VESPER Commercial Excellence.

The Pricing Conversation Your Sales Team Is Avoiding





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In our webinar *"The Pricing Conversation Your Sales Team Is Avoiding"*, held on 28 September 2026, **Gerben Willemsen**, Managing Partner at Vesper Commercial Excellence, welcomed **Jorge Olivares**, Certified Pricing Professional and Senior External Advisor at Vesper Commercial Excellence, and **Patrick Steenkist**, CEO of Storecove, to explore how organisations can turn pricing decisions into stronger commercial results.

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Introduction

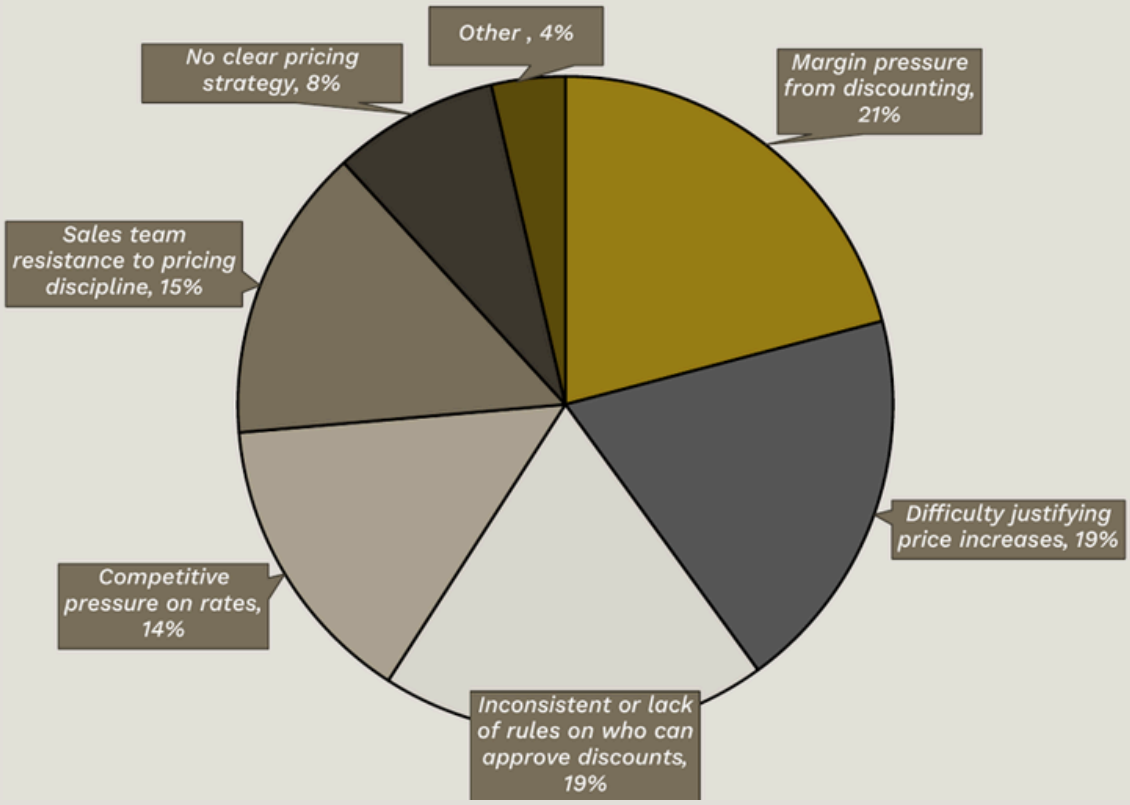
Pricing offers organisations a significant opportunity to grow while protecting margins. Realising that opportunity depends on whether salespeople can explain the offer's worth, negotiate confidently and apply the agreed terms. Habitual discounting, reliance on cost and competitor benchmarks, unquantified customer value and unclear ownership can widen the gap between pricing intentions and actual results.

In our webinar, **Jorge Olivares** and **Patrick Steenkist** explored how pricing discipline and customer understanding help close this gap. This whitepaper develops their insights through three cases: two anonymous examples from Jorge's experience examine margin erosion hidden by growing volumes and a lower-priced bid that lost a major tender. The third draws on Storecove's experience, with CEO Patrick Steenkist explaining how simpler pricing made its offer easier to understand and buy.

Together, these cases highlight five connected capabilities for stronger pricing performance: **Pricing Strategy, Customer Segmentation, Value Selling, Pricing Governance** and **Pricing Analytics**. The paper connects these capabilities to practical questions about existing agreements and sales conversations: where prices vary, how concessions are granted and whether teams can demonstrate customer value. This provides a starting point for identifying margin leakage and turning pricing decisions into lasting commercial improvement.

Understanding the Pricing Execution Gap

The gap between **pricing ambition** and **execution** often opens during a customer negotiation. Leadership approves an increase, but the salesperson anticipates resistance and offers an exception. Repeated across accounts, these decisions reduce the expected return. Clear value explanations and agreed boundaries help sustain the intended price.



The audience's concerns reflected this pattern: margin pressure from discounting accounted for 21%, while difficulty justifying increases and inconsistent discount approval rules each accounted for 19%. These figures highlight where participants struggled to put pricing into practice.

Previous increases had often delivered less than expected, yet many participants felt confident about implementing a 1% increase within 90 days. That confidence needs to be tested against realised results. Following prices through negotiations, exceptions and contractual terms shows how much of an announced increase the business actually retains and why even a small improvement can matter.

Pricing as a Strategic Growth Lever

A small price improvement can have a much larger percentage effect on profit. If volumes and costs remain unchanged, the additional revenue contributes directly to operating profit. The size of the effect depends on the business's starting point margin.



The webinar illustrated this through a benchmark linking a 1% price improvement to approximately 6.7% more EBIT, or earnings before interest and taxes. For example, a business earning €15 in operating profit on €100 in revenue would increase profit to €16 after a 1% price improvement, assuming unchanged costs and volumes. A thinner starting margin would produce a larger percentage gain; a higher margin, a smaller one.

Achieving that benefit depends on execution. Customer responses, contract restrictions, changes in sales mix and additional discounts can offset the increase. Leaders therefore need to understand whether the intended price survives through to the final agreement, and where concessions or weak value explanations reduce the return.

Why Margins Quietly Disappear

Margin leakage often accumulates through apparently reasonable decisions: a discount secures an order, an exception protects a relationship, and familiar practices continue unchallenged. During the webinar we showed four recurring causes.



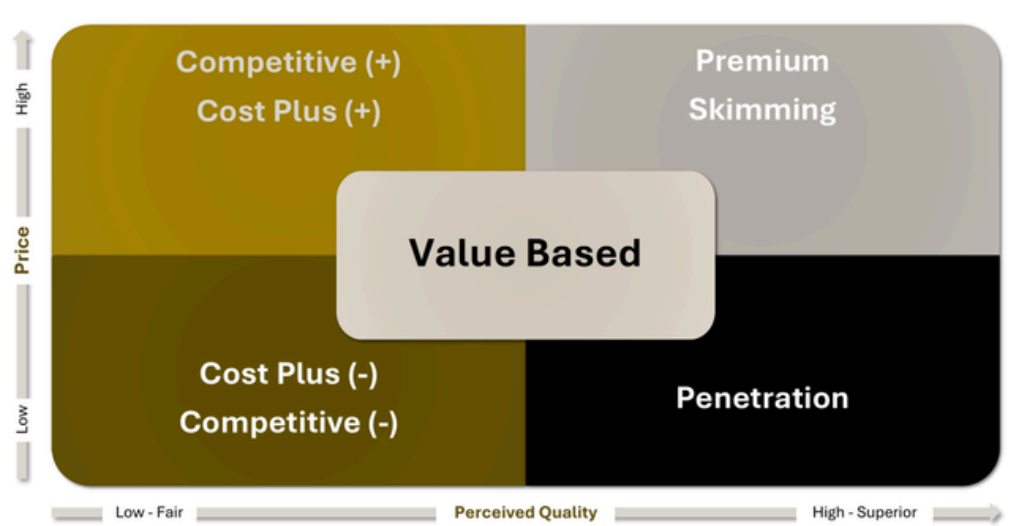
Discounting becomes habitual when concessions are offered before customers understand the value of the offer. Broad authority and limited oversight reinforce this behaviour; as Jorge observed, a maximum discount allowance can become the standard starting offer.

Cost plus pricing and competitor comparisons can also limit returns. They provide reference points but reveal little about willingness to pay. A comfortable markup may make the business appear sufficiently profitable, leaving the opportunity to capture greater customer value unexplored.
That value must also be quantified. Next-day delivery or a longer-lasting product becomes more persuasive when connected to the customer's operational or financial outcomes. Without that connection, price remains the easiest comparison.

Finally, unclear ownership allows terms to vary across deals and approvals to become confirmation of promises already made. Reviewing exceptions before commitment helps align everyday decisions with the intended pricing approach.

Choosing a Pricing Strategy

A pricing strategy begins with how the business wants to compete. It gives teams a consistent basis for decisions, considering costs, competitors and customer perceptions.



Competitive pricing uses alternative offers as its reference, while cost plus pricing adds a margin to supply costs. Premium pricing relies on brand strength or distinctive benefits. Skimming starts high to capture early adopters before reducing prices, whereas penetration uses a low introductory price to build adoption.

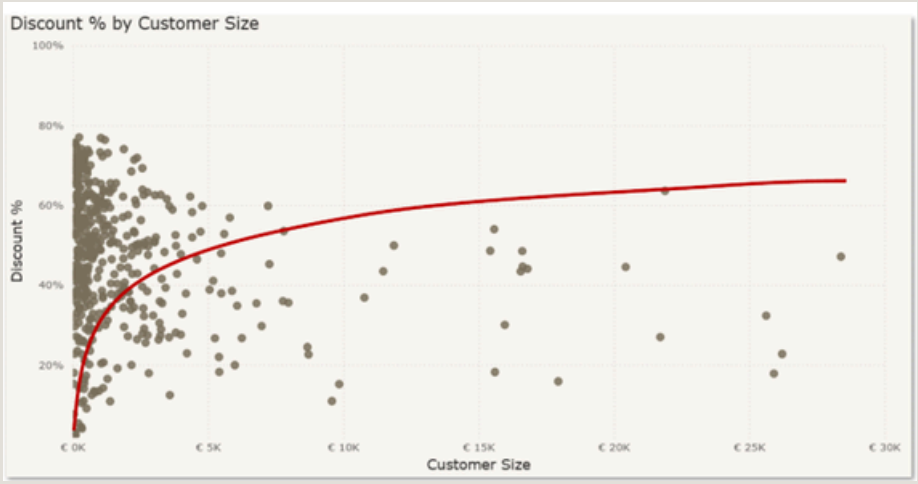
Value based pricing focuses on perceived benefits and willingness to pay. It requires the organisation to understand what matters to different buyers and translate that understanding into prices and customer conversations.

These approaches can coexist across a portfolio. Jorge suggested retaining established methods for comparable products while testing alternatives for differentiated offers. This allows gradual improvement without changing every agreement at once. Legacy contracts and financial impacts will influence the pace; a long-established model may take years to migrate fully, while selected changes deliver earlier progress.

The Pricing Clinic

Case 1: Margin Erosion Behind Growing Volumes

The first case from Jorge's experience appeared encouraging: sales volumes were growing as the team pursued market share recovery. Yet over eight months, margin eroded by a reported 1.1%, despite unchanged list prices. Aggressive discounting and offers made before formal approval were weakening the return from growth.



The principle

What you don't govern, you gradually give away.

Making discount behaviour visible provided a starting point. In Figure 5, each point represents a customer and the red curve shows the discount policy. The spread highlights terms worth reviewing, including substantial concessions to smaller customers. Differences may have valid explanations, but visibility allows the business to test them.

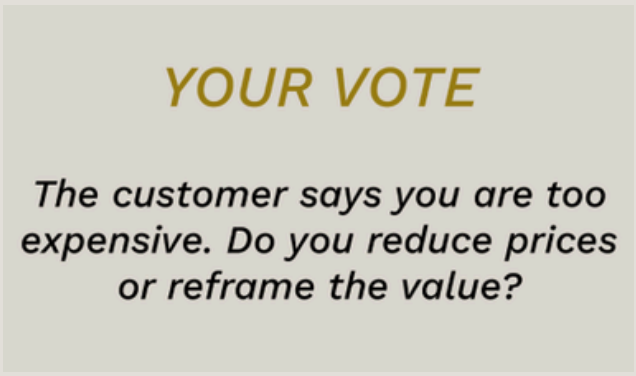
The company clarified discount boundaries and adjusted incentives to reflect achieved prices alongside volume. Salespeople retained negotiating flexibility, with greater attention to the commitments received in return. Jorge reported that the team continued closing deals while strengthening its focus on price.

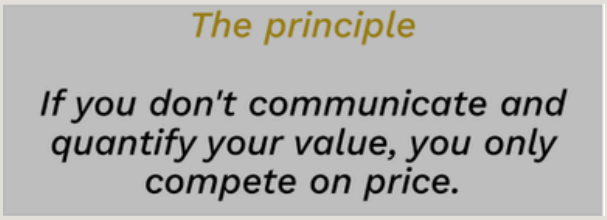
Where discounts reflect future potential, actual purchasing needs follow-up. Reviewing commitments after three or six months creates an opportunity to discuss additional volume or revised terms before an unfulfilled expectation becomes a permanent concession. Rebates, shipping concessions and payment terms also deserve attention; a price waterfall can reveal how these affect the amount ultimately retained.

Case 2: A Cheaper Offer That Lost the Tender

The second anonymous case concerned a former customer with approximately €3.1 million in annual potential revenue. Procurement presented price as the deciding factor, prompting the sales team to push for reductions, even in areas where the customer had little or no shipment activity.







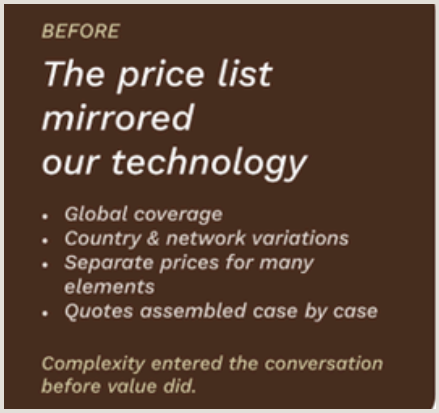
The final offer was approximately 8% below the incumbent's, yet the challenger lost. The incumbent had maintained relationships with users, who supported keeping the existing supplier. By concentrating on procurement, the challenger missed the opportunity to demonstrate its service advantages to those stakeholders.

Continuity, operational fit and service experience influenced the decision alongside price. Without establishing why switching would be worthwhile, the cheaper offer had limited persuasive power.

Gerben therefore emphasised building relationships and demonstrating value before a formal tender restricts access. Participation should depend on a credible, profitable route to winning. A useful test is whether account teams can put a euro figure on the value delivered to their top ten customers. If that value is unclear internally, it is unlikely to be clear to the buyer.

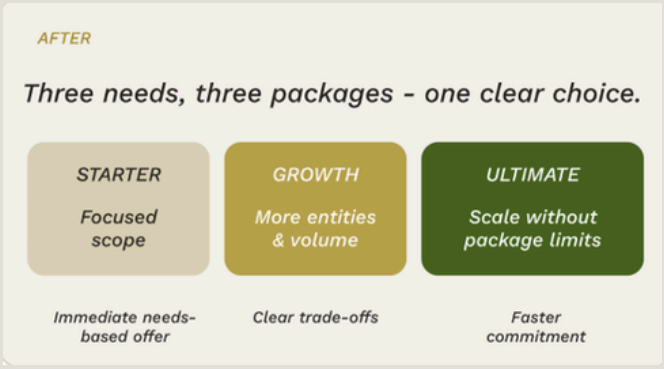
Case 3: Redesigning Storecove around customer choice

Storecove's e-invoicing offer was presented through a complex technical price list, with separate country and network prices and individually assembled quotes. Buyers had to navigate the complexity before understanding the value.



Strategic refocus:

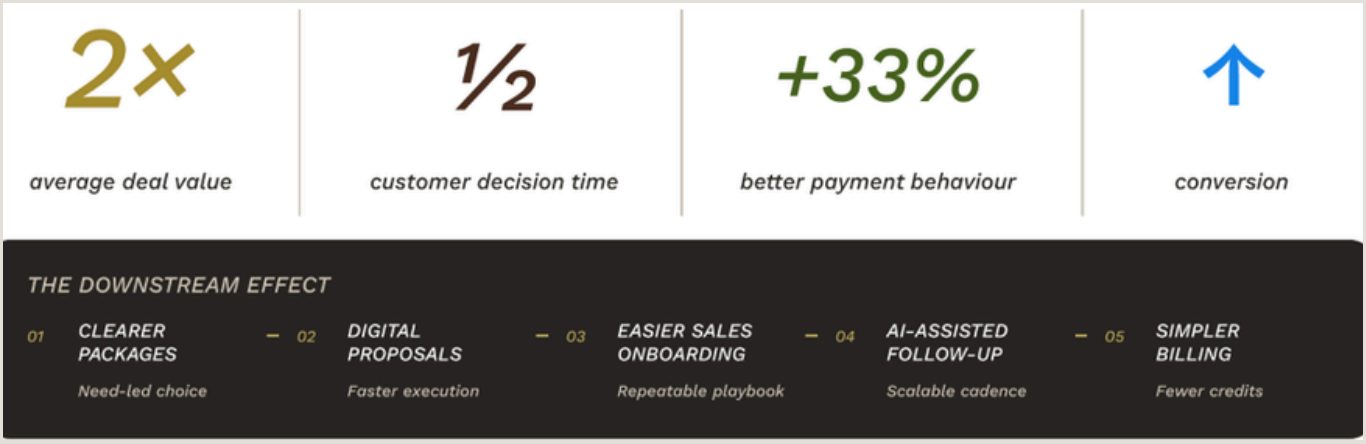
3 customers type



This became particularly restrictive as the company focused on countries with upcoming e-invoicing mandates from their governments. Those markets created a short window of demand, making clear choices and prompt decisions essential.

Storecove replaced the technical menu with three packages—Starter, Growth and Ultimate—combining subscription fees with packages for sending and receiving invoices. Customers could select an option suited to their requirements and scale.

Patrick recalled that, after the change, one customer signed on the day of its first sales call; previously, discussions could take months because buyers did not understand the pricing. Internally, leadership also had to support the shift from product features towards customer needs.



Pricing became a shared operating system for Sales, Finance and the customer.

The principle
Price architecture should reflect how customers choose, not how the product was built.

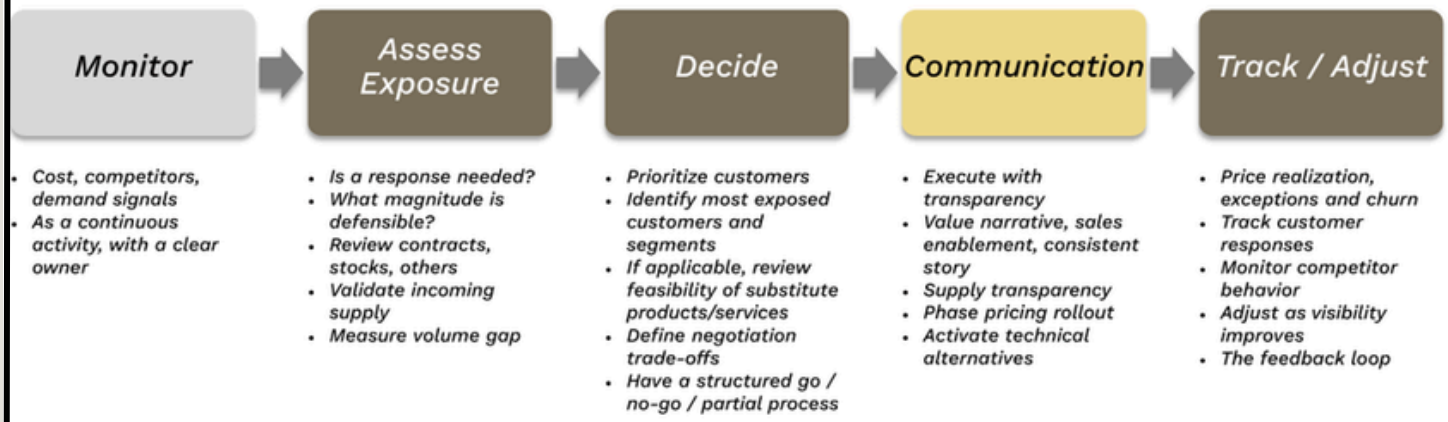
The case overview reported twice the average deal value, half the decision time, a 33% improvement in payment behaviour and increased conversion. Patrick added that average deal value was approaching three times its earlier level by the webinar.

He linked better payment behaviour to customers understanding their invoices, which also made upgrades easier to explain. The offer became clear enough for some marketing team members to sell directly. The presentation also identified effects across proposals, onboarding, AI-assisted follow-up and billing, although it did not isolate each contribution.

The redesign remained open to review. Patrick described plans to revisit pricing alongside a brand repositioning, keeping it aligned with Storecove's evolving customer promise.

Pricing Agility

Pricing needs to evolve as costs, competitors, demand and positioning change. A repeatable process helps organisations respond quickly while keeping decisions grounded in evidence.



Where it breaks most often? At the communication step. Increases only justified by cost inputs invite customers' complaints (even external audits). When increases focus on maintaining higher value for the customers, it becomes an easier conversation.

The process begins with clear ownership of market monitoring and an assessment of whether action is needed, at what scale and across which agreements. Existing contracts, stock, incoming supply and pipeline opportunities may require different responses.

Customers can then be prioritised according to exposure, available alternatives, profitability and loyalty. The decision must be supported by an explanation salespeople can confidently communicate, evidence of customer value and clear limits on concessions.

Where feasible, a pilot helps test the approach before wider implementation. Tracking realised prices, exceptions, customer responses and churn reveals what needs adjustment. Explanations should connect changes to genuine customer benefits and service commitments, rather than leaving the discussion focused entirely on supplier costs.

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“Responding fast doesn’t mean to react to the first impulse.”

Jorge Olivares | Certified Pricing Professional

The Five Pricing Capabilities

This whitepaper highlights five connected capabilities for stronger pricing performance: **Pricing Strategy, Customer Segmentation, Value Selling, Pricing Governance** and **Pricing Analytics**. Together, they connect commercial direction with customer understanding, execution and review.

1	*Pricing Strategy*	*A clear, documented position on how you price, must be well known and understood by the whole commercial team. This is also companied by the pricing model & settings.*
2	*Customer Segmentation*	*Customers grouped by value delivered and willingness-to-pay, not just size and sector.*
3	*Value Selling*	*Salespeople who can quantify value before price is ever discussed.*
4	*Pricing Governance*	*Clear ownership, discount authority and approval process.*
5	*Pricing Analytics*	*Near real-time visibility of price realisation, deal margins and variance.*

A documented pricing strategy explains where the business wants to compete and how its pricing supports that position. It gives teams a shared basis for individual decisions, while regular review keeps the approach relevant as markets evolve.

Customer segmentation brings that direction closer to the buyer. Beyond size and sector, it considers the benefits customers value and their willingness to pay. Similar companies—and different users within one account—may have different priorities around speed, reliability or support. Understanding these differences helps shape packages and prices, as both Storecove and the tender case demonstrate.

Value selling makes those benefits tangible before negotiation centres on price. Gerben suggested a value ladder showing how the core offer and additional services contribute to customer outcomes. Calculations can begin with time saved and an appropriate hourly cost. Jorge's example of a track-and-trace system that reduced call-centre enquiries by a reported 40–50% showed how operational benefits become measurable. Customer proposals should apply the same discipline, with relevant evidence and assumptions.

Pricing governance helps retain that value through clear ownership, discount authority and approval before commitment. It should allow commercial judgement while making exceptions visible. Smaller businesses may assign pricing alongside other responsibilities, provided the owner has sufficient authority and visibility to act.

Pricing analytics supplies the evidence throughout this process. Realised prices, deal margins, discount patterns, price waterfalls and purchasing against commitments reveal whether decisions are working. As Patrick observed, these insights also help develop strategy and segmentation from the outset. Even a growing, profitable business may be missing opportunities it cannot yet see; better visibility helps identify whether improvement requires a change in the model or in its execution.

Closing and Next Steps

Pricing performance depends on alignment across the commercial organisation. The cases in this whitepaper show how unmanaged discounts erode margins, unclear value weakens competitive offers and complex pricing slows customer decisions. Connecting strategy, customer understanding and everyday sales execution helps organisations address these challenges and retain more of the value they create.

The five pricing capabilities provide a practical starting point. Review recent agreements, examine discount patterns and test whether sales teams can quantify customer value. Use those insights to choose a focused improvement, assign clear ownership and track the results. Consistent attention to these practices builds a stronger foundation for profitable growth.

Vesper Commercial Excellence supports this journey through pricing assessments, strategy development and implementation. The insights in this whitepaper offer a basis for action; lasting improvement comes from applying them consistently in customer conversations and commercial decisions. To discuss your pricing challenges, contact info@vesper-ce.com or visit our webpage at www.vesper-ce.com.