



## Middle East CFO Reflections

### Is product pricing just about the number?

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#### The **CFO** Program

Dear CFOs and Finance Leaders,

The question often asked is:

**Who actually owns the responsibility of determining the pricing strategy?**

The answer is that an effective pricing capability requires coordination across many functions, including finance, sales, marketing, product development and customer service. However, the executive owner is more than twice as likely to reside in the C-suite for high performing companies making finance professionals likely owners.

If only it was all about the numbers, then it would be easy. Pricing has a significant element related to the human emotions experienced when making a purchase, or making a sale, and these need to be understood and taken into account when putting a pricing strategy into place.

The below behavioral based tactics could be used as part of your pricing strategy:

- Explaining the value or telling the story about your product
- Promote social fairness
- Put a spotlight on the extras
- Keep it simple

In the end, the key is to understand how value is created and how to align your revenue model with a customers buying process.

Your pricing strategy might consist of spreadsheets, market segmentation and high-powered algorithms. However all that hard work can go to waste if you don't focus enough of the humans making the decisions.

## Reflections

Click on the titles below to read the top selected articles related to pricing:



### What is the right price? The equation isn't so simple



#### C-suite Involvement in Pricing: A Hallmark of High Performance



#### The Pricing Paradigm Driving profitable growth through strategic revenue management

Kind regards,



**Robert O'Hanlon**

ME CFO Program leader



**Paul King**

ME CFO Consulting leader

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Middle East  
**Point of View** *Middle East matters*

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