How price anchoring makes your customers pay more for their print

Matthew Parker
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Supermarket 85%
Ghanaian chocolate 100g - £1.59
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Ghanaian chocolate 100g - £1.59

Artisan 85% Santander
Colombian 90g - ???
Supermarket 85%
Ghanaian chocolate 100g - £1.59

Artisan 85% Santander
Colombian 90g - £3.35
Price Anchoring
Damien Hirst

Shark in formaldehyde 1991 £50k
Shark in formaldehyde 1991 £50k
Shark in formaldehyde 2007 £8m

Damien Hirst
Agenda

The principle of price anchoring
Agenda

The principle of price anchoring
Reverse anchoring
The principle of price anchoring
Reverse anchoring
How to apply anchoring to print sales
These strategies work best when selling more than just print
The principle of price anchoring
Car valuation

Owner’s valuation: €2,800
Car valuation

Owner’s valuation: €2,800
Experts’ average valuation: €2,520
Car valuation

Owner’s valuation: €5,000
Car valuation

Owner’s valuation: €5,000
Experts’ average valuation: €3,563
How much to make an iPhone?
Phone cost

£699

Model: iPhone 6S 128GB
Profit margin
69%

iPhone 6 gross profit margin
Source: IHS
Budget cost

£189

Model: Samsung Galaxy S416GB
Cash

$193.5b

Source: Apple Q2 earnings call April 2015
Market share

17.7%

Share of smartphone market
Source: Strategy Analytics - refers to Q1 2015
Profit share

88.7%

Share of smartphone profits
Source: Strategy Analytics - refers to Q4 2014
How much to print a leaflet?
How much to deliver a campaign?
Reverse price anchoring
Case study: W2P
Buyer advantages

Artwork savings
Buyer advantages

Artwork savings
Brand security
Buyer advantages

Artwork savings
Brand security
Cost-effective ordering
Buyer advantages
Artwork savings
Brand security
Cost-effective ordering
Instant reporting
Chargeable costs

Software license
Chargeable costs

Software license
Implementation
Chargeable costs

Software license
Implementation
Artwork templates
Chargeable costs

Software license
Implementation
Artwork templates
pdf downloads
Buyer cost £0
How to apply price anchoring to your sales
Cross Media Case Study
ROI
Minimum campaign cost

£3,000
Set-up cost

£2,000
Target Audience
Pain
Anchoring exercise 1

What does your product/service achieve for your client?
Anchoring exercise 1

What does your product/service achieve for your client?

What is this worth?
Anchoring exercise 2

What features make your product/service high value?
Anchoring exercise 2

What features make your product/service high value?

What are these worth?
How much should your price be?
Xerox iGen with Automated Packaging Solution
Elavena is a registered trademark of Raisio Nutrition, Ltd.
Charging more creates interest
Summary

Create value
Summary

Create value
Create cost expectation
Summary

Create value
Create cost expectation
Charge more: create interest
Action Points

Value the end result of what you do
Action Points

Value the end result of what you do
Value your features
Action Points

Value the end result of what you do
Value your features
Tell customers why your worth it!
Keep in touch
Free e-book
Worth $19

Views from the buyer
Are you struggling to win enough sales?

Discover how mentoring with Matthew Parker can help
Cross Media Case Study
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