

Twitter Thread by Barrett O'Neill



Barrett O'Neill

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11 pricing strategies so effective customers will line up to pay you:

Price Anchoring:

Anchoring is a psychological bias that overemphasizes the first piece of information received.

Here's how its used:

Sellers show prospects a high number and then follow it up with a lower price to increase perceived value.

More value = more sales

The image shows a pricing comparison interface with two columns. The left column is titled 'FULL TRAINING + COMMUNITY SUPPORT' and features a large price tag of '\$597' with 'Once-off' written below it. Below the price, there is a list of five benefits, each preceded by a green checkmark: 'Lifetime access', '100+ private, HD videos', 'Private community support', 'All future course updates', and '30-day money back guarantee'. At the bottom of this column is a blue button labeled 'Add to Cart'. The right column is titled 'FULL TRAINING + ONE ON ONE SUPPORT' and features a large price tag of '\$4,597'. Below the price, it states: 'Get the entire course and updates for life plus 90-days unlimited one on one consulting from Glen and the Detailed.com team. This includes signing an NDA.' Below this text is the option 'Pay in installments (\$1,665 x 3)' and the word 'or'. At the bottom of this column is a light blue button labeled 'Add to Cart (Once-Off. Save \$400)'.

Decoy Pricing:

It's common to see pricing options that comes in three's.

One of the options is a "decoy" or a fake designed to increase sales of a cheaper plan.

For example:

The presence of the £1680 plan increases the sales of the £560 because its relatively cheaper.

Basic

An entry tool for those new to Inbound marketing

£140/month

billed annually

Required Onboarding £420

100 Contacts

+ £70/mo per 1k extra

CONTACT SALES

Included in Basic:

MOST POPULAR OPTION

Pro

An integrated solution for professional marketers

£560/month

billed annually

Required Onboarding £2,100

1,000 Contacts

+ £35/mo per 1k extra

CONTACT SALES

Included in Pro:

Everything in Basic, plus:

Enterprise

An advanced platform for marketing teams

£1,680/month

billed annually

Required Onboarding £3,500

10,000 Contacts

+ £7/mo per 1k extra

Have over 500k Contacts?

CONTACT SALES

Included in Enterprise:

Everything in Basic and Pro, plus:

Freemium Pricing:

Companies allow partial use of their products in exchange for creating an account.

Typically, top features are restricted or the user cannot have their experience ad free.

Free versions are effective at "warming up" prospects to become paid users.

The image shows two pricing plans for Spotify. The 'Free' plan is on the left, with a price of \$0.00/month. The 'Premium' plan is on the right, with a price of \$9.99/month and a 'RECOMMENDED' badge. Both plans list the same features: Shuffle play, Ad free, Unlimited skips, Listen offline, Play any track, and High quality audio. The Premium plan also includes a 'Try it free for 30 days' offer. The buttons 'GET FREE' and 'GET PREMIUM' are at the bottom of each plan.

Plan	Price	Features	Buttons
Free	\$0.00 /month	✓ Shuffle play ✓ Ad free ✓ Unlimited skips ✓ Listen offline ✓ Play any track ✓ High quality audio	GET FREE
Premium	\$9.99 /month <small>Try it free for 30 days</small>	✓ Shuffle play ✓ Ad free ✓ Unlimited skips ✓ Listen offline ✓ Play any track ✓ High quality audio	GET PREMIUM

Price Reframing:

Divide the monthly or annual prices by the number of days in that period to show the daily price, or smallest number possible.

Also, compare pricing to everyday objects like a cup of coffee to make bigger costs more palatable.

Lower number = less friction.

The advertisement features a silver Volkswagen 'up!' car on a red background. The text 'Skip two lattes & GET THE up!' is at the top. Below it, 'From \$8 a day' is shown with coffee cup icons. A large '5.94% p.a. COMPARISON RATE' is displayed. A badge in the top right corner says '\$500 cash back when you insure and finance with Volkswagen Finance®'. At the bottom, a button says 'Explore the up! >'. The car's license plate is 'N-XC 12V'.

Charm Pricing:

Prices ending in 9 cause a wire trip in the human brain.

It's been proven that prices ending in 9s lead to ATLEAST an 8% increase in sales.

Consumers will even pay MORE for the same product if the price ends in 9s compared another number.

SUPER COUPON! Coupon Valid 4/27 - 5/3/14

\$9.99

Tide
Laundry Detergent
92-100 fl. oz. btl.

Additional Quantities \$11.99 ea.
Limit 1 with this coupon & your card. Not to be doubled or tripled. Limit one coupon per customer. Valid at any TOPS Friendly Markets. Expires 5/3/14.

00000 87513

SUPER COUPON! Coupon Valid 4/27 - 5/3/14

\$1.99

Nabisco
Oreo Cookies
Selected Varieties,
10-15.35 oz. pkg.

Additional Quantities \$2.99 ea.
Limit 1 with this coupon & your card. Not to be doubled or tripled. Limit one coupon per customer. Valid at any TOPS Friendly Markets. Expires 5/3/14.

00000 87529

SUPER COUPON! Coupon Valid 4/27 - 5/3/14

\$1.99

Klondike
Ice Cream Bars
Sandwiches or Slim-a-Bear,
11-27 fl. oz. pkg.

Additional Quantities \$2.50 ea.
Limit 1 with this coupon & your card. Not to be doubled or tripled. Limit one coupon per customer. Valid at any TOPS Friendly Markets. Expires 5/3/14.

00000 87532

SUPER COUPON! Coupon Valid 4/27 - 5/3/14

\$4.99 ea.

Bakery Fresh
Dozen Donuts
Made Several Times a Day,
Many Varieties to Choose From

Additional Quantities \$6.99 ea.
Limit 1 with this coupon & your card. Not to be doubled or tripled. Limit one coupon per customer. Valid at any TOPS Friendly Markets. Expires 5/3/14.

00000 87535

SUPER COUPON! Coupon Valid 4/27 - 5/3/14

\$6.99 ea.

PERDUE
8 Piece
Fried Chicken
Award Winning,
Fresh Never Frozen

Additional Quantities \$7.99 ea.
Limit 1 with this coupon & your card. Not to be doubled or tripled. Limit one coupon per customer. Valid at any TOPS Friendly Markets. Expires 5/3/14.

00000 87534

SUPER COUPON! Coupon Valid 4/27 - 5/3/14

\$8.99

Tops
Angus Beef Pub Burgers
Frozen, 2 lb. box,
6-1/3 lb. Burgers!

Additional Quantities \$10.99 ea.
Limit 1 with this coupon & your card. Not to be doubled or tripled. Limit one coupon per customer. Valid at any TOPS Friendly Markets. Expires 5/3/14.

00000 87533

Loss Leaders:

Price certain items below cost to increase traffic/visibility in order to sell higher margin products.

Grocery stores often price milk (a necessity) below profitability.

Shoppers will see/need other items while in the store increasing their total order value.



Dynamic Pricing:

Is a strategy to harmonize supply and demand to maximize profit based on inventory or time availability.

Concert venues, airlines, and hotels employ this approach to ensure they sell all their inventory or get max value for highly coveted tickets/rooms.

Low Fare Calendar: BOS ✈ FLL Modify

Departs

Boston Logan, MA - BOS to Ft. Lauderdale, FL - FLL

FARE TYPE

Lowest fare ▼

Now accepting reservations through January 5, 2020
All fares are rounded up to the nearest dollar.

\$

Points

2019 JUN	2019 JUL	2019 AUG	2019 SEP	2019 OCT	2019 NOV	2019 DEC	2020 JAN
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
					1 \$252	2 \$177	
3 \$207	4 \$119	5 \$97	6 \$129	7 \$252	8 \$307	9 \$169	
10 \$252	11 \$154	12 \$97	13 \$119	14 \$177	15 \$227	16 \$146	
17 \$227	18 \$154	19 \$177	20 \$207	21 \$177	22 \$287	23 \$204	
24 \$283	25 \$248	26 \$283	27 \$333	28 \$283	29 \$252	30 \$159	

High-Low Pricing:

Set an initial high price and then reduce during a sale or discount.

The goal is to create urgency because this GREAT price won't always be available.

The high-price remains visible to keep the perceived value high persuading to take advantage.

VAMPAIR MEN'S Running Shoes Ultra Light Breathable Walking Shoes Non Slip Athle Fashion Sneakers Mesh Workout Casual S Shoes

★★★★☆ 4,248 ratings | 32 answered questions

Was: ~~\$34.99~~ Details

With Deal: **\$28.89** & **FREE Returns**

You Save: **\$6.10 (17%)**

Fit: True to size. Order usual size. >

Size:

10.5

Appeal to Ethics:

Consumers, especially Millennials and Gen-Z, don't purchase solely on price.

They support companies that share their beliefs and vision for the future.

For example:

Amazon displays certain products as "climate pledge friendly," making price less relevant.

Devices Echo & Alexa Fire Tablets Fire TV Kindle Home Security Smart Home Halo Health



Fire TV Stick 4K streamir Alexa Voice Remote (incl Dolby Vision

Brand: Amazon

★★★★☆ 134,534 ratings | 100

Amazon's Choice for "fire stick"

 Climate Pledge Friendly

-20% **\$39⁹⁹**

List Price: ~~\$49.99~~

& **FREE Returns**

Save 20% with Trade-In

Get \$50 off instantly: Pay \$0.00 upon a Rewards Visa Card.

Product Bundling:

Rather than selling multiple items at different prices it's more effective to combine them into a single offer.

Usually, bundled items complement one another and provide some cost savings.

The convenience and savings of bundled products increases sales.




Buy Now, Pay Later:


Is a short-term financing option that allows customers to purchase a product now, but pay in installments.

It reduces the pain of purchasing by lowering the out-of-pocket cost at the time of checkout.

By 2025 BNPL will be a \$680B industry!


Payments

☐ **Pay with card** 
Add card details

☒ **Pay in 30 days** 
Get what you love first

- Pay in 30 days without interest or fees.
- Manage payments in the [Klarna app](#).

[Pay Later Terms and Conditions](#)

☐ **3 interest-free instalments** 
Auto-pay with your card

Too many businesses don't stress pricing strategy.

The best companies like Apple, Amazon, and Wal-Mart use a well-researched game plan to maximize profit.

Check out..

"10 Ideas on how Pricing Strategies can Improve Growth" by Daman Soni for some great breakdowns.

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11 pricing strategies so effective customers will line up to pay you:

— Barrett O'Neill (@barrettjoneill) [August 3, 2022](#)

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- SEO

-Audience

- Entrepreneurship

- Earned Wisdom

<https://t.co/HTTpUtLfHQ>