

Booth Pricing Psychology (Part 2 of our 3-Part Series on Pricing)

A well-curated inventory brings customers into Early Owego, and the booth/store experience sends folks home with a smile, new treasure, and an excitement to tell friends and family about their experience.

Pricing psychology is a significant factor in putting that smile on a customer's face. People want to go home thinking they got a bargain on something they couldn't live without.



Here are six general ideas on pricing psychology that might be of use for your booth/showcase:

- Most potential customers don't know what antiques, vintage, and collectible items should cost because there are too many variables. Don't over-research prices for your products. Your booth/showcase is a micro-market, and your prices must reflect your brand—not anyone else's.
- Understanding how to price is understanding how much a customer is willing to pay and having them pay that amount. Talk to your customers and interact with them in person and on social media—getting to know them makes a difference!
- Always know your expenses as a percentage of your cost of goods—avoid cheating yourself out of profits.
- Sometimes, you might make a mistake when you buy an item for your booth or showcase that doesn't sell—if you need to let it go for less money, don't hesitate to mark it down and get it sold.
- Remember, customers control haggling—don't ever haggle over money; instead, negotiate the value of an item. Don't ever dig in and defend your price.



The science of pricing is based on research (We admit, some of the below advice conflicts –use your judgment.)

- When you write your tag, don't make your price larger than the text—that makes the item appear more expensive than it is.
- Use charm pricing—charge \$14.99 instead of \$15 for an item—customers feel they are getting a better deal psychologically.
- Research shows that customers purchase items that end in an odd number eight times more often than items with an even number. Example: \$21.99 instead of \$22.99.
- Ditching the cents also makes folks feel they are spending less. Longer prices appear more expensive than shorter prices: \$13 instead of \$13.00.
- Customers consider a \$19 item to be worth \$20.
- Folks like to think in 5s. So if you want \$22 or \$23, the price could be \$25.
- Anything priced over \$100 works in increments of \$25. For example, price an item at \$125 or \$150 instead of \$122 or \$146.



Some say that resale pricing is an art, and applying a few of these techniques may help your customers purchase an item against their better judgment—just because they know they will regret not buying it if the price is too good to pass up. Optimizing pricing psychology will help you and, consequently, Early Owego turn a profit!

Next month, we'll dive deep into some sage advice on tag writing. If you have thoughts on pricing psychology or tag writing, we'd love to hear from you. Contact us at communications@earlyowego.com.