

Let's Talk Pricing

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The four Ps of marketing

- Product
- Place
- Promotion
- Price

About me

- Economic consulting since 2014
- "Wrote the book on strategic pricing"
- BA economics & MBA

Two Questions





What should I charge?

Three bad methods

What most people do... #1

1. Guess a price

What most people do... #1

1. Guess a price

2. Cross their fingers

What most people do... #2

1. Find a competitor

What most people do... #2

1. Find a competitor
2. Copy his prices

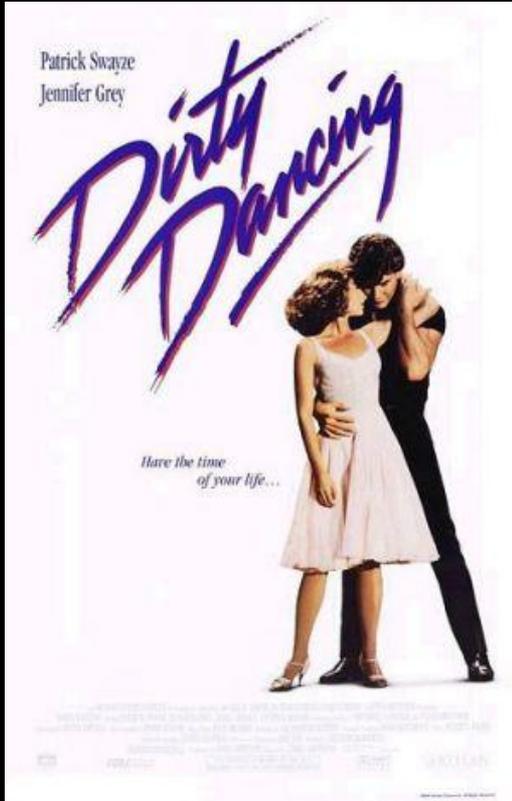
What most people do... #3

1. Analyze their product

What most people do... #3

1. Analyze their product
2. Come up with a price

What do these items have in common?



~~YOUR
PRODUCT~~

YOUR
CUSTOMER

What should I charge?

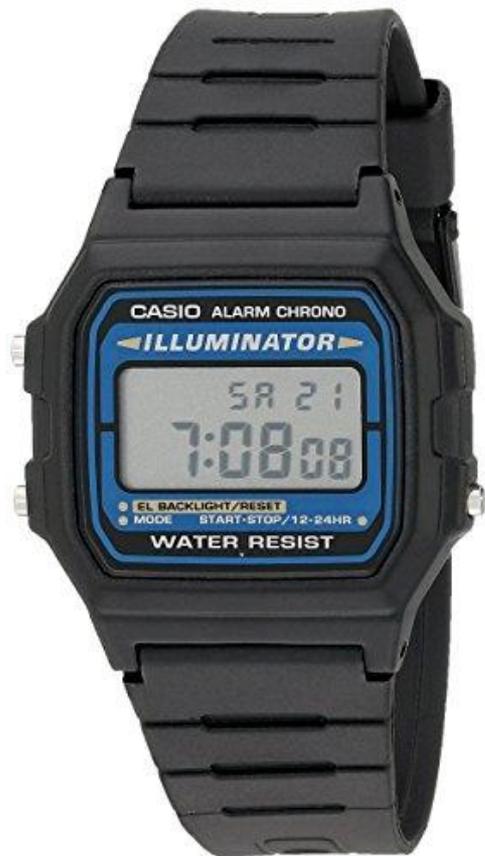
The right methods

Value pricing

1. How much value will my customers obtain?

- 1. How much value will my customers obtain?**
- 2. Charge less than that.**

**Adam's secret method to
calculate customer value**



\$13



\$81,000

BATNA

Best Alternative to a Negotiated Agreement

1. If not me, then whom?

- 1. If not me, then whom?**
- 2. Charge less than him.**

**Almost everyone gets
BATNA wrong.**

**The BATNA might be
to do nothing...**

**General advice to earn
higher profits**

1. Charge more



2. Become one of these



MONOPOLY

3. Reduce customer risk

(fixed pricing)

4. Increase perceived value

(lack of insight)



Private or public?

	Public prices	Private prices
Low value	✓	X
Low customization	✓	X
Similar customers	✓	X
Short buying cycle	✓	X

	Public prices	Private prices
High value	X	✓
High customization	X	✓
Dissimilar customers	X	✓
Long buying cycle	X	✓

Using tiers

Progressive naming

BRONZE

starting at

\$49

per month

SILVER

starting at

\$69

per month

GOLD

starting at

\$99

per month

PLATINUM

starting at

\$199*

per month

User-focused naming



	Free	Home Office	Professional	Small Business	Enterprise
	\$0	\$9.99/mo	\$19.99/mo	\$39.99/mo	Looking for more?
	Get Started	Get Started	Get Started	Get Started	Contact us
		30 day free trial	30 day free trial	30 day free trial	
Feature included					
Fax Pages ?	5 total	300/month	500/month	1000/month	
Team Size ?	No team	5	10	20	

**Don't push the
least profitable option**

2 Choose a plan that fits your needs

MOST POPULAR

BASIC

\$22.00 /month

All the features of the **Free Plan**, PLUS:

- ✓ Send unlimited emails
- ✓ Connect 3  or  accounts
- ✓ Remove VerticalResponse branding in email footer
- ✓ Automatically send Follow-Up Emails to non-responders

PRO

\$32.00 /month

All the features of the **Basic Plan**, PLUS:

- ✓ Connect up to 6  or  accounts
- ✓ Exclusive benefits:
 - Dedicated contact person
 - Delivery rate improvement review
 - Email template with your logo

Independent contractors

Small businesses

Self-Employed	Simple Start	Essentials	MOST POPULAR Plus
\$10 \$5 /mo	\$15 \$10 /mo	\$30 \$21 /mo	\$40 \$28 /mo
Buy now	Buy now	Buy now	Buy now
✓	×	×	×
✓	✓	✓	✓
✓	✓	✓	✓
✓	✓	✓	✓

Pricing

PLAN DETAILS	BASE	PREMIUM	ELITE
Price per Month Promo!	\$49	\$149	\$299
Facebook Ads Spending	up to \$3,000	up to \$10,000	up to \$50,000
Facebook Ads Accounts ?	Unlimited	Unlimited	Unlimited
Unlimited Ads split testing			
Powerful simple analytics			
Essential Features *			
Automatic optimization ?			
Sub Accounts ?		up to 2	up to 30
Data Update Frequency ?	60'	30'	10'

Features vs. benefits

Features → your product

Benefits → your users

zendesk

CSAT surveys?

Unlimited light agents?

Data center location?

Essential

from...

\$5 per agent per month

- Email & social channels
- Basic knowledge base
- Web Widget & Mobile SDK

Team

from...

\$19 per agent per month

Essential, plus...

- Branded customer portal
- Business rules
- Performance Dashboards

Professional*

from...

\$49 per agent per month

Team, plus...

- Multilingual content
- CSAT surveys
- Custom reports & dashboards

Enterprise

from...

\$99 per agent per month

Professional, plus...

- Custom agent roles
- Multibrand support
- Multiple ticket forms
- Launch Success Program
- Satisfaction Prediction

Elite

from...

\$199 per agent per month

Enterprise, plus...

- Unlimited light agents
- 99.9% uptime SLA
- 1 hour service level objective
- Advanced encryption & security
- Data center location

"One of the most repeated rules of writing compelling copy is to stress benefits, not features."

copyblogger.com/benefits-not-features

July 2016

Save \$240

Blogging tools?

\$145 *per month*

Billed Annually

GET STARTED NOW

A/B testing tools?

Podcasting tools?

\$165 *per month*

Billed Monthly

GET STARTED NOW

Rainmaker includes:

- ✓ Integrated email
- ✓ Landing page builder
- ✓ Powerful blogging tools

- ✓ Marketing automation
- ✓ Responsive HTML5 designs
- ✓ A/B testing tools

- ✓ Online course builder
- ✓ Podcasting tools

[Plus much more, take a look ...](#)

Summary

Summary

1. Focus on customer, not product
2. Use a pricing method that makes sense
3. Don't race to the bottom; stand out instead
4. Guide buyers to higher priced offerings

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