



## Types of Pricing Structures

TYPES OF PRICING STRUCTURES	
One Time, Up Front Price	Most popular, easy to understand & administer
Recurring Payments	Common for services, financing
Buy-In Plus Recurring Payments	Commitment driven, financing
Bundled	Hidden discounts or margins
Volume or Incentive Discounts	Drives customer & reseller behavior

The structure of the price defines to the customer the amount and the manner in which they will pay for the product. It lets the customer know whether or not they can afford the product. The pricing structure also communicates other elements of the marketing strategy. It defines the desire to sell direct or through third parties. It supports the decision to use heavy promotion to sell a large volume. The structure is an important element of the pricing strategy.

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