# 9 Steps to an Effective Price Increase

## Configure the levels

**1** **Contract inventory**

Review existing contracts and identify touchable revenue; establish point of time and respective frequency for increases (per product and contract)

**2** **Campaign target**

Analyze given data on cost development and price potential, consider relevant revenues only and align target with C-level

**3** **Customer/ product specific targets**

Differentiate customer (segments), products and channels mainly based on "ease of increase" (and less current profitability)

## Prepare implementation

**4** **Alternatives and escalation rules**

Develop alternative (price models, price clauses, less expensive alternative) to increases and define clear approval rules in case of derogations from target

**5** **Sales incentives**

Reward successful price increases (on top of the existing comp plan)

**6** **Communication and trainings**

Have C-level explain ambitions internally and externally; develop sales guidelines and train price negotiation-related skills (incl. mock negotiations)

## Roll out initiative

**7** **Supporting material**

Prepare battle cards, argumentation guidelines, concessions and negotiation plans account by account (and/or product by product)

**8** **KPIs and roadmap**

Develop relevant KPIs (incl. roadmap/timing for negotiations) to enable meaningful monitoring

**9** **Monitoring**

Establish real-time monitoring implementation progress (both process and result compliance) and react accordingly in case of deviations