

HOW TO BUILD A MULTI-MILLION DOLLAR BUSINESS

Your Step-by-Step Marketing Roadmap

How We Raise Our
Prices Without Losing
A Single Customer

The background of the lower half of the page features a series of thin, light gray lines that curve and flow across the space, creating a sense of movement and depth. In the lower right quadrant, these lines intersect to form a subtle grid pattern. The overall aesthetic is clean and modern, with a focus on geometric and organic forms.

HOW WE RAISE OUR PRICES WITHOUT LOSING A SINGLE CUSTOMER

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INTRODUCTION

This presentation will help you learn how to increase your current prices without losing a single customer. You're going to finally understand why your prospects and customers buy value, NOT price. The more value you can add to your product or service, the higher the price you can charge, WITHOUT compromising your ability to close more sales.

Have you ever wondered how much more money you could make if you raised your prices? Most business owners have. But then a warning bell goes off in your head, if I raise my prices, I'll immediately lose all of my customers, or at least a vast majority of them. That seems to be the prevailing logic these days, and helps explain why more than 90 percent of all small businesses attempt to compete on price alone.

But what if we could change all of that for you? What if we could show you how you can instantly increase your price WITHOUT losing a single customer? In order to raise your prices and get away with it, it's important that you understand some basic facts about pricing.

First, consider the real pitfalls when it comes to competing on price, and dealing primarily with price shoppers. Low price shoppers overall will take up the bulk of your time. They will bleed you dry if you let them, and they will attempt to suck the life right out of your business. Everybody knows the 80/20 rule. Eighty percent of your customers, the ones who take up the majority of your time, are going to provide you with approximately 20 percent of your income.

NOTES: *(click below to add)*

INTRODUCTION

Why do they take up so much of your time? They're the ones who do all of the complaining. It's the low priced customers who desperately look for more and more value, and scream at the top of their lungs when they don't perceive they're receiving it.

They're going to make sure that they get what it is that they came for. That's going to make them the complainers because they want 100 percent satisfaction from you for the lowest possible price they can get away with.

Many business owners believe the exact opposite is true, that the people who paid the highest price will expect the highest level of service, and they do! They just complain less about it. Unfortunately, the price-shoppers also tend to be poor payers, and this will play out most when you've extended them credit or offered them a payment plan.

While it is true that if you sell a high priced product, one of the ways you can get people to purchase more is by offering a payment plan, people who take the payment plan tend to be the poorest payers.

They will also spread any bad word about you for the same reasons. They want 100 percent satisfaction. They end up feeling as if they didn't receive any value, and one of the ways they retaliate is by telling everyone else about their terrible experience, especially in today's social media environment.

And even if it does work out for them, they'll spread the word that they received your product or service at such a good price, they want everyone to know what they paid for it. While that might be great word of mouth, it tends to devalue your brand.

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INTRODUCTION

Price shoppers aren't loyal. They'll leave you in a heartbeat if someone offers them the exact same product or service for a nickel cheaper. If you're competing on price, you're not going to be the lowest price for long, because some other low price player is going to undercut you, and your price shoppers will leave you in the blink of an eye. They may eventually buy from you again, but they're never going to be loyal to you or your business.

If you're not in a product-based business, but instead in a service-based one, those price shoppers will do anything they can to suck free things out of you. They tend to steal your ideas, copy your information or appropriate your intellectual property. Obviously price shoppers aren't the best customers for you to attract as your target customer. But here's the really great news.

When you increase the price you charge for your product or service, you will automatically repel your costly price shopping prospects. But even better, you will begin to attract those prospects who want more than just a low price, they want the best value. That's why it's so important you continuously add value to what you sell by understanding exactly what your target prospects want and then giving it to them in the form of additional products and services. Just make sure you increase your pricing to accurately reflect the true value you offer. Let's look at an overly simplified example of this.

Let's assume that Company A sells a Product for \$100. The net profit on that product is 15 percent. That means the owner puts \$15 into their bank account after all the bills are paid, such as the rent, salaries, sales commissions, utilities, the cost of building, manufacturing or acquiring that product and everything else that goes into operating a business.

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INTRODUCTION

PRICE CHART	
Price of Product or Service	\$100
Net Profit Margin	15%
Net Profit	\$15
Increase in Prices	\$5
Price Increase as %	5%
Increase in Net Profits (as %)	33.33%

So what would you think would happen if the owner of this business raised their price by a mere 5 percent? Do you realize that additional 5 percent is pure profit? This business owner will go from \$15 in profit to \$20, simply because they added 5 percent of \$100, or \$5 onto the price. That means the actual profit on this product just increased by a staggering 33.33 percent.

It's VERY important that you understand this concept thoroughly. By increasing the price of this product or service just 5percent, the business increased their overall profit by 33.33 percent

But we know that for many business owners it may be impossible to raise their price even 5 percent. Typically these are more commodity-type businesses, so even a 5 percent increase will lose you some, if not all of your business. If you own such a business, I doubt you would want to take that chance, and we don't want you to take that chance either.

But consider this scenario. What WOULD you have to do to increase your profits by a mere 5 percent instead of the 33.33 percent we've just discussed? Let's look at the actual calculations using our simple chart to demonstrate this example.

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INTRODUCTION

You can actually see in this example that a meager 1 percent increase in price leads to a 6.67 percent increase in profits, assuming again your net profit margin is 15 percent. Now a 6.67 percent increase in profits is an incredible achievement when you remember this is just one small component in your E-Learning Marketing System.

There are four additional areas other than price in our 5 Step Profit Formula that we help you focus on in order to create exponential growth for your business. With many businesses, we try to achieve a 5 to 10 percent impact in each of these 5 growth areas, and by doing so, a business can often double or even triple their profits.

Notice in this example that to achieve a mere 5 percent increase in profits, you would only have to increase your price by 75 cents on a \$100 product!

PRICE CHART	
Price of Product or Service	\$100
Net Profit Margin	15%
Net Profit	\$15
Increase in Prices	\$1
Price Increase as %	1%
Increase in Net Profits (as %)	6.67%

Now seriously, when you consider how much prospects today value convenience, along with the price of fuel for them to drive even one block to a lower-priced competitor, is a 75 cent difference really going to be a deal-breaker?

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INTRODUCTION

Of course not. Every business today has this kind of untapped opportunity

PRICE CHART	
Price of Product or Service	\$100
Net Profit Margin	15%
Net Profit	\$15
Increase in Prices	\$0.75
Price Increase as %	0.75%
Increase in Net Profits (as %)	5%

staring them in the face, and they simply don't realize it because they don't understand the numbers. However, if you still hear warning bells going off in the back of your mind saying, "if you raise your prices, you'll lose customers", then let's explore that possibility by again looking realistically at the numbers and the actual impact of those numbers on the bottom line of your business.

To understand this number, we simply need to add one more dimension to our example. We want to know the number of customers who purchase that \$100 product. Here's how it looks.

As you can see from this example, you could lose 48 customers (1,000 - 952) and still make the same original net profit of \$15,000.

So ask yourself realistically, do you really believe, on a \$100 product or service, that a 75 cent price increase will cause your business to lose 48 customers? Because if it does, believe me, there's more at play here than that meager price increase.

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INTRODUCTION

PRICE CHART	
Price of Product or Service	\$100
Number of Customers	1,000
Net Profit Margin	15%
Net Profit	\$15,000
Increase in Price	\$0.75
Price Increase as %	0.75%
Added Net Profit	\$750
Increase in Net Profit (as %)	5%
New Net Profit Per Unit	\$15.75
Total New Profits	\$15,750
Number of customers needed to achieve original net profits	952

Chances are there are additional perception problems taking place with your customers, such as poor customer service, management indifference or the simple fact the customer no longer feels appreciated. And if that's taking place, those customers were on the verge of leaving you anyway, price increase or no price increase.

Let's look at another example. This is an actual case study from a local health club. They charged \$50 per month per member and they had at the time around 300 members. Their net profits were only about \$3,000 per month because they were operating on a 20 percent net profit margin.

By raising their prices by just \$3 per month or 6 percent, they increased their profits by 30 percent or \$900 per month. For many people, that would cover two brand new car payments.

NOTES: *(click below to add)*

INTRODUCTION

And this health club did this with a zero drop in memberships, mainly due to the fact that they provided excellent customer service and treated their members like gold, which of course they are. But check this out, they could have actually lost a whopping 69 members out of 300 and suffered zero impact on their original profits.

Now again, seriously, how many gym members will leave a club they're satisfied with over a \$3 per month price increase? And yet that increase offers this business huge gains in their overall profitability.

Use this example for your business. Plug in various price increases for your own products and services and see what makes sense for you in your business. Calculate the extra profit potential for your business, and then see how many customers you would have to maintain to still make your original net profit. I think you will be shocked by the results you obtain. Now, let's look at a similar example but from a strategic viewpoint.

HEALTH CLUB PRICE CHART

Price of Product or Service	\$50
Number of Customers	300
Net Profit Margin	20%
Net Profit	\$3,000
Increase in Price	\$3
Price Increase as %	6%
Added Net Profit	\$900
Increase in Net Profit (as %)	30%
New Net Profit Per Unit	\$13
Total New Profits	\$3,900
Number of customers needed to achieve original net profits	231

NOTES: *(click below to add)*

INTRODUCTION

Let's assume a business has 1,000 customers, each of them paying \$100 per month for a given service. They have a 20 percent margin with a net profit of \$20,000. Raising the price by \$5 will increase the profits of this business by 25 percent. Let's also assume that 20 percent of their customers are price shoppers and they decide the increase is a deal breaker and they drop the service. Notice that in this example the business still retains 800 customers, and yet suffers no decrease in profits.

Here's why this is so important. Those 200 customers who defected are most likely the ones who were the biggest complainers, required the most customer support, were typically behind in their payments and generally caused the greatest amount of stress.

PRICE CHART

Price of Product or Service	\$100
Number of Customers	1,000
Net Profit Margin	20%
Net Profit	\$20,000
Increase in Price	\$5
Price Increase as %	5%
Added Net Profit	\$5,000
Increase in Net Profit (as %)	25%
New Net Profit Per Unit	\$25
Total New Profits	\$25,000
Number of customers needed to achieve original net profits	800

NOTES: *(click below to add)*

INTRODUCTION

This example highlights the undeniable fact that in many cases raising your prices can actually benefit you and your business. It can restore the joy of doing business by eliminating stress. It frees up your customer support line and it can allow you to re-purpose your staff to higher priority revenue generating tasks. With your biggest problems out of the way, you're now able to serve your remaining clients at a much higher level and that increases your value substantially.

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TWO WAYS TO RAISE YOUR PRICES WITH ZERO NEGATIVE EFFECTS



Let's consider two different strategies where you might be able to instantly raise prices without any significant impact whatsoever on your overall number of customers. First, consider the psychological barrier of price. This refers to the overall perception price can play in your prospects decision making process.

Consider what you just saw a moment ago with the various charts and examples we reviewed. Ask yourself how many products or services that you sell lend themselves to this same opportunity? However, it's important to note that this doesn't necessarily have to apply to all of your products and services. You may elect to test this with just one product or service first, as long as the impact is great enough.

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TWO WAYS TO RAISE YOUR PRICES WITH ZERO NEGATIVE EFFECTS

The health club was only offering this opportunity to new members. They could have also applied it to the various fitness classes they offered such as Pilates and spinning. They might have tested it when offering personal training. Your business may also offer a variety of products or services, but you normally have just one product or service that you position first to the marketplace to compel them into a buying relationship with you whereby you can then introduce your additional products or services.

Using this strategy, look to increase your price where it will have little psychological impact on your overall conversion rate. For example, if you offer a product or service for \$92, you could raise it to \$99. This slight increase typically produces little or no impact on sales conversion because both prices are perceived to be “similar” in nature.

Consider this tactic, any price you currently charge that ends with a zero through six, such as \$90 through \$96, increase that price so it ends with a seven or eight, such as \$97 or \$98. You will typically meet with zero resistance when doing this, and a zero impact on your conversion rates. If you feel apprehensive attempting this, then try a small test over a one day period to verify the results. If you see pushback from your customers, you can elect to immediately go back to your original price.

However, if you attempt to increase the first digit in your price, you may hit a major psychological barrier and run into trouble. A price of \$1870 can be increased to \$1877, or even \$1,897 with little to no pushback. But moving to \$1997 might incur some resistance. This is where the previous charts can help you make that determination.

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TWO WAYS TO RAISE YOUR PRICES WITH ZERO NEGATIVE EFFECTS

You can run your own numbers to see if that additional increase will be worth it. However, a price increase to \$2,000 or more will most likely have a negative impact on sales. There's a reason so many info-products you see on TV are \$19.95 instead of \$20. When that first digit changes, you often breach the prospects psychological barrier.

The second strategy to consider we might call the “Across the Board” or “Across a Product/Service Strategy.” This is where you increase your pricing on all your products or services, or your various categories of products or services by a specific percentage, say 7 percent. In this situation, the starting point for your pricing is irrelevant.

But before you take action, do some research on your competition. You should always determine your pricing versus that of your competitors, especially if what you sell is considered a commodity. With commodities, price increases can definitely pose a challenge unless they have a value-added component of some kind that justifies the increase.

The key here is to determine the uniqueness of your product or service, including the delivery method of that product or service. If your product or service is unique, or if you offer unique distribution such as a dry cleaner that picks up and delivers, then a price increase can be easily implemented without suffering any adverse effects.

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THE STEP-BY-STEP APPROACH FOR PAINLESSLY INCREASING YOUR PRICES



Here's the best way to execute this strategy. First, identify your competitors who provide the same or a similar product or service. Although this can be time consuming, it's well worth spending that time up front. Here are several suggestions to help you get started.

First of all, look around you. Who do you compete with during the course of your normal workday? Most business owners have a good sense who their competitors are. Take notes. Write down their names, what they offer, any special deals they offer, their various marketing and advertising offers, collect their ads, sign on to their mailing lists, visit their stores, walk their aisles, ask them questions, make notes how their staff treats you and so on.

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THE STEP-BY-STEP APPROACH FOR PAINLESSLY INCREASING YOUR PRICES

Then ask yourself the following questions. First, what prices do you charge for your primary products and services? Second, when was the last time you raised your prices? Third, how do your prices compare with your competitors? Fourth, how does your product or service compare to your competitors? Fifth, do you provide any value-added services that your customer perceives that makes your product more valuable?

Sixth, is it easy for clients to price shop when they buy what you sell? Seventh, do you know your competitors' biggest weaknesses or failings? Eighth, do you, or can you, specifically compensate for that failing so that you gain vital market share? Ninth, what would you estimate the impact would be on your sales conversion rate if you raised your prices by just 3 percent? And tenth, what would be your increased profit if you raised prices 3 percent while maintaining your current sales conversion rate?

Obviously this is a lot of research, but if you're about to launch a business, you would do well to understand this information before you open your doors. If you're already in a business, then you have to do this research to get yourself in front of your competition. However, most business owners are already swamped with responsibility and have little time to invest. So try this.

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THE STEP-BY-STEP APPROACH FOR PAINLESSLY INCREASING YOUR PRICES

Tap into your local resources. Go to your local community college or business school and either hire a business student to do this research for you, or better yet, offer to host an internship for a qualified student. An internship can help you get this research done for free while providing a valuable opportunity for a business student to gain firsthand experience in an actual business setting. In either case, a business student will learn excellent research skills and if you have to hire them it will be for very little money.

Next, obtain the basic research. Give them your list of questions and have them research the answers for you. Ask them to submit their findings in a typed report or an Excel spreadsheet delivered to you by email.

Ask them to break it down into several categories or columns. Make sure it includes the following, names and addresses, a summary of all competing products or services, the prices they currently charge, their individual strengths and weaknesses and their marketing strategies and objectives.

If possible, obtain more in-depth research. Levels of customer support, cost of delivery, your competitor's primary Market Dominating Position and how they communicate it, their payment terms or options that make it easier for a customer to buy, their risk-reversal strategies including guarantees or warranties and their marketing and advertising collateral.

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THE STEP-BY-STEP APPROACH FOR PAINLESSLY INCREASING YOUR PRICES

The purpose of all of this is to help you decide which of these can help you best increase your probability of success. These will help you to better understand what the impact will be of a 3 percent or 5 percent price increase on your business.

Whoever ultimately does this research, here are the best sources for finding the answers. Start with the Internet. Become a mystery shopper and visit their stores or locations. Actually order from them. Talk to their customers. Analyze their ads. Attend their speeches or presentations. Go to their trade shows and visit their displays.

Check out various written sources such as the Yellow Pages, their annual reports, computer databases, ask your public librarian for help on this one, industry surveys, trade association publications as well as local newspapers, magazines or journals. The more research you do, the more you increase your probability for success.

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THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE



After you gather this vital information, use it to establish three critical components in your business that will easily justify any increase in price you elect to enact. These three critical components are your market dominating position, adding additional value to what you sell, and reversing or eliminating all risk associated with the purchase. These three can enable any small business to literally dominate their market. Let's explore all of these in depth.

Your Market Dominating Position, sometimes referred to as your Unique Selling Proposition, may be the single, most important element when it comes to building a successful business. It's what sets your business apart from your competitors. So consider this.

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THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

Have you created yours? If so, do you communicate it clearly in every sales call you make, every ad that you place and every prospect you communicate with? What advantage do you advertise to the market so that they would be foolish to buy from anyone else but you?

If you don't have a Market Dominating Position, or you don't communicate the one you have, then you're lucky to get the business you do have. If there are 100 buyers and there are 19 other businesses like yours, then you will typically attract just 5 percent of those prospects.

A great market dominating position can enable you to focus on a specific niche market and communicate to your prospective customers that you're the only logical choice for them to do business with. And if you're ready to take this to an entirely new level, a great market dominating position can empower you to dis-empower your competition and take their market share before they even know what hit them? Never underestimate the power of a great market dominating position.

You need to spend time developing yours, then make sure it's communicated in everything you do, from your ads and your telephone conversations to each and every contact point you have with a customer or prospect.

When you communicate your market dominating position to your prospects in a way that connects with them, both logically and emotionally, then the value of your product or service immediately skyrockets in their minds. This is the point where you will experience the greatest success when raising your prices.

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THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

However, if you ignore the development of your market dominating position, then your prospects can't differentiate you from your competitors. That means, in their eyes, you're just like everyone else. And at that point, your prices **MUST** be identical to those of your competitors. Never forget that when all things are equal, the only differentiation left to a prospect when determining value is price. So let's talk about value next.

Many businesses operate using a model just like every other business in their niche or industry. Since most businesses were born and bred into that industry, their ability to pull ideas from other industries into their own is extremely limited. That's why one of the smartest things you can ever do as a small business owner is to adopt a systematic study program of businesses outside your own industry.

Look at the various ways attorneys in the UK market their business, or how travel agents in Australia operate and offer their services or the sales practices and tactics used by car dealerships in Japan. Then look to see how you can extract their best practices and apply them into your own situation. Do this, and you can gain unmatched and unequalled advantages over your competition. In short, you will dominate your market.

For example, car dealerships in Japan typically offer prospective car buyers a menu of drinks from a small, laminated card. They can choose iced coffee or tea, hot coffee or tea, a variety of sodas, hot chocolate or water. Now what does that drink cost the dealership, maybe 50 cents? Aren't there a lot of businesses that could easily adapt this simple courtesy? If your bank did this, would that impress you? What about a hair salon, your doctor or dentist, a florist or your accountant. This is a simple example of a value added service.

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THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

These typically cost very little, but add immense perceived value to your business. In some businesses, offering free education is an excellent value added service, especially if your product is complex in nature. This free education can take many forms, such as a special report, a white paper or a special link that directs them to a section of your website. How much does that free education cost you to deliver? Next to nothing, right? But it increases the perceived value of your offering tenfold and justifies any marginal price increase you choose to impose.

You need to adopt a value-added mindset from this point forward in your business. Continuously ask yourself how we can improve the way we help or service our prospects and customers. In today's competitive business environment, you have to be continuously discontent with your process and always be re-examining it because if you're not growing and improving, your competitors will eventually eat you alive.

Start asking yourself and your staff the following questions on a daily basis. What problems can we solve for our clients? How can we have a greater impact this month over last? How can we give more value to them this month? How can I provide more than they're currently getting from my competitor?

If there's nothing to distinguish you on what you offer in terms of product or service, then perhaps you can create a competitive advantage in how you serve them, acknowledge them, empathize with them or advise them. Any of these areas can easily set you apart and enable you to gain a competitive edge once word gets around.

NOTES: *(click below to add)*



THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

Never forget that prospects are always in a “what’s in it for me” mindset. For example, when you go shopping, do you care more about yourself or the sales clerk? Yourself of course, and that’s natural and normal. So, ask yourself these questions. If I were the customer, why would I want this? Why would I want to take advantage of this? Why would I come to this store, instead of the other competitors in the same area? What’s in it for me as the customer? What’s my ROI—my Return on Investment?

When you get your team together and start to brainstorm ways to add value to your clients, how to enrich them at a higher or deeper level, you move from the “me-oriented” thought process that says, “How am I going to get more clients?” to the “you-oriented” thought process that says, “How much more value can I add?” The result is this simple, yet profound rule of business, the more value you give, the more money you will make.

Maybe you’re in an industry where it’s impossible to raise your prices. Think about this: if you were perceived by the marketplace as the one who offered the most value for that price, who do you think would get the lion’s share of the business? It would be you , at the expense of your competition.

In almost every business there are groups of customers that will gladly pay a little extra for a higher level of service. If you identify this in your business you may want to consider raising your service level and then your pricing.

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THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

Nordstrom's, for the most part, sells the same merchandise as other large clothing retailers. However, they have managed to thrive while competitors have struggled. Why? It's really the little value-added services that set them apart. They have an inexpensive shoeshine stand that caters to the upper class. They have an Espresso Bar at the entrance. They have helpful and friendly salespeople. They have a generous return policy. And they have baby changing tables in the bathrooms. None of these require a huge investment, and it's these little things that make a major difference.

Consider a business as mundane as a dry cleaner. Dry cleaners, as a group, do a relatively poor job building customer relationships. But how would you feel if you walked into your dry cleaner and a cheerful, friendly employee greeted you by name? They offer you hot fresh coffee and dessert and they're fanatical about the quality and care of your clothing. When it comes to dry cleaners, these are the little differences that are highly valued by their customers. And with these small increases in value, this dry cleaner can raise their prices and their customers will gladly pay the increase. Wouldn't you?

The third critical component in your business that will easily justify any increase in price you elect to enact is reversing or eliminating the risk of purchasing. By eliminating the risk, you lower the barrier that prevents someone from buying from you. You should strive to actually reverse the risk and remove it from the back of the customer and place it squarely on your own shoulders.

This will compel your prospects to at least sample what you have to offer, especially if you can show that the value you offer is greater than that of your competition and that your market dominating position is more compelling.

NOTES: *(click below to add)*



THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

Your job as a business owner is to find as many ways as you can to get your products or services into your customer's hands. Most businesses sell their products or services with an unclear, powerless guarantee. If there's a problem, an integrity-based business owner will always make the problem right. They might adjust it, replace it, refund it or redo it. Unfortunately, they don't typically incorporate that fact into their selling proposition.

The typical claim of "Satisfaction Guaranteed!" has been so over-used that it's now meaningless in the minds of most consumers. The more you consciously include risk-reversal into your selling proposition, the more you will own the customer.

More often than not these days, products and services are viewed by the customer as commodities. The challenge that every successful business owner must confront head on is to refuse to be a commodity and learn how to become extraordinary. You must learn how to separate your business from your competition, and become the obvious choice to buy from. You must stand out more favorably and advantageously than any other business you compete against.

Ask yourself what you can do to eliminate the customer's fear of purchasing what you sell and make it foolish for them not to do business with you? For example, if no other competitor offers a 100 percent money-back guarantee then you have the opportunity to become the logical choice by doing so.

NOTES: *(click below to add)*



THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE

Nordstrom's did this through their generous return policy. Knowing that you can take anything back, for any reason if you're not completely satisfied differentiated them from every other department store. It completely eliminates any risk of purchase. Why would anybody purchase the same item from another store?

Understand that a guarantee is an absolute scientifically calculated risk. The return rate will become a mathematical constant over time and you will be able to calculate your exact cost. Which one of your competitors does this now? If there aren't any, you may have the opportunity to become the market's only logical choice.

Take this action immediately. Think about how you will reverse the risk for your customers. Come up with an idea and test it on the next ten customers that come in your door. If you start to close more sales, then you'll know for sure you're on to a winning formula.

The three critical components of establishing a market dominating position, adding additional value to your product or service, and reversing or eliminating the risk of purchase can propel your business to a dominant position in your industry.

NOTES: *(click below to add)*

HOW TO BEST COMMUNICATE YOUR PRICE INCREASE



NOW THAT YOU'VE POSITIONED WHAT YOU SELL IN THIS DOMINANT POSITION, WHAT'S THE BEST WAY TO COMMUNICATE YOUR PRICE INCREASES?

Remember that prospects buy based on emotion, but when they go home to their spouse, or go into a meeting and make their presentation to their boss, they have to justify it with logic. Your communication has to cover both areas. This means that when you raise your prices, your success will be greater if you communicate to your customers the reasons why you're raising the prices. If you let the customer in on your reasoning, they will be more inclined to do business with you. Don't underestimate the power of the word "because."

NOTES: *(click below to add)*



HOW TO BEST COMMUNICATE YOUR PRICE INCREASE

The brilliant Robert Cialdini in his book “Influence” mentions a study where a woman who was waiting to make copies jumped to the front of the line saying “Excuse me, I need to make some copies.” Almost everyone complained and they asked her to move to the back of the line.

Then the researchers instructed the woman to say, “Excuse me, I need to make some copies because the boss needs them now.” In other words, she gave a reason why she needed to be allowed to circumvent the line. Over 90 percent let her jump to the front. They were so startled by the high acceptance rate that they decided to try a radical deviation to this exchange. They changed the sentence to something that didn’t even make sense.

This time the woman said “excuse me; I need to make some copies because I need to make copies.” They discovered that the same percentage of people let her in. The deciding factor in getting people to give her what she wanted was the word “because.” Use it to your advantage as well when communicating price increases with your prospects and customers. Here are some suggestions to consider and revise to fit your business.

NOTES: *(click below to add)*



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Although I'm raising the price by \$3, it's still a great value because,

- I'm including a 100% no-questions-asked guarantee
- I'm including this additional service
- My expenses went up by the same amount due to X
- I've upgraded the quality of my staff so we can serve you better
- I've invested additional funds to streamline your buying process
- I've added technical support or live customer support

I've upgraded my product or service so you get far greater value for your money, or a higher ROI if that language is more appropriate.

The more factual, embraceable, believable and credible reasons you can give me for paying a higher price for your product or service, the more compelled I am to favor you over other businesses.

Never forget that testing is the key component when it comes to raising your prices safely and successfully. There is no need to risk your financial future when you have the power and the ability to attempt a small test. Is there a fraction of your buyers or prospects that you could test a price increase on? If you're selling across different geographic areas, could you test a certain price increase in one district and analyze and tabulate those results prior to rolling it out nationally?

NOTES: *(click below to add)*



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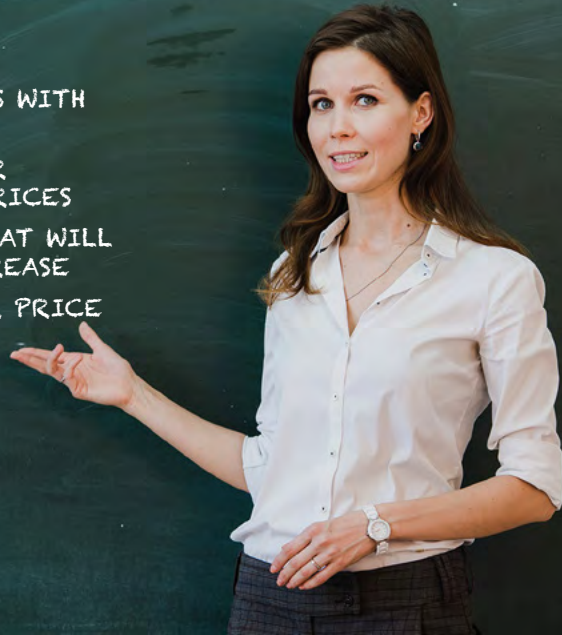
The purpose of testing is to demand maximum performance from every marketing action. When you test one price against another and carefully analyze and tabulate the results, you'll be amazed how one price can produce significant changes in your profits, or none at all. However, you won't know until you test.

In fact, you owe it to yourself, to your business, and all of those it impacts to test various price increases. After all, if you could increase your price by a mere 5 percent and you discovered that your profits increased by 20 percent, wouldn't you want to know that? And if you could test that while limiting your risk, you'd be foolish not to give it a try.

NOTES: *(click below to add)*

RECAP

- * INTRODUCTION
- * TWO WAYS TO RAISE YOUR PRICES WITH ZERO NEGATIVE EFFECTS
- * THE STEP-BY-STEP APPROACH FOR PAINLESSLY INCREASING YOUR PRICES
- * THREE CRITICAL COMPONENTS THAT WILL EASILY JUSTIFY ANY PRICE INCREASE
- * HOW TO BEST COMMUNICATE YOUR PRICE INCREASE



So to quickly recap the major points we've discussed, if you want to raise the price on your product or service, you may be able to do it by small amounts and get away with it. For example, raising the price from \$92 to \$97. However, if you're in a highly competitive market, then you must first raise the value of what you offer.

Second, as much as possible, reverse the risk on your offer. Third, incorporate these changes into your Market Dominating Position. Fourth, communicate those changes to your customers in a way that they "get it" logically and emotionally. Fifth, test your price changes on a small segment of your market and sixth, make the changes to your prices.

NOTES: *(click below to add)*

How We Raise Our Prices Without Losing A Single Customer



Follow this winning formula and you will quickly see your profits skyrocket while you simultaneously remove any and all financial hardship from your business forever.

We hope this presentation helps you continue to build the business you've always dreamed of having, a business that provides you with financial freedom and an extraordinary life for you and your family. The primary goal in the E-Learning Marketing System is to help you quickly develop the processes that will bring more revenue into your business. So until next time, here's to your success.

NOTES: *(click below to add)*

NEXT PRESENTATION



Our next presentation will focus on the most effective way to use a “networking” strategy.

Networking is a terrific way to generate immediate interest in what you do, and for the most part, it’s 100% free. It helps increase your visibility and credibility and can generate a significant number of leads in just minutes.

Most business owners attend networking events without properly preparing a strategic plan of action. Big mistake. If you’ve ever attended a networking event, most of them give each attendee 30 seconds to stand up and tell everyone who they are and what they do.

NOTES: *(click below to add)*



Most people sound like blubbering fools because they don't have a well-orchestrated "elevator pitch" that immediately grabs the attention of everyone in the room. Our next seven presentations will address this situation and many others so we can help you fully develop a foolproof networking strategy that will actually generate more business for you and your company.

NOTES: *(click below to add)*

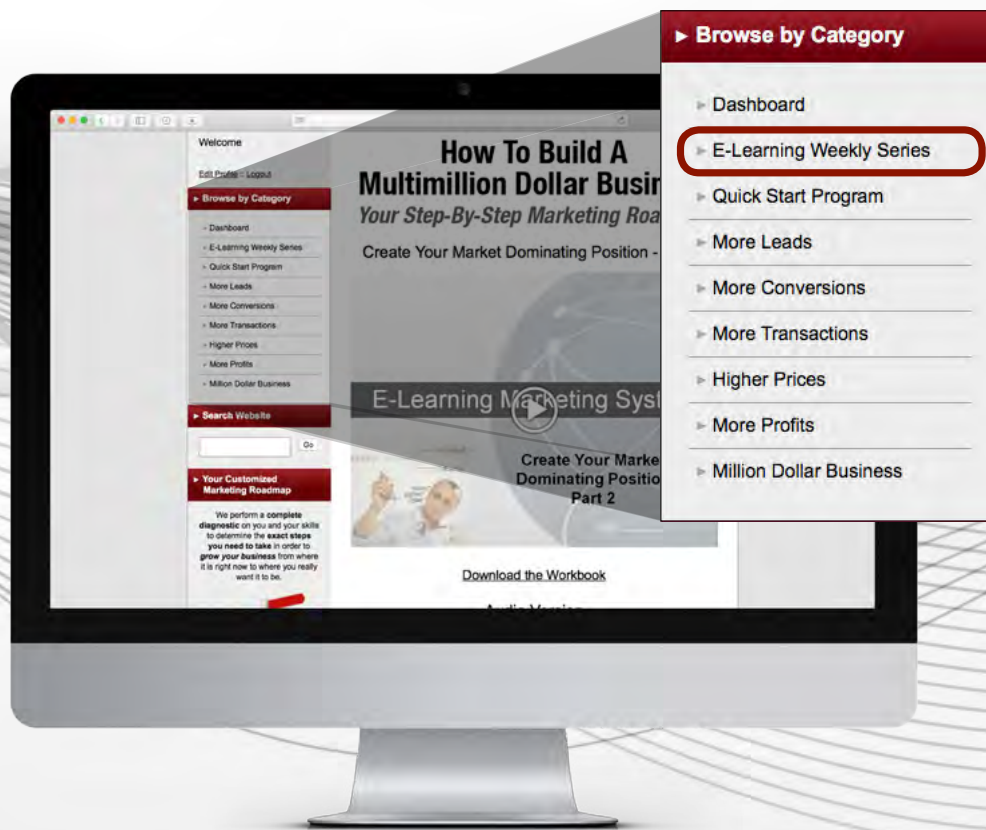
HOW TO BUILD A MULTI-MILLION DOLLAR BUSINESS

Your Step-by-Step Marketing Roadmap

WEEK 40

YOUR COMPANION VIDEO LESSON

***HOW WE RAISE OUR PRICES WITHOUT
LOSING A SINGLE CUSTOMER***



FIND ALL YOUR LESSONS IN THE *E-LEARNING WEEKLY SERIES* SECTION OF YOUR MEMBER SITE