Pricing Optimization
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Background and Motivations
CliftonLarsonAllen (CLA) is a professional services firm that provides integrated wealth advisory, outsourcing, audit, tax, and consulting services. They work with clients globally and nationally across various industries. For this project, we analyzed one specific service.

Realization
Each employee has a rate for every hour they work, and the average for each service and industry is recorded. The percentage of how much of this rate is charged is the realization. A 1% increase in realization increases the amount charged.

Problems
1. Understanding consistency of pricing at CLA and whether improvements can be made
2. Understanding consistency of pricing within industries and services at CLA and whether improvements can be made

Project Goal
Identifying potential pricing improvements to CLA’s service lines, which results in a better experience for CLA clients

Research Methodologies

1. Picking One Region
We started by looking at a single service in one geographic area to create functions that would be applicable to all regions and all services.

2. First Model
We created a model that showed total net fees in terms of time

3. Bins
We placed data in like "bins" to predict pricing for each bin

4. Average Price
We estimated the average pricing for each CRL

5. Machine Learning Model
We used a ML model to predict rates for a 1% realization increase.

6. Relationship between Pricing and Services
We figured out the relationship between pricing and how CLA can provide seamless services i.e. integrating additional services to new and existing customers

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Conclusion and Future Goals
We need to better understand why some engagements have higher pricing and engagement complexity at CLA. For the future, we should gain a better understanding of pricing and engagement complexity at CLA and determine the relationship between pricing individual engagements and other offerings at CLA.

Example Plot
Each bin is sorted by Service, Region, and Industry. The plot below is for Assurance for a region consisting of four locations over the past 18 months.

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