



# Pricing Strategy



How product bundling  
can benefit your business







A best practices webinar for iHomefinder Partners

# ⦿ What we're going to cover

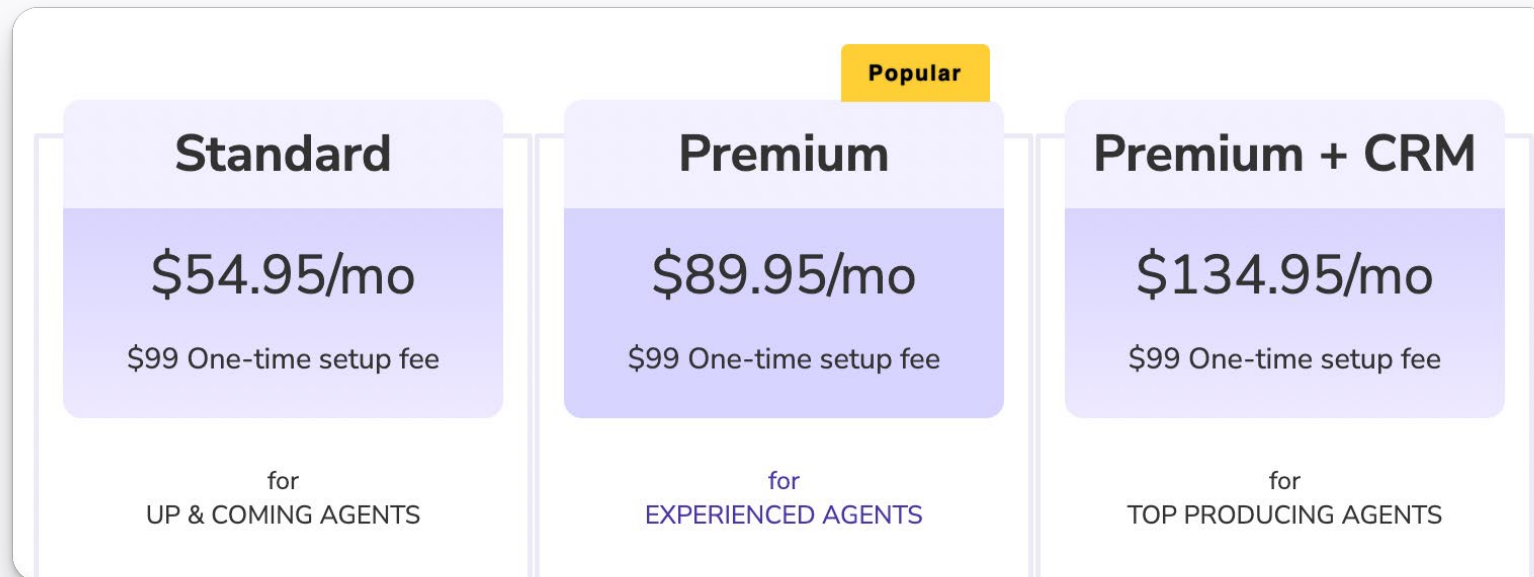
- ✔ Good – Better – Best Pricing: why & how it's worked for us
- ✔ Dispelling pricing myths with G-B-B
- ✔ Putting G-B-B to work for you: package and price your products & services
- ✔ Q&A

## Things we've tried


-  Usage-based pricing
-  Add-ons / a la carte feature upsells
-  Limited package options
-  Seemingly infinite package options

# Where we landed: Good – Better – Best

Three bundled sets of features with tiered pricing




# G-B-B pricing is everywhere




**S**

Starting MSRP \$24,155 <sup>1</sup>




**SE**

Starting MSRP \$28,925 <sup>1</sup>



**SEL**


Starting MSRP \$34,535 <sup>1</sup>



New


**MacBook Pro 13"**

From \$1299



**MacBook Pro 14"**

From \$1999



**MacBook Pro 16"**

From \$2499

<p><b>Internet - 75 Mbps</b></p> <p>Up to 4 devices at a time</p> <p>Add xFi Complete with unlimited data for \$15/mo. for 2 years</p>	<p><b>Internet - 400 Mbps</b></p> <p>Up to 8 devices at a time</p> <p>xFI Complete included</p>	<p><b>Internet - 1200 Mbps</b></p> <p>Unlimited devices</p> <p>xFI Complete included</p>
<p><b>Flex 4K Streaming Box</b></p> <p>Free with this Internet Plan</p>	<p><b>Flex 4K Streaming Box</b></p> <p>Free with this Internet Plan</p>	<p><b>Flex 4K Streaming Box</b></p> <p>Free with this Internet Plan</p>
<p>Free Getting Started Kit and shipping</p> <p><b>\$24.99/mo</b></p> <p><small>For 24 months. no term contract. Includes discounts. Taxes extra. Additional equipment fee may apply.</small></p> <p><a href="#">Buy</a> <a href="#">Customize this plan</a></p> <p><small>Pricing &amp; Plan Details</small></p>	<p>Unlimited data with WiFi equipment included for 24 months</p> <p>Free Getting Started Kit and shipping</p> <p>Save up to \$20/mo for 24 mos with Xfinity Mobile</p> <p><b>\$55.00/mo</b></p> <p><small>For 24 months. no term contract. Includes discounts. Taxes extra. Additional equipment fee may apply.</small></p> <p><a href="#">Buy</a> <a href="#">Customize this plan</a></p> <p><small>Pricing &amp; Plan Details</small></p>	<p>Unlimited data with WiFi equipment included for 24 months</p> <p>Free Getting Started Kit and shipping</p> <p>Save up to \$30/mo for 24 mos with Xfinity Mobile</p> <p><b>\$80.00/mo</b></p> <p><small>For 24 months. no term contract. Includes discounts. Taxes extra. Additional equipment fee may apply.</small></p> <p><a href="#">Buy</a> <a href="#">Customize this plan</a></p> <p><small>Pricing &amp; Plan Details</small></p>

<p><b>Blue Basic</b></p> <p>Carry-on bag not allowed (except for transatlantic flights). Fee for change/cancel and advance seat selection. Late boarding.</p> <p style="text-align: right; background-color: #0070c0; color: white; padding: 5px;"><b>\$99 &gt;</b></p>	<p><b>Blue</b></p> <p>Free carry-on bag and advance seat selection. No change/cancel fees.</p> <p style="text-align: right; background-color: #0070c0; color: white; padding: 5px;"><b>\$144 &gt;</b></p>	<p><b>Blue Extra</b></p> <p>Early boarding, expedited security (if avail), free change/cancel/same-day switches.</p> <p style="text-align: right; background-color: #0070c0; color: white; padding: 5px;"><b>\$169 &gt;</b></p>
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**CAR WASH MENU**





- Works (BEST VALUE) \$9.00**
  - Under Carriage Flush
  - Triple Foam Bath
  - Double FoamBrite Wash
  - Wheel Scrub
  - Clear Coat Protection
  - Total Car Rain Shield Coat
  - Rinse
  - Dry
- Deluxe \$7.00**
  - Single Pass Foam Bath
  - Single Pass Soft Wash
  - Clear Coat Protection
  - Dry
- Express \$6.00**
  - Single Pass Foam Bath
  - Single Pass Soft Wash
  - Dry

**FoamBrite Soft Touch Car Wash**

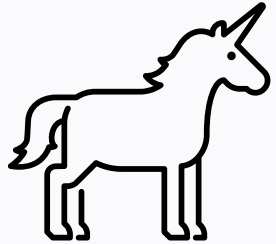
## ◎ Bundles make customers happy

- ◎ Targeting high end customers?  
Adding a “Good” option makes your product accessible to more customers
- ◎ Targeting price-sensitive customers?  
Better & Best options add valuable options for existing & new customers
- ◎ Simplified options make ordering **easy**
- ◎ Increase satisfaction with “extra” features

## Bundles make internal teams happy

-  Bundles streamline the sales process
-  Can turn sales conversations from “should I buy” to “which should I buy?”
-  Provide upgrade & upsell opportunities
-  Streamline customer support & onboarding

## ◎ Pricing myth #1



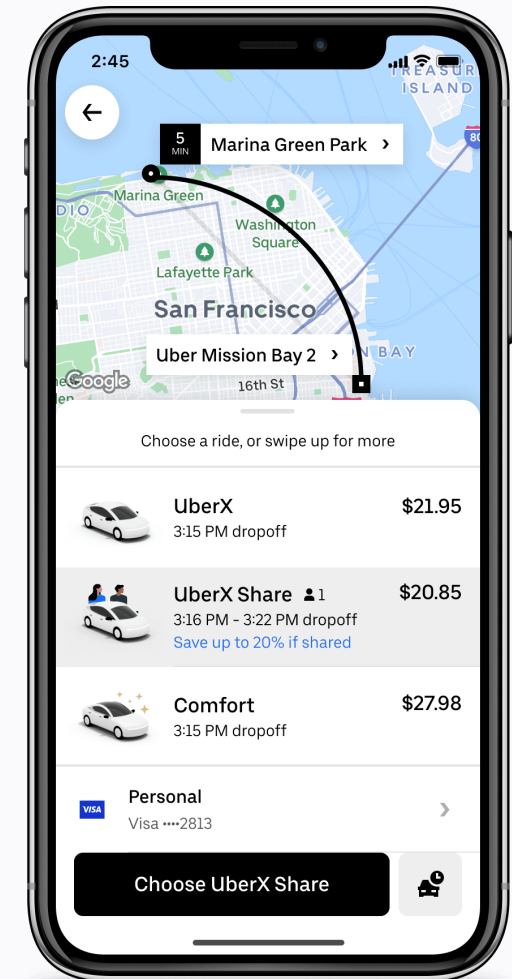
Customers are price sensitive, so the path to success is selling the lowest priced products



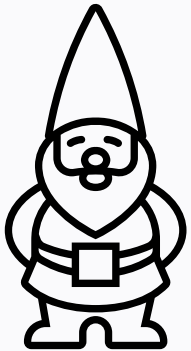
# With G-B-B, value can mean more than price

Customers are willing to pay more to get things they value

- Some clients want to spend more & get more
- Certain features are make or break for some
- Well-constructed bundles offer clear choices



## ◎ Pricing myth #2

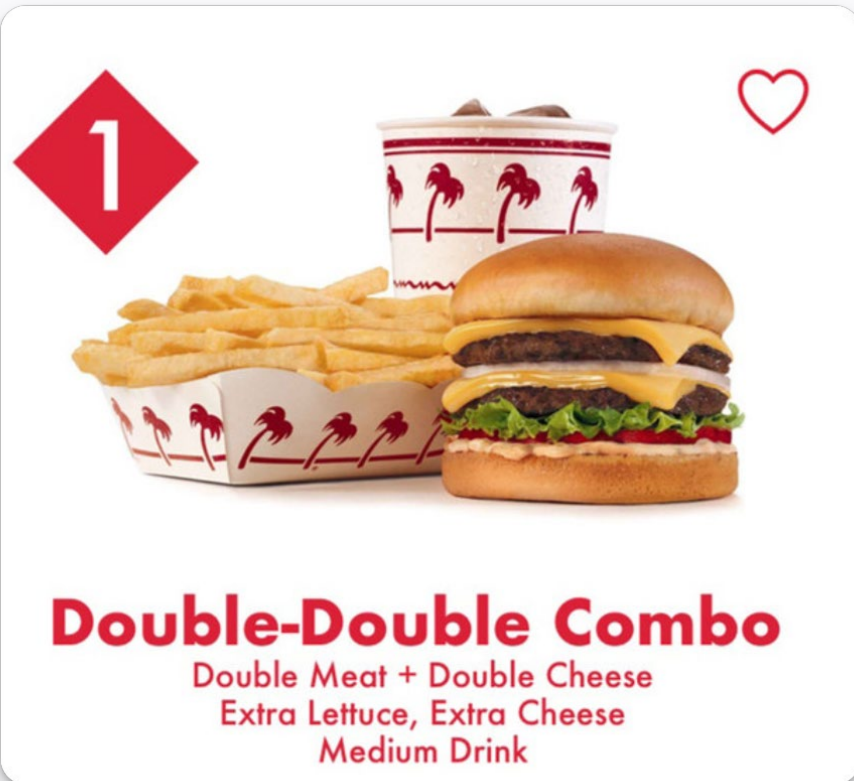


The way to achieve growth is to increase the number of customers you add.

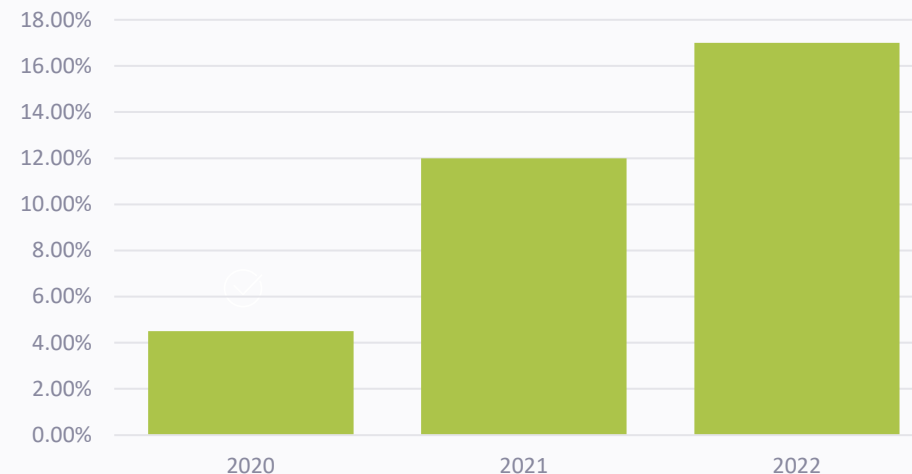
# ① Bundles can supersize your growth

Higher-priced options can increase revenue – even if you attract the same number of customers

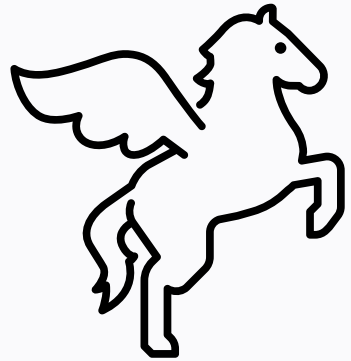
$$\text{Average Revenue Per User (ARPU)} = \text{Total Revenue} \div \text{Total Number of Customers}$$



Increase in direct client ARPU



## ◎ Pricing myth #3

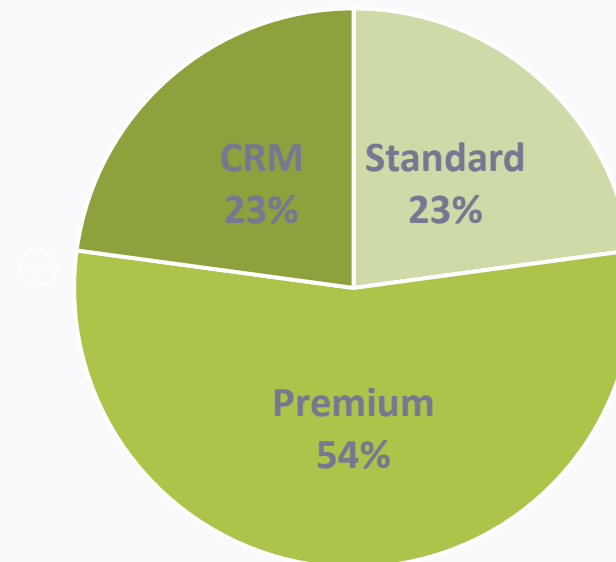


To sell higher priced items, bring all customers in on a low-end package and upsell them later

# ◎ Put your better/best foot forward

- ◎ Being on the right package increases client satisfaction
- ◎ Match clients to the right package during initial sales conversation
- ◎ The Goldilocks effect

New direct client package distribution



# ① Differentiation: defining your G-B-B

- ② List features you can add/remove
- ③ Focus on value

ATTRIBUTE	GOOD	BEST
<b>Volume</b>	Low	Unlimited
<b>Service</b>	Basic	High-end
<b>Experience</b>	Regular	Over-the-top
<b>Time period</b>	Off-peak	Peak
<b>Waiting time</b>	Standard	None
<b>Speed</b>	Slow	Fast
<b>Brand</b>	Generic	Differentiated
<b>Warranty</b>	Limited	Extended
<b>Number of restrictions</b>	High	None
<b>Relationship</b>	Distant	Close
<b>Certainty</b>	Low	Guaranteed
<b>Flexibility</b>	Low	High
<b>Skill level</b>	Basic	Experienced

## Differentiation shortcuts

### Your product + iHomefinder bundles

GOOD: Template site + Standard IDX  
BETTER: Custom site + Premium IDX  
BEST: Custom site + SEM + Premium IDX

GOOD: Custom site + Standard IDX  
BETTER: Custom site + Premium IDX  
BEST: Custom site + Premium w/ CRM

# 🎯 Pricing your bundles

✅ Consider margins & customer distribution

\$

**GOOD**

25% lower than Better

\$\$

**BETTER**

\$\$\$

**BEST**

50% higher than Better



# 🕒 Pricing page: where it all comes together

Tiered pricing for predetermined sets of features allows iHF to target agents with different:

Budgets

Experience levels

Ideas of what features are important

	Standard	Popular Premium	Premium + CRM
	\$54.95/mo \$99 One-time setup fee	\$89.95/mo \$99 One-time setup fee	\$134.95/mo \$99 One-time setup fee
	for UP & COMING AGENTS	for EXPERIENCED AGENTS	for TOP PRODUCING AGENTS
	<a href="#">Sign Up Now</a>	<a href="#">Sign Up Now</a>	<a href="#">Sign Up Now</a>
<b>Features</b>	<b>All Standard features PLUS:</b>	<b>All Standard features PLUS:</b>	<b>All Premium features PLUS:</b>
Standard Search	✓ Premium Search Features	✓ Marketing Automation	
Property Organizer	Map-based search	Automated text & email followups	
Lead conversion forms	Polygon search	Lead Aggregation	
Listing alert emails	Photo slideshow in results	✓ Performance Dashboard	
Markets (saved search galleries)	Beds/baths range (coming soon!)	Action history & suggested actions	
Optima Leads mobile app	Layout choices for search results	Pipeline Status	
	✓ Enhanced Property Details	Lead source & activity reports	
	Embedded virtual tours	✓ Lead & Task Management	



# Q&A

