KUNWAR ANALYTICS CASE STUD

Pricing Power: A Value-Based Pricing Overhaul for a B2B SaaS Platform

Pricing Strategy | Industry: SaaS / Technology | Client: Series C B2B SaaS Platform (hypothetical) | Timeline: 6 weeks | Date: May 2026

Redesigned the pricing architecture around value metrics, lifting blended ARPU 23% in one year with 0.4% logo churn, and adding Rs.11.4 crore ARR without new sales headcount.

Frameworks: Value-Based Pricing . Conjoint Analysis . Van Westendorp Price Sensitivity . Land-and-Expand Ladder . Price Governance Charter

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Challenge

A Series C B2B SaaS company - an analytics platform for mid-market retailers - was growing users but not revenue. ARPU had been flat at Rs.41,000/year for three years while feature depth tripled. Their flat "per-seat" pricing meant the largest retailers (20,000+ stores) paid barely 6x what a 50-store customer paid, despite consuming 200x the value. Worse, the sales team had created 130 bespoke discount permutations - price books were unmanageable, and the CFO suspected revenue leakage of Rs.6-9 crore annually.

The CEO's question: **"Our product is 3x better than 2021 - why does our pricing still look like 2021?"**

Approach

We ran a six-week value-based pricing engagement in four modules:

1. Value discovery (weeks 1-2). We quantified the economic value the platform created per customer: labour hours saved in reporting, shrinkage reduction, and inventory-carrying-cost avoidance - triangulated from usage data, customer interviews (n=24), and CFO surveys (n=18) on willingness-to-pay for specific outcomes.
2. Segmentation & metric design (week 3). We tested six candidate pricing metrics (per-seat, per-store, per-location, per-transaction, per-GMV, tiers by feature) against two tests: correlation with value delivered and customer comprehension.
3. Price level & architecture (week 4). Conjoint analysis (n=210 respondents across segments) on feature bundles, with Van Westendorp checks per segment. We modelled migration paths from the legacy per-seat plan.

4. Launch & governance (weeks 5-6). A controlled rollout: grandfathering policy, sales-enablement toolkit (value-calculator, negotiation guardrails), and a price-governance charter to kill the 130-permutation sprawl.

Analysis

Per-seat pricing was pricing the wrong unit. Usage analytics showed the platform's value scales with *data complexity* (store count x SKU count x data sources), not headcount. The 20 largest customers generated 41% of platform value but only 9% of revenue. The value-metric correlation matrix was decisive:

Metric	Correlation with value delivered	Customer comprehension (0-10)	Implementation effort
Per-seat (current)	**0.34**	**9**	**none**
Per-store tiered	0.78	8	low
Per-transaction	0.86	6	high
Per-GMV %	0.83	7	medium
Feature-tier + usage	0.81	8	medium

Conjoint revealed the "anchor tier" problem. Customers anchored on the entry price (Rs.29,000/yr) and treated everything above Rs.75,000 as "enterprise." Redesigning to a 4-tier ladder with clear value steps (Starter / Growth / Scale / Enterprise) shifted the reference point: the mid-tier (Rs.64,000) became the default choice in simulations, not the entry tier.

Discount leakage was structural, not cultural. 70% of the 130 discount permutations had no link to deal size, term, or competitive pressure - they were legacy favours. A clean "discount for value" policy (standard 5% for annual prepay, up to 12% only with competitive evidence) was worth ~2.1% of revenue annually.

Findings

1. The addressable uplift was Rs.14-18 crore ARR - a 23-29% increase - from: metric re-anchoring (+11%), tier ladder reprice (+7%), discount governance (+2.1%), and expansion-motion improvement (+3%).
2. Grandfathering was the make-or-break decision. Full migration would lift ARR fastest but risk churn among the 28 largest logos; grandfathering existing logos at current price while migrating on renewal terms protected the base and still captured 84% of the uplift within 18 months.
3. The sales team would quietly undo the pricing without tools. Post-launch monitoring showed reps defaulting to legacy discounts; a value-calculator (customer inputs > recommended price band) recovered ~1.5 points of discount leakage.
4. Per-transaction pricing is the endgame but not the now - customers lacked the telemetry to trust it; the per-store tiered model was the pragmatic bridge.

Recommendation

We recommended a **four-tier, per-store tiered architecture with usage bands**, launched as a "versioned refresh" rather than a price increase:

- Starter Rs.29,000/yr (<=5 stores) - repositioned as SMB entry, de-emphasised;
- Growth Rs.64,000/yr (6-50 stores) - the new default;
- Scale Rs.1,49,000/yr (51-500 stores) - per-store increment beyond 500;
- Enterprise custom (500+ stores) - outcome-based pricing with a floor at Rs.6,00,000/yr.

Execution guardrails: grandfather all existing logos for 24 months; enforce the discount charter through CRM approval flows; equip sales with the value-calculator; and monitor ARPU, logo churn, and discount rate weekly for 90 days post-launch.

Outcome

Twelve months after launch, blended ARPU was up 23% (Rs.41,000 > Rs.50,400) with logo churn at 0.4% (vs. 0.9% the prior year). New-logos ARR grew 31% without incremental sales headcount, and the discount-leakage recovery added Rs.2.3 crore. The CFO's "revenue leakage" concern reversed into a governance asset: the price charter became the template for the company's expansion into APAC. The platform subsequently raised its Series D on the back of the improved net-revenue-retention (118% vs. 104% pre-project).

Case study reconstructed for illustration from typical engagement patterns. Client and figures are hypothetical.

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