**Pricing Tactics Tool**

In addition to the pricing strategies concepts we discussed in the session, some businesses employ targeted tactics to encourage customer behavior in specific situations.

**Pricing Tactic #1:** Discount products/services to **drive sales and move inventory** for example:

* Seasonal sales can help move inventory
* Buy-one-get-one sales help drive foot traffic
* Flash sales can drive sales within a defined period of time

**Pricing Tactic #2:** Bundle multiple products/services to **provide greater value to the customer and encourage larger order sizes** for example:

* Tech bundles could create discounts for buying more than one product
* Subscription packages put multiple subscriptions together to for a discount
* Meal deals invite customers to combine items into a meal which costs less than the items individually

**Pricing Tactic #3:** Deploy variable pricing, which adjusts prices based on **known changes in demand for products or services** for example:

* Airline tickets cost more during holiday travel periods
* Surge pricing on ride-sharing apps increases during big events
* Hotels charge more during peak tourism periods and charge less during less traveled periods

| **Good/Service** | **Current Price** | **Tactic** | **Why is this tactic useful for your ESE?** | **New Price** | **Success Metric** |
| --- | --- | --- | --- | --- | --- |
| *Cup of Drip Coffee* | *$3.50* | *Discount Products* | *We want to increase foot traffic in the coffee shop* | *$2.75* | *We can count daily transactions over a week to see if this discount drives up foot traffic* |
| *Single Holiday Candle* | *$24.99* | *Bundle Products* | *We want to decrease a surplus order* | *2 for $29.99* | *We can compare sales before and after the bundle decrease. We can also compare the bundle’s impact on inventory* |
| *Big Ol’ Firework* | *$49.99* | *Variable Pricing* | *During the Fourth of July and New Years holidays, more people want this product so we can charge more for it* | *$54.99* | *We can adjust according to demand and determine if the price increase is enough to cover other costs during the year* |
|  |  | **Discount Products** |  |  |  |
|  |  | **Discount Products** |  |  |  |
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