The Gabor-Granger Pricing Method determines the price elasticity of products and services. Developed by two economists, Andre Gabor and Clive Granger, it has been used since the 1960s. It is particularly useful when:

- You want to get a directionally correct estimate for willingness to pay for the product
- You want to find revenue-optimising price points
- All the other components (or attributes) of the product or service are fixed and cannot be changed
- You only want to look at your brand or SKU without considering competition
**Disguised case study:**
Gabor-Granger for a books-on-demand provider

**Business problem**

- Book Co is a major books-on-demand provider in Egypt. Given intense competition in this market, Book Co would like to measure the value customer on book streaming over the Internet.

- As part of the strategy review, the insights team would like to test for non-paying users, competitors’ users, and Book Co’s paying users:
  - What is customers’ willingness to pay?
  - What is the optimal price of subscription to maximize its revenue?

**Research approach**

- Book Co performed a Gabor-Granger test using Conjoint.ly platform and test eight price points for its paid subscription

- Respondents are book streaming users with predefined panel (33% 18-24y.o., 33% 25-33y.o., and 33% 34-55y.o.; 35% non-paying users, 35% competitors’ users, and 30% Book Co’s paying users)

- Data collection of 953 responses was completed in 3 days (38 hours) given the relative scope of the target audience

- Findings were immediately available upon completion of the project

**Outputs and outcomes**

- Gabor-Granger confirmed the Price elasticity of demand and Predicted revenue vs. price level of Book Co’s paying subscription for different segments

- The study provided agile and actionable insights to help Book Co understand customers’ demand. For example, results suggest that the optimal price is $17.99/month of subscription for its users

**Conjoint.ly Investment**

€7,217
Total cost

3 days
Time to insight

Note: This example is disguised to protect confidentiality of the client. However it gives a realistic picture of a typical project with us.
Why Conjoint.ly

Trusted by insight departments of global brands

Conjoint.ly automated tools (Conjoint analysis, Claims Test, etc.) have been used by multiple projects from multiple countries.

We are cooperatively working together with several insights department of global brands

Specialisation in pricing and product research

We are focused on product and pricing research (i.e. we do not offer ad testing, shopper, other types of studies)

We support 10+ pricing projects every week (most of which are automated)

Agile service from automated platform to custom projects

We provide state-of-the art quality analytics for different types of service

From fully automated experiments on our platform to fully once-off custom projects of any complexity

Deep involvement support all through the process

Conjoint.ly provide reliable support all through the service

Quality support involves methodology explanation, interface guidance, result interpretation etc.

We also know data collection and can provide quality assured panel
**How Conjoint.ly works:** We offer product and pricing research done faster, better, at a lower cost

<table>
<thead>
<tr>
<th>Tools for specific research methods</th>
<th>Agency-quality results using marketing science</th>
<th>We enjoy providing support to our users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conjoint.ly offers <strong>manager-friendly tools for specific research methods</strong> that are trusted by leading companies around the world</td>
<td>Our methods are thoroughly tested and rooted in marketing science, which means you get <strong>agency-quality results at a fraction of the cost and time investment</strong></td>
<td>Importantly, <strong>we enjoy providing support to our users</strong> to ensure your studies meet your research and business needs</td>
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</tbody>
</table>
Outputs of automated tools: Log onto Conjoint.ly to explore example interactive reports

- Importance of features, attributes, willingness to pay, simulations, etc.
- Preference for brands and features, simulations, etc.
- Preference and diagnostics, Passport of a claim, TURF analysis, etc.
- Predictions, consensus history, rationales
- Price elasticity curves, optimal prices
- Acceptable price ranges

All outputs come online and in Excel, segmentable by respondent attributes
How Conjoint.ly works: Regardless of mode of engagement, we work in an agile fashion.

“Working with Conjoint.ly was a truly agile experience. Mondelez used the platform for an important PPA project for one of our core product lines. The expertise gave us the confidence to make several critical product decisions for the business.”

Shopper Insights Lead, Mondelez International
Melbourne, Australia

Automated solutions

- **Manager-friendly tools** and intuitive online reports
- **Automated DIY research** process (design, sampling and analysis)
- **Costs**: Licence + sample (or BYO respondents)
- **Timeframe**: 5 hours to 2 weeks
- **Expert support** readily available

Custom projects

- **Decision-ready reports**
- **Research process fully managed** by us
- **Costs**: Labour + sample (or BYO respondents)
- **Timeframe**: 5 days to 3 weeks
- **Expert support** readily available
How Conjoint.ly works: Timeline of a project

1. Choose a tool
2. Set up your study
3. Choose sample
4. Collect data
5. Automated analytics

How it works

- Based on your research question
- Insert stimuli into online interface (packaging, pricing, claims, features)
- Buy from us or bring your customers and leads
- Automated sampling (monitored by Conjoint.ly team)
- Automated analytics and outputs

Timeframe

- In your own time
- 5 hrs to 2 weeks
- 1 min to 1 hour

Optional support from Conjoint.ly team (whenever you need us)

- Discuss your research needs
- Review your studies before launch
- Custom targeting and sample
- Interpreting results and extra stats analysis
Panel sampling with Conjoint.ly:
Three ways Conjoint.ly can help source respondents

<table>
<thead>
<tr>
<th>Targeted respondents</th>
<th>Pre-defined panels</th>
<th>Custom targeting and sampling</th>
</tr>
</thead>
<tbody>
<tr>
<td>![Target icon]</td>
<td>![Pre-defined icon]</td>
<td>![Custom icon]</td>
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</tbody>
</table>

### How it works

- **Choose country, age, gender, profiling questions**
- **Choose a pre-defined audience** (e.g., mothers of babies <12 m.o. in UK)
- **Ping us for your sample request** ([support@conjoint.ly](mailto:support@conjoint.ly))

### Timeframe

- **5 hours +**
- **1 day +**
- **2 days +**

### Cost

- From $3 per complete (quoted online)
- From $4 per complete (quoted online)
- Custom quote

### Level of targeting

- Broadly targeted
- Narrowly targeted
- Ultra-targeted
How Conjoint.ly works: We will employ state-of-the-art statistical methods

We use the most appropriate state-of-the-art techniques by default, not as an extra service

- Efficient and optimal experimental design, confirmed through **multiple runs of simulation tests to validate sufficiency** of design and optimise sample size

- **Non-trivial randomisation** in presentation of options to the respondents to remove confounding effects

- **Hierarchical Bayesian estimation** of individual-level preferences for accurate prediction of market shares

We lead the way in ensuring response quality in choice studies

- As developers of a survey platform, we care deeply for **respondent experience and mobile-readiness**

- We are ruthless and fearless advocates for response quality and we **only use quality responses in our analysis**, which has material implications for analytical outcomes
How Conjoint.ly works: Our team has supported hundreds of projects since 2016

Our Team

Nik Samoylov
Founder
Former Consultant at Bain & Company, University Medal in Marketing from the Australian National University

Jason Widjaja
Market Researcher
First Class Honours in Marketing from Monash University

Yutian Shen
Market Researcher
PhD in Marketing from the University of New South Wales Business School

Mitchell Vanderham
Project Manager
Bachelor of Business and Commerce, Marketing, from Western Sydney University

Denis Smagin
Developer

Anna Burunova
QA Engineer

Sergey Pavlenko
Developer

Hugh Zhao
Market Researcher

Sergey Sesyolkin
Developer

Our Story

• Conjoint.ly started in 2016 with the mission to bring discrete choice experimentation within reach of corporate researchers

• Since then, we have embarked on a bigger journey of simplifying advanced research methods and helping insights managers make the most out of their research investment

• Conjoint.ly has a strong roadmap for 2020 with a number of product and pricing methods in development
Geography of previous engagements

We have undertaken hundreds of projects globally, with majority of our work focused on North America and Western Europe.
Our experience: Some of our notable custom projects

- We helped a major shoe manufacturer understand optimal pricing and importance of features for a shoe-subscription service
  Method: Brand-Specific Conjoint

- We helped a motor brand to identify optimal pricing scenarios for newer car models
  Method: Brand-Specific Conjoint

- We helped a major CPG to understand cross-country optimal launch scenarios for organic dairy-based product
  Method: Brand-Specific Conjoint

- We helped a large supplier of ingredients for CPG brands measure willingness to pay for their ingredients and justify value to buyers
  Method: Various modules

- We helped Mondelēz International, Cadbury brand to understand preference for pack and price trade-offs for their confectionery product line
  Method: Brand-Specific Conjoint

- We helped a Fortune 100 manufacturer understand optimal pricing and importance of features for a high-output machinery
  Method: Brand-Specific Conjoint

- We helped a major CPG company to identify winning claims and combination for an organic dairy-based product
  Method: Claims Test

- We helped an US telecommunications company to identify optimal bundling options for a home-based product
  Method: Brand-Specific Conjoint

- We helped a hygiene product manufacturer understand promotional and pricing strategy for a NPD
  Method: Brand-Specific Conjoint

Note: Prepared on 5 November 2018
Next steps

Explore example outputs
Log onto Conjoint.ly to explore example interactive outputs

Schedule a call with us
Receive a demo or discuss an upcoming project:
www.conjoint.ly/consultation

Ask us some questions
Any questions? Happy to answer on support@conjoint.ly