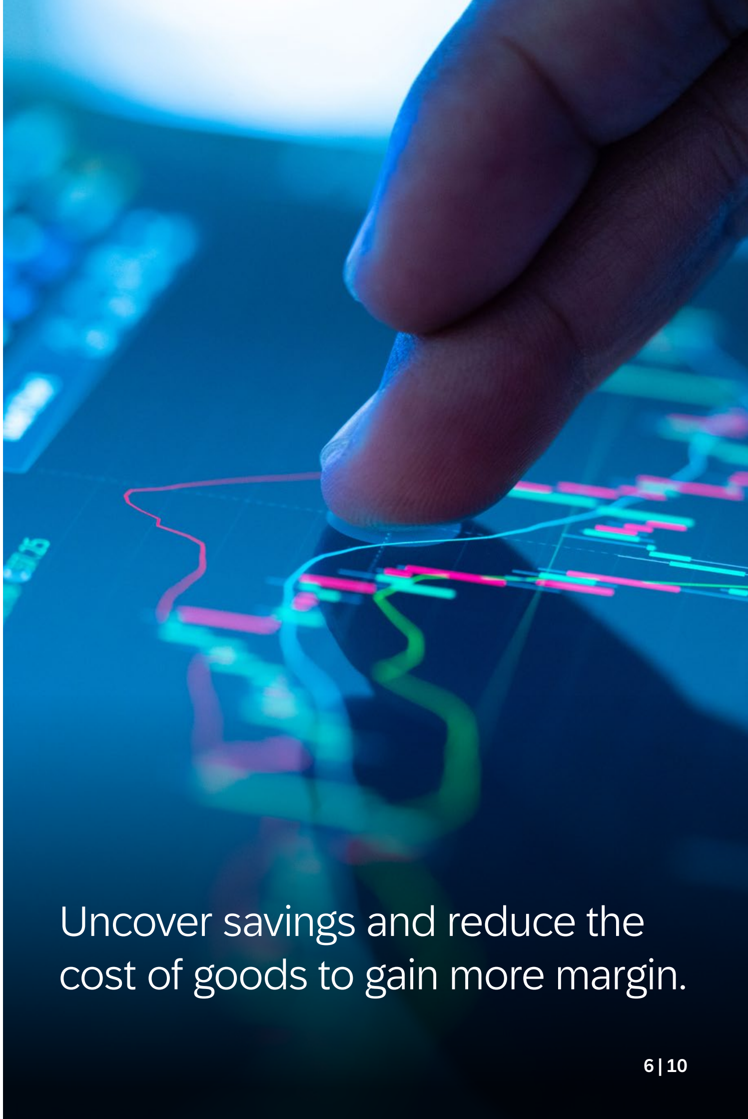
Use rebate dollars to reward the partner performance you want.

The SAP Channel Program Management solution by Vistex enables companies to design incentive and reimbursement programs that increase revenues. Simulation capabilities predict performance and help you tune tier levels to motivate growth and support positive ROI. AI agents and process automation support management of sales rebates, chargeback claims, bids, deal registration, channel inventory tracking, and activity to eliminate inaccurate payments and cut processing costs. Stop wasting rebate dollars subsidizing business you already have and turn them into true incentives that support your objectives.

Make the most of vendor programs to improve net margin

Optimizing vendor and supplier programs is an additional lever to increase net margin. By taking advantage of buy-side programs, incentive payments, and reimbursements, you can drive down costs and boost profitability.

The SAP Vendor Program Management solution by Vistex automates claim generation and accruals for chargebacks and purchasing rebates, cooperative marketing, and MDF activity, reducing errors and accelerating receipt of reimbursements. Meanwhile, sophisticated planning and design tools, real-time analytics, and interactive visualizations enable you to model, compare, and negotiate supplier offers, helping you make optimal sourcing decisions.



Manage royalties accurately to support informed pricing decisions

Many companies use others' intellectual property (IP)—either by incorporating patented technology into product design or paying for brand rights to use in a product or promotion. To maintain optimal profit margins, the royalties due for this IP must be accurately determined, by both licensor and licensee, as well as reflected in product pricing.

With the SAP Rights and Royalty Management solution by Vistex, you can manage licensing agreements in one place, providing the necessary visibility into rights usage. The solution defines and calculates royalties due at a product level based on sales activity and helps determine who should be paid, and what amount, based on the relevant contractual royalty rates.

Meanwhile, automated royalty processing helps ensure that royalties are calculated and administered accurately—even at high volumes.

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Navigate the journey from cost to profit

As margin pressure intensifies and businesses face a volatile trading environment, they must rethink how they manage incentives, pricing, and partner programs to boost profits. However, as shown in the figure, the journey from gross margin to net margin is complex, making margin optimization a challenge.

Available either embedded in SAP S/4HANA or delivered as cloud-native applications on SAP Business Technology Platform, SAP margin optimization solutions by Vistex provide the insights you need to understand margins and drive profitability (see figure). Using one integrated portfolio of solutions, you can optimize management of rebates, MDFs, and chargebacks while aligning pricing and incentive strategies with your margin goals. Meanwhile, automated processes help reduce margin leakage, and real-time analytics support informed decision-making.

Managing the journey from revenue to margin

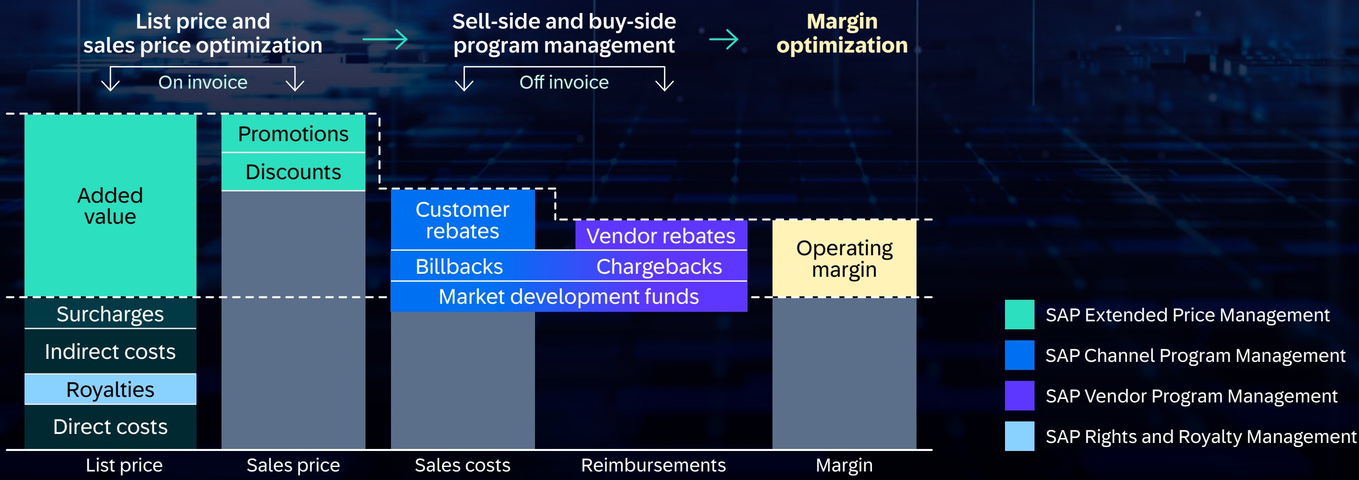

Figure: Key factors affecting operating margin

Increase the visibility and control of what impacts your net margin

With SAP margin optimization solutions by Vistex, you can manage your margins from gross to net and use intelligent automation to realize those margins efficiently. Integrating with your existing SAP software environment, the solutions increase your visibility and support you in making better decisions across pricing, sell- and buy-side programs, and royalty management.

Learn more

Visit us online to find out more about SAP margin optimization solutions by Vistex:

- SAP Extended Price Management by Vistex
- SAP Price Staging Hub by Vistex
- SAP Channel Program Management by Vistex
- SAP Vendor Program Management by Vistex
- SAP Rights and Royalty Management by Vistex

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