



VALUE PRICING

Time \neq Value

Change Begins With A New Thought

- Cognitive Dissonance
- It's hard to think straight and walk crooked. -FRL

The Questions

1. Who gets paid by the hour?
2. Would you pay a painter to paint your house by the hour? Why?
3. Why should it be any different for anyone in #1 than #2

Time

- Time is time
- Time \neq value
- People are paid for their talent and outcomes
- Customers buy value
- Competition does not determine value (Think Apple)

The 1st Two Principles

- 1. Start with the Customer (have a conversation)
 - NOT – What do you need
 - BUT – What are you trying to accomplish?
 - The value justifies the price (not cost + profit)
 - ASK: “Mr./Ms. Customer, we will only undertake this engagement if we can agree, to our mutual satisfaction, that the value we are creating is greater than the price we are charging you. Is that acceptable? (McKenzie and Company?)
- 2. All valuation is contextual
 - Give choices (preferably 3)

A Place to Start

- People buy results (they value), not features (process, things, what you do)

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◦ Vacuum Hepa Filter	Clean Air	Allergies OK when cleaning

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◦ Vacuum Hepa Filter	Clean Air	Allergies OK when cleaning
◦ Customized Exercises	Helps THEIR body	Pain Free/ Better Movement...kids
◦ Identify Source of Pain	Target the Source: Pain	Pain Leaves