

Driving a **5% Profit** Uplift Through **AI-Powered** **RGM** for a **Global** **Confectionery Leader:** **A GCC Success Story**



Client Overview

The client is the **Global Capability Center (GCC)** of a leading global confectionery and snack foods company with revenues exceeding **\$3 billion** and a strong presence across international retail markets. As one of the world's largest biscuit manufacturers, the organization manages a complex mix of brands, pack formats, and pricing strategies across highly competitive FMCG categories.

Amid rising inflation and increasing cost pressures, the GCC sought to modernize its **Revenue Growth Management (RGM)** approach to enable faster, data-driven **Pricing** and **Price Pack Architecture (PPA)** decisions.

To achieve this, the client partnered with **Polestar Analytics** to implement an **AI-powered RGM framework** that enabled rapid scenario simulation, demand impact analysis, and identification of profitable "Triple Win" opportunities benefiting the manufacturer, retailer, and shopper.



Key Challenges

Inflation, rising COGS, and fragmented commercial decision-making were eroding margins and threatening retailer-shopper value, exposing gaps in how PPA and pricing decisions were being made.

Volatile Inflationary Market

Frequent inflation drove rapid price fluctuations, making traditional pricing methods unable to reflect market reality or stay current.

- Pricing models lagging real-time market shifts
- Inability to test multiple pricing levels in parallel
- Limited visibility into shopper and competitor response

Rising Cost of Goods Sold (COGS)

Multiple pricing actions were needed to offset inflationary cost pressure, increasing the complexity of every commercial decision.

- Frequent COGS escalations eroding margin pools
- Need for rapid, repeatable pricing interventions
- No structured framework to evaluate trade-offs

Retailer Margin Pressure

Pricing actions risked passing cost burden onto retailers, threatening long-standing partnerships and joint value creation.

- Strained manufacturer-retailer relationships
- Risk of losing shelf space and key listings
- Difficulty aligning on optimal PPA strategies



Key Challenges

Fragmented PPA + Pricing Decisioning

Without a unified, scenario-based view, teams couldn't quantify how PPA and pricing changes would interact across the portfolio.

- Siloed data across sell-out, product, and finance systems
- Outdated methodologies slowing decision cycles
- Inability to model a true Triple Win outcome



Solutions Implemented

To help the client navigate inflationary pressures and unlock profitable growth opportunities, **Polestar Analytics Revenue Growth Management (RGM)** Suite was deployed within weeks.

The solution enabled the GCC to simulate multiple pricing and PPA scenarios, evaluate demand elasticity, and identify optimal pricing strategies through advanced analytics and AI-driven scenario modeling.



Solutions Implemented

AI-Powered Scenario Simulation

Implemented an intelligent RGM framework capable of testing multiple pricing and pack architecture strategies across products and markets.

Enabled rapid simulation of pricing and PPA scenarios

Evaluated demand elasticity and competitive impact

Assessed retailer and shopper response dynamics

Accelerated data-driven commercial decision-making

This enabled the organization to move from intuition-based pricing decisions to predictive and scenario-led revenue optimization.

Solutions Implemented

PPA & Pricing Scenario Simulation

The GCC stress-tested multiple PPA and pricing combinations within the RGM framework to quantify market response before going live.

- ✓ Simulated price, pack, and size combinations
- ✓ Evaluated impact on volume, revenue, and profitability
- ✓ Tested scenarios across key price thresholds
- ✓ Compared scenarios through a Triple Win lens

This helped surface hidden risks and the most profitable path forward.



Solutions Implemented

Strategy Validation: Avoiding the Wrong Bet

The initial proposal shrinking pack size while keeping shelf price unchanged was tested and quickly rejected.

- ✓ Modeled shopper response across each option
- ✓ Quantified competitive switching risk
- ✓ Surfaced unit-sales loss to competition
- ✓ Avoided a margin-eroding pricing move

This helped protect volume share while maintaining retailer and shopper trust.



Solutions Implemented

Optimal Triple Win Recommendation

The RGM framework identified a more profitable scenario by optimizing both pack value and pricing while staying below a key price threshold.

- ✓ Improved perceived shopper value through optimized pack architecture
- ✓ Enabled calibrated pricing actions to offset inflationary costs
- ✓ Maintained pricing below critical shopper thresholds
- ✓ Balanced manufacturer profitability with retailer value creation

This delivered the Triple Win across manufacturer, retailer, and shopper ecosystems

Business Impact

+5%

Profit uplift opportunity identified through optimized PPA and pricing strategy

60%

Reduction in analytical and scenario planning time by replacing traditional methodologies with AI-powered RGM capabilities

40%

Faster revenue growth decision-making through integrated pricing, PPA, and elasticity intelligence

Improved retailer alignment through development of a balanced “Triple Win” commercial strategy

Enhanced pricing agility and faster response to inflation-driven market changes

About

Polestar Analytics

Polestar Analytics is a leader in Data, Analytics, AI, and Enterprise Planning helping organizations to unlock intelligent outcomes through our proprietary products like TPlatform, accelerators, and services. Our expertise spans data engineering, data science, agentic and generative AI, and advanced planning for CPG/Retail, Pharmaceuticals, Manufacturing, IT/ITeS, and Financial Services.

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