Everyone Owns Pricing. Who Owns the Process?

Ruud Schmeink - November 2026



Ask a simple question, who owns pricing in your company, and the answer is often surprisingly confusing. The pricing team will answer confidently that they do. The business director will say the same, and so will the CFO. Strangely enough, all three are right: strategy sets the price, sales negotiate it and finance books it.

The follow-up question, how do you work together, usually makes the picture murkier and reveals how fragile pricing operations really are. Many organizations run their pricing function well, day in, day out. But a siloed set-up lacks the bandwidth to respond to sudden and fast-changing market conditions. Instead, the pricing functions go as a process into a “freeze”, with costly consequences for profitability. This article explores why that happens, and how companies can move to Integrated Pricing Management: a dynamically managed, collaborative pricing process that puts pricing power into action.

The building blocks are there

Most companies we meet already own the components of a winning pricing system. They have licensed pricing software. They have documented their pricing processes. They have a pricing team with strong analytics, and commercial teams who know their customers better than anyone.

And yet the value case that justified the software is only partly realised. The software is implemented but under-used. The processes exist on paper but are bypassed in the deal. The pricing team has the analytics but not the mandate. Sales owns the customer, but not the price logic.

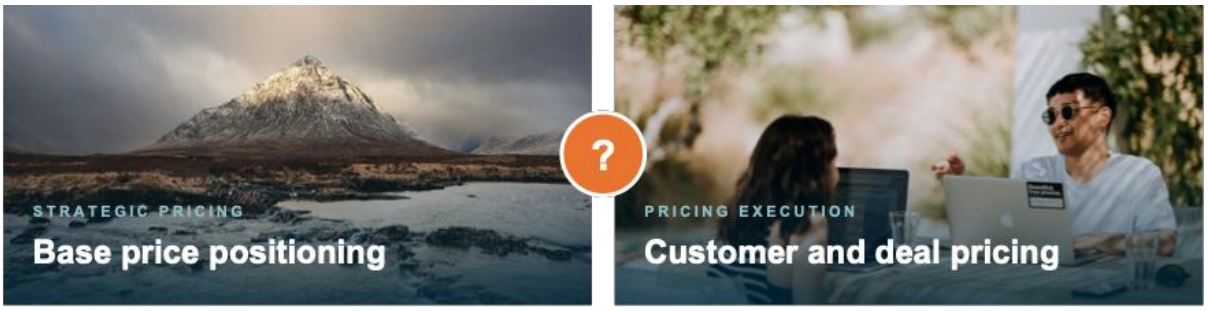
The problem is rarely one of the components. What none of them mentions is the space in between: the layer where a pricing strategy becomes guidance a salesperson can use in front of a customer. It has no budget line, no job title and rarely a meeting of its own. In our experience, it is exactly where most of the value in pricing quietly disappears.

Two worlds that meet operationally, but not strategically

Take a closer look and the fundamental issue becomes visible: two well-staffed worlds with very different habits (Exhibit 1).

EXHIBIT 1

Strategic pricing and pricing execution: two worlds with different owners, questions and rhythms.



	Strategic pricing		Pricing execution
OWNER	Product & marketing management	OWNER	Sales management & account teams
QUESTION	Where do we play, and what is it worth?	QUESTION	Which price wins this customer, today?
RHYTHM	Annual, portfolio cycles	RHYTHM	Daily, deal by deal
OUTPUT	List and base prices per product-market	OUTPUT	Quotes, contracts, discounts, rebates

Source: Navoniq.

Both worlds are competent. The real question is who translates the one into the other. When we map pricing processes end to end, the same picture appears in almost every industry. Pricing runs through five phases: strategy, setting, steering, execution and transactions (Exhibit 2). The first two belong to strategic pricing, the last two to pricing execution. In the middle sits price steering: segment corridors, discount guidelines, approval authority and targets.

EXHIBIT 2

The five phases of pricing: price steering is the only phase that two functions must co-own.



Source: Navoniq.

Steering is the bridge. It is where a positioning decision becomes a corridor a salesperson can work within, and where a deal outside that corridor becomes a visible exception instead of a silent discount. It is also the only phase that two functions, pricing and sales management, must lead together. That is exactly why it is so often nobody's job.

When the bridge is missing, the symptoms are familiar:

- List prices are set that nobody sells at.
- Discounts are decided one deal at a time, by whoever is closest to the customer.
- Leakage stays invisible until the year-end numbers arrive.
- Pricing software produces good recommendations that nobody is accountable for following.

"Most organizations have strong pillars on both sides. Very few have institutionalized the bridge."

The cost of a missing bridge

The cost stems from a lack of granular alignment on segment tactics, which leads to mispricing, and it is larger than most leadership teams expect. Across the many data-driven leakage analyses we have run; we typically find around €30 millions of price variance across the price waterfall for every €100 million of revenue (Exhibit 3). Not all of it is leakage; some variance is legitimate. But it is a telling indicator of the degree of commercial control in the pricing function.

Sound pricing logic would make around €5 million attainable. Typically, only about €2 million is realised: a decent business case, but well short of what is within reach.

EXHIBIT 3

Indicative value funnel per €100 million of revenue.



Source: Navoniq engagement experience. Indicative; actual values vary by industry and pricing maturity.

The gap between five and two is not a data science problem, and better models will not close it. It is organisational: ownership, cadence and governance between strategy and execution.

Building the bridge: five elements of Integrated Pricing Management

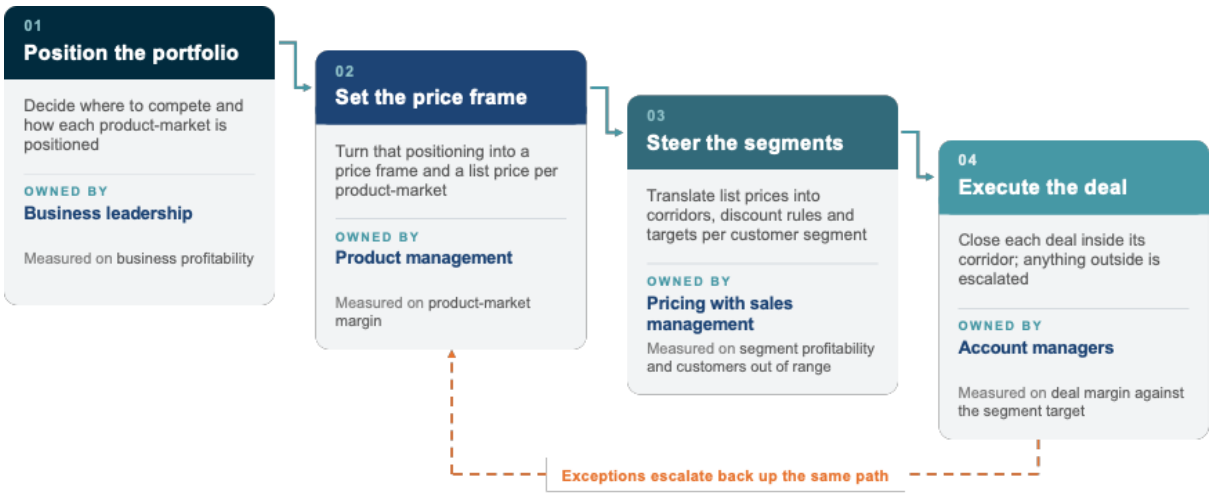
Integrated Pricing Management is the discipline of connecting strategic pricing to pricing execution through a deliberately designed tactical layer. In practice, the bridge rests on five elements.

1. A cascade from portfolio to deal

Targets cascade from portfolio strategy down to the individual deal. Each level sets the envelope the next level works within, and each has its own owner and its own measure of success (Exhibit 4).

EXHIBIT 4

The pricing cascade: each level sets the envelope for the next.



Source: Navoniq.

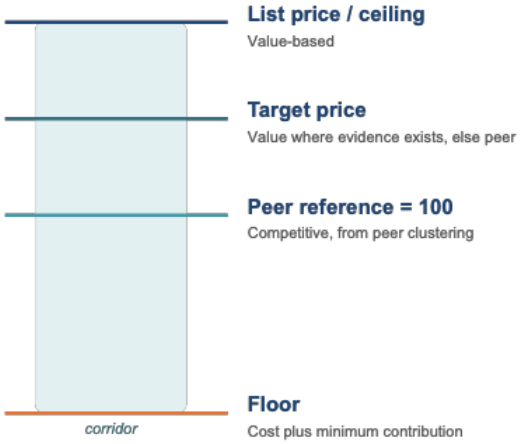
The consequence at the bottom is liberating rather than restrictive. If a deal meets its segment target, individual product prices may deviate. Sales gets freedom, with accountability attached.

2. A price frame with a declared anchor

Every product-market combination (PMC) has three references. Value sets the ceiling, cost sets the floor and competition sets the reference. The pricing strategy decides which one binds (Exhibit 5).

EXHIBIT 5

The price frame: the pricing strategy declares which anchor binds.



STRATEGY	BINDING ANCHOR	POSITION INDEX
Penetration	Peer	92
Parity / me-too	Peer	100
Premium	Value	108
Harvest	Cost floor	floor binds

PMC price = anchor × index (cell) × PMC modifier

The floor check binds last: a breach becomes an exception, never a silent discount.

Source: Navoniq.

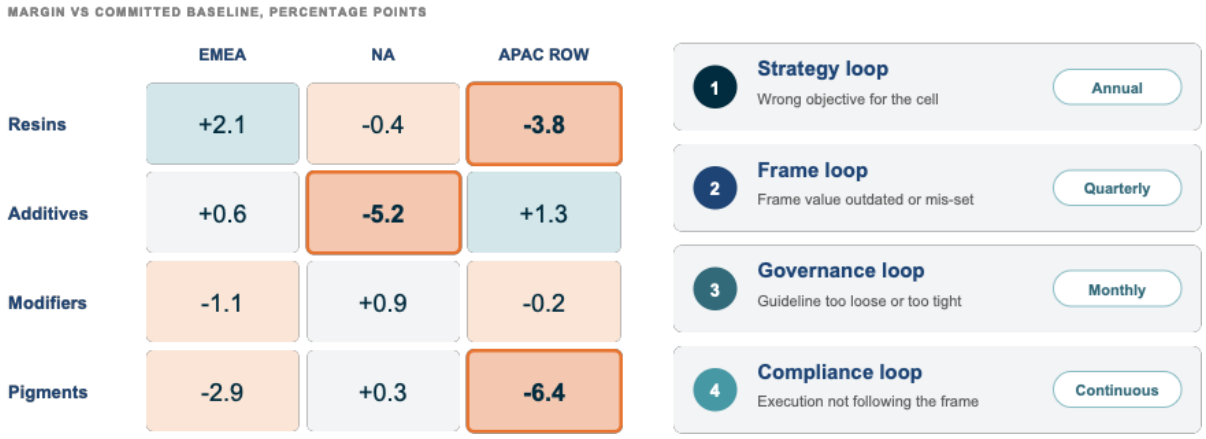
Expressing position as an index against the peer price makes positions comparable across products and markets, and directly monitorable. The floor check binds last: a breach becomes an exception, never a silent discount. One trap is worth naming. If mark-ups are calculated on cost, every cell silently becomes cost-plus, whatever strategy was written down.

3. One control plane and a tactical pricing rhythm

The bridge needs a single place to steer from: a business matrix that compares actual performance per cell, for example product line by market, against the committed baseline. The largest deviations surface automatically, and each is routed to the loop that can resolve it: the strategy loop (annual), the frame loop (quarterly), the governance loop (monthly) or the compliance loop (continuous) (Exhibit 6). The monthly tactical pricing meeting is where pricing and sales management decide on these deviations together, rather than merely reporting them.

EXHIBIT 6

The control plane: deviations from the committed baseline, routed to the loop that can resolve them.



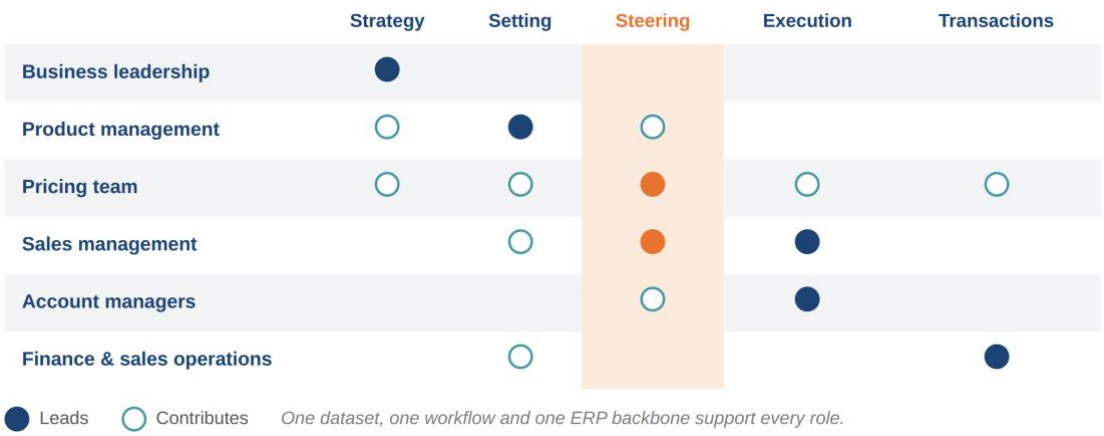
Source: Navoniq

4. Clear roles across the five phases

Building the bridge does not require a new department. It requires clarity about who leads where, and the courage to give one phase two leaders (Exhibit 7).

EXHIBIT 7

Roles across the five phases: steering is co-led by the pricing team and sales management.



Source: Navoniq.

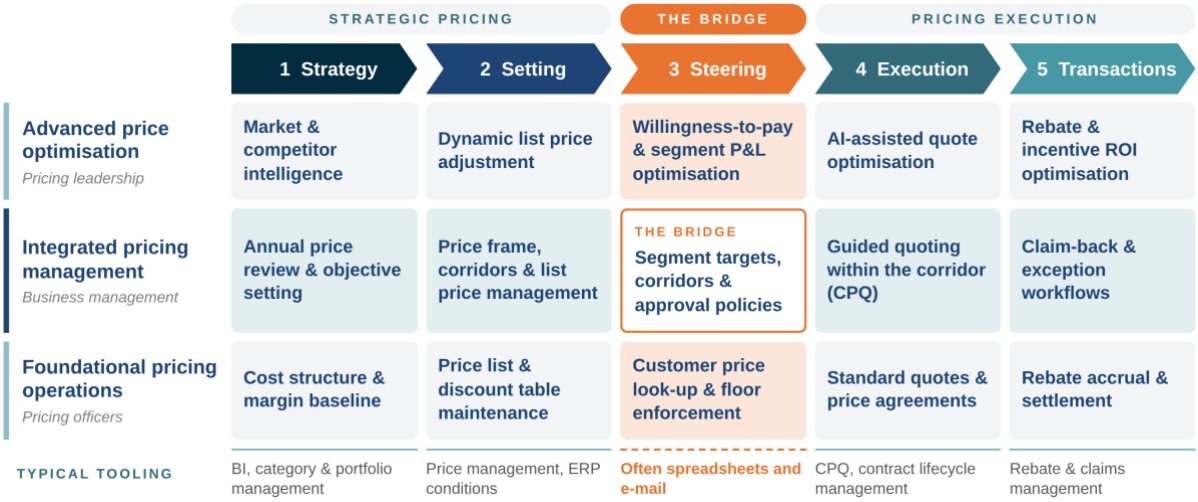
5. Pricing software as an enabler of change

Pricing software can support every role in this picture. The risk is that it reinforces the very silos it should connect category management tools serve the strategists, CPQ serves sales and optimisation engines serve the analysts, each performing well within its own phase. The bridge itself remains an organisational decision: who owns steering, which rhythm it follows and which numbers everyone agrees to steer on. Software cannot take that decision. Once it is taken, however, the right solution gives the bridge structure, data and discipline.

To position solutions, we map them in two dimensions (Exhibit 8). Horizontally, the map follows the five pricing phases: strategy, setting, steering, execution and transactions. Vertically, it distinguishes three levels of capability. **Foundational pricing operations** keep prices correct and transactions compliant. **Integrated pricing management** connects the phases through shared targets, corridors and workflows. **Advanced price optimisation** adds analytics and algorithms on top.

EXHIBIT 8

Pricing software map: five phases, three capability levels.



Source: ThinkTrooper pricing diagnostics mapping.

Most application landscapes are strongest in the outer columns, while the steering column, and with it the integrated level, is still run on spreadsheets and e-mail. Optimisation without integration produces recommendations that nobody owns; integration is what turns them into realised value.

What we see in practice

Specialty chemicals. On paper, discounts were governed by clear approval rules. The full price waterfall told a different story: discounts granted beyond approval authority were nearly three times those within it, and none had gone through approval. The fix was not a new model but a bridge: segment corridors with approval authority, a hard stop above each limit and an exception gate that requires a written justification.

Automotive aftermarket. When an OEM's aftermarket business mapped its price process across nine steps and three capability tiers, the expectation was that the gaps would sit in advanced analytics. They did not. Over half of all identified challenges sat in the integrated management tier, and the heaviest step was market price derivation: the hand-off from headquarters to the markets.

Industrial manufacturing. A manufacturer had invested in a strong price optimisation tool. The recommendations were accurate, but sales overrode them without a trace, nobody owned the space between product management and sales, and the monthly meeting reported numbers instead of taking decisions. Value only started to flow once price steering had an owner, and guidance was explained in components that sales could defend in front of a customer.

Different industries, same pattern: **adoption, not algorithms, is usually the binding constraint on realised value.**

Making it actionable: where to start

Integrated Pricing Management does not start with a reorganization or a software selection. It starts by making the bridge visible and then giving it an owner and a rhythm. Four steps get teams moving:

1. **Diagnostics: Measure the gap.** Run a pricing capability and leakage analysis across the full price waterfall for one business. It turns a vague sense that pricing could be better into quantified variance per segment, product line and approval level, and gives leadership a reason to act. Navoniq offers fast track diagnostics.
2. **Transformation planning: Map the process, name the owners structure the transition.** Walk through the five phases end to end and record who decides what, where hand-offs break down and where software is bypassed. Agree explicitly that steering is co-led by pricing and sales management. Navoniq is specialist in designing transitions plans.
3. **Piloting: Design the bridge for a selected business.** Define the cascade and the price frame for one business unit or region: segment targets, corridors, approval authority and the declared anchor per product-market combination. PMO and change mgt support offered by Navoniq.
4. **Install the rhythm, then scale.** Start a monthly tactical pricing meeting that steers on the business matrix and takes decisions rather than reporting them. Configure software to the process, not the other way around, and roll out to the next business once the pilot shows realised value. Rollout planning and hyper care offered by Navoniq.