



CUSTOMER STORY

# Event Network

How Event Network Integrated Competitive Pricing Strategies to Increase Margins and Power Growth

## Industry

- Retail

## Solution

- PriceAI
- MarkdownAI

## Project Results

- 5.5 margin point increase
- 6% like-for-like-sales growth
- 2% per-customer sales increase
- 300+% increase in cumulative revenue from previous year

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## About EventNetwork

Event Network is the leading US operator of experiential retail with over 100 stores across North America. Started with a single store, the Titanic Artifact Exhibition in Boston, Event Network expanded to become the largest retailer serving cultural attractions and lifestyle destinations in the United States and Canada.

Almost all products sold at Event Network stores have a short lifecycle, rotating in and out to align with exhibitions and events. Demand is challenging to anticipate, as it depends mainly on the irregular attendance of the iconic partner locations.

To simplify the pricing strategy on a broad range of over 100,000 highly seasonal SKUs, Event Network traditionally had used a cost-plus approach to pricing. The remaining products would be significantly marked down at the end of an exposition to minimize leftover and wasted inventory.

## The Challenge: Unpredictable Impact of Prices on Highly Seasonal and Varied Inventory

Larry Gilbert, CEO of Event Network, knew that the cost-plus pricing model was flawed. He believed a data-driven system could improve pricing efficiency but did not know if a machine-led approach could identify optimal prices in such a unique market.

“Event Network is humbled and honored to offer our products at cultural attractions that contribute significantly to the fabric of our communities. We carefully tailor our offerings to elevate guest experience, which means that each event, exhibition, and attraction has unique products. This careful attention to detail is critical to our brand, but it also makes predicting demand difficult. Product life cycles are short and product attributes vary significantly from season to season and location to location.”



**This careful attention to detail is critical to our brand.”**

– Larry Gilbert, CEO of Event Network

Additional, critical problems stood in his way:

1. **Manual Effort:** The new strategy would need to reduce the effort required to reprice Event Network’s large number of products in both the head office and at the store level.
2. **Attraction Partner Buy-in:** Retail locations greatly impact the overall guest experience at each of the cultural attractions where Event Network operates, and therefore each partner would be especially sensitive to the impact of changing prices on customers.
3. **Stakeholder Management:** Event Network is committed to successful teamwork, with multiple management stakeholders thinking differently about strategic objectives. Gilbert felt a particular pressure to drive greater customer relevance while aligning the whole management behind the new data-driven strategy.

## Responsive Pricing, Differentiating by Product and Location

Event Network partnered with Evo, a ToolsGroup company, to launch a holistic data-driven pricing model across its retail network. Evo PriceAI and Evo MarkdownAI were launched in sequence to vary prices, promotions, and promotional timing as an integrated solution.

“Evo recommended an ambitious program to maximize per capita spending and ultimately support rapid revenue growth without compromising our commitment to guest satisfaction and sustainability,” said Gilbert.





Evo implemented responsive pricing, differentiating by product and location, based on:

**1. Tracking Historical Sales and External Data**

Evo analyzes historical sales data alongside external data. The system maximizes the impact by monitoring 200,000 market products and prices, as well as the consumer behavior of 33% of the US population.

**2. Discovering New Price Opportunities**

Evo PriceAI pinpoints new pricing opportunities from targeted price increases of low-elasticity products identified by the algorithm.

**3. Discounting Products Systematically**

Evo MarkdownAI identifies strategic price reductions and promotional periods through a systematic markdown process. This allows Event Network to clear inventory throughout the year rather than in fixed time periods with universally set discounts.

Evo designed a rigorous A/B pricing test within retail locations across the country, carefully pairing similar cultural attractions with comparable foot traffic. The goal was to determine whether the new data-driven strategy could effectively increase margin while still rapidly turning over inventory.

“Sustainability is a core value at Event Network. We wanted to improve our pricing and markdown strategy, but not if it increased waste. Evo needed to prove that this approach would achieve KPI growth alongside waste reduction,” said Gilbert.

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## Initial Impact: 5.5 Points of Margin Expansion

The pilot alone increased like-for-like revenues by 6% and expanded margin by 5.5 extra points.

"From the very beginning, it was clear that the Evo PriceAI strategy would deliver above and beyond our expectations. The immediate impact on our bottom line was undeniable," said Gilbert.

The new approach to pricing also delivered on sustainability goals. Excess inventory decreased with the new system. Despite increasing prices and eliminating traditional markdown periods, Event Network saw overall per-customer sales increase by 2%.

"The Evo team was just as committed to eliminating waste as we were. In fact, they showed us how we could further these goals through additional supply chain adjustments".



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## Expanding Results: Embedding Capability Growth

Gilbert was excited to see the initial KPI improvement and wanted to continue transforming operations through automated, AI-directed decision-making. Evo's pricing tools were rolled out across the entire network of stores, followed by additional support to integrate supply chain use cases within the same workflow.

By implementing tools in a gradual evolution of processes, Event Network was able to foster consistent capability growth. This growth caught the attention of economist and Harvard Business School Professor Das Narayandas, who decided to write up the innovation in an academic case study.

Event Network's evident growth and further potential also interested investors. This pricing initiative supported a major new financing event with a private equity-backed consortium, allowing further acceleration of margin expansion.

"Shareholder value is tremendous. Evo is our partner of choice. Together we are exploring, learning, and delivering," said Gilbert.

### Want to learn more?

Read the full Harvard Business School case study here:

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