

Sweetening the Pot: Triple the Value

“Sweetening the Pot” is a technique often used by salesmen to make the deal seem “sweeter” than it really is. That is, making the prospect believe they are getting an exceptionally good deal. What can you add on as an incentive? What can you give as a bonus? What do you have that will add value to your product or service? It could be a report, a larger discount, free delivery, gift-wrapping, batteries, an extended warranty, or free consulting. Whatever it is, use it to create and contrast a higher value.

Think about the last infomercial you saw on late night TV. You watch the salesmen display and demonstrate the product and you start to get interested. You begin to think about how this product will really make your life easier. They have not told you the price, but finally when they do, it is much higher than you thought. You were hoping to spend around \$99, but the announcer said it was \$499. Your heart drops but you keep watching because you are really getting into this product and how it will change your life forever. Oh, now wait a minute – they are giving a special deal today. There is a temporary price reduction. This is your lucky day! Now they are offering it for \$297! It’s a good deal, but a still a little expensive. Wait, they are adding three additional items to the package, which makes it a \$350 value. You can hardly believe it – you get over \$800 worth of products for only \$297. You are really interested now and you’re just about ready to buy, when wait – it gets even better! If you order now, you can even make three easy payments of \$99 for the next three months. You can’t believe your luck so you order right away. You were only thinking of spending about \$99 and you ended up spending triple that amount - \$297 to be exact. Why? Because of the Law of Contrast, you were going to get over \$800 worth of product and the deal kept getting better. This law is critical for you to understand when showing others the value of your product. No one buys unless they feel like they are getting value for their money.

When you “sweeten the pot,” you add bonus items so the deal becomes more and more valuable. We can all learn from the example of a high school bake sale: when the cashier told one group of customers they could purchase, one cupcake and two cookies for a total cost of 75 cents, 40% of customers bought. In the meantime, another group of customers were told they could purchase one cupcake for 75 cents. However, this second group was also told, a few seconds later, that because of a special they had going for that night, two more cookies would be thrown in as a bonus. By the end of the night, 70% of the customers purchased cupcakes and cookies when the “three for the price of one” technique was used, even though it was really the exact same deal. It’s all in the presentation – you’ve got to “sweeten the pot”!

You see this technique used in supermarkets and in other advertisements when a company plans their packaging strategy to show the contrast between before and after prices. You may see diapers that have the “save 20%” slashed out and replaced with “save 30%.” Or maybe their tactic is “buy five, and we’ll give you another one free.” It might also be that they have the 16 oz. slashed out and the new 20 oz. written in for the same price. Whatever the form it takes, this is an example of “sweetening the pot,” the Law of Contrast in action. It isn’t the actual price that is paid, but the add-ons that seem to make it such a better deal.

The same thing happens with the insurance sales rep: He or she presents you with the initial offer and *then* begins to take the deductions based on your circumstances. Look, you are getting a better deal! If the opposite were to happen, you would feel cheated. Put yourself in the mall candy store buying one pound of chocolate candy for your sweetheart. The young lady at the counter scoops up the chocolate and places it on the scale. She notices she does not have enough and starts to add more. The other alternative is that she dumps all the chocolates on the scale and begins to take them away. Which one will leave you the most satisfied? In the first scenario, you would feel as if you were getting more and that the deal was being sweetened, whereas under the second set of circumstances you would feel like you were being robbed.

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