



Pricing Vs Value Workout

One of the things we constantly reiterate is the need to put price in its place. To demonstrate that consumers, *including you*, want real value from their purchases and not just the cheapest prices, please complete the exercises below.

Don't forget that low prices are also a MASSIVE turn off for many too. To demonstrate this, I wanted a mobile phone holder for the car. I wanted something that was nice quality so it wouldn't break and would last some time. On eBay I saw 2 mobile phone holders with exactly the same picture on them ... one was priced at £7.99 and one was priced at £14.99, even though the photo showed apparently it was exactly the same product. So which one did I buy? I bought the £14.99 one because my mind was telling me that £7.99 was too cheap to get something of quality and it would break in a few weeks!

See what I mean? We are not rational human beings!



Introduction Learning Activity:

Think about some products or services you have bought in the last month or so.

From a pricing perspective, ask yourself:

1. What products or services did you feel were good value?
2. How long have you been loyal to particular brands that you buy repeatedly from?
3. What differentiates them in terms of their pricing?
4. For products or services that you are willing to pay more for, how does price factor in?

Now please enter your answers on the work sheets that follow.



Introduction Workbook Area

Please write the answers to the previous learning activity here.

What products or services did you feel were a good value?

Product/Service	Date of Purchase	Origin of Purchase	Notes



How long have you been loyal to particular brands that you buy repeatedly from?

Brand	Length of Loyalty	Notes



What differentiates them in terms of their pricing?

Brand	Points of Differentiation	Notes



For products or services that you are willing to pay more for, how does price factor in? In the "Reasons" section, put why you buy these items even though you know they are not the cheapest. Could you use these extra value added reasons for your business too?

Do take your time to work through this exercise for at least 15 products you buy ... they may give you more ways for you to add more value in your business!

Product/Service	Reasons You'd Pay More For This Product



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