



**Sales
Strategy**

Decoy Effect

- the **decoy effect** (or **attraction effect** or **asymmetric dominance effect**) is the phenomenon whereby consumers will tend to have a specific change in preference between two options when also presented with a third option that is *asymmetrically dominated*.
- One clear example of the decoy effect is popcorn at the cinema. **When there are only two options**, a large or a small bag, the customer will conclude that the large one is very expensive and that they do not want that much popcorn. **They will be buying based on their needs.**
Small popcorn → \$3.00 Large popcorn → \$7.00
However, when a third price appears between the two, the decision changes. Why?
Small popcorn → \$3.00 Medium popcorn → \$6.5.00 Large popcorn → \$7.00
The new price, the decoy, will cause most customers to opt for the highest-priced product, even if they don't need it. **It makes them believe that they are winning, that they are making a better buy.** This is a **psychological pricing strategy** because its success is based on consumers' interpretation of prices, rather than on the real value of products.

Boomerang Effect



Methods of Handling Objections

- Toss It Back (Boomerang) – use the objection as a selling point.
 - Objection: This ski binding seems very light weight. Is it durable?
 - Response: That's exactly what you want in a ski binding. The materials used to make the binding are light weight but also very durable, which makes it a great binding for moguls and quick turns.

Feel, Felt, Found

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Methods of Handling Objections

- Testimonial (3rd Party) – answer the objection by using a neutral third party as an example.
 - Objection: I'm not sure if I want to buy a snow board. It looks too difficult.
 - Response: My Dad felt the same way before he learned to board. However, after only one day of trying, he was able to make it down a green run without falling. Now he boards all the time and loves it!

FOMO

- **Fear of missing out (FOMO)** is the feeling of apprehension that one is either not in the know or missing out on information, events, experiences, ...
- Helps create urgency
- **One Time Only Offers**-one of the most effective ways to increase sales by triggering FOMO is by offering a unique promotion that only occurs once.

Hard To Get Approach

- Customers love challenges
- Limited period offer
- Now or Never approach
- Helps create urgency
- Make them believe that the product is exclusive and only A-class people can own it forever.

