

# Pricing Training Offerings Competitively for Your Market

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Compare and Align with the Latest CEEdMA Pricing Survey Data

# Anti-Trust Law and Pricing Survey Discussion



- **We can talk about survey results and experiences in the past**

- Survey was possible as we don't show data for specific companies but anonymized companies or aggregated data
- Discuss survey results
- Refer to what you have seen in the market and pricing you have seen in the past



- **We can't talk about current or future plan related to pricing of your company or any other specific company eg**

- Pricing strategy
- Pricing of any service, region/country etc.

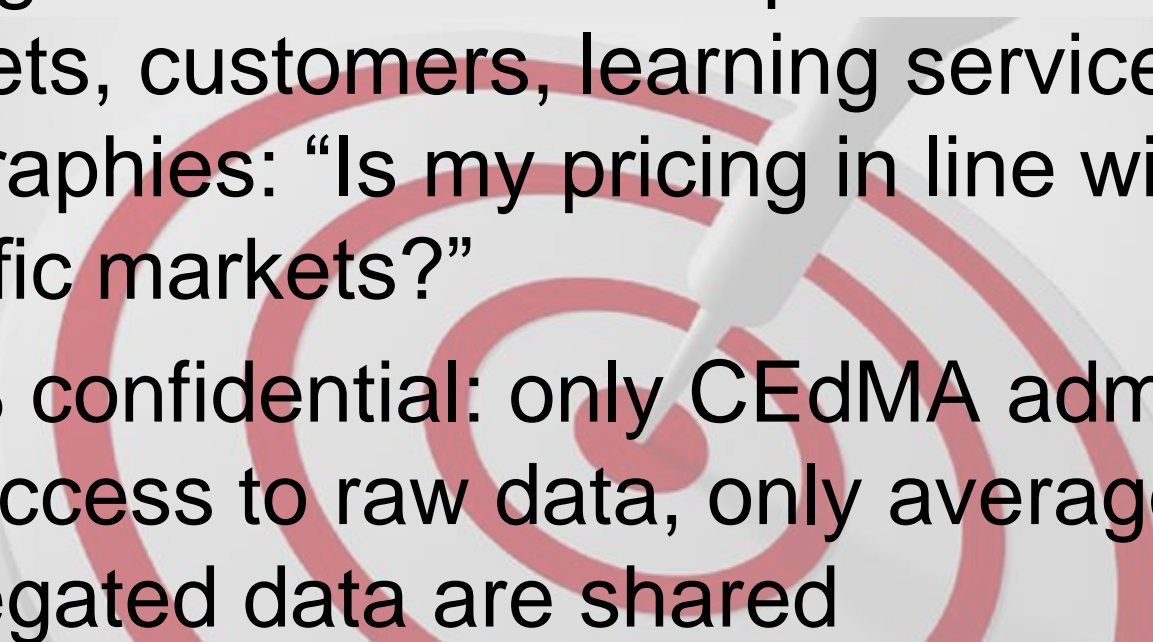


# Agenda

- Understand what is available around pricing
- How to access and use data
- Some key findings around pricing strategy
- Q&A & Discussion



# Why this Survey?

- Member request, as it's a key topic for them
  - To allow members to access consolidated pricing information to compare for their markets, customers, learning service, and geographies: "Is my pricing in line with specific markets?"
  - 100% confidential: only CEEdMA administrator has access to raw data, only averaged and aggregated data are shared
- 

# A Pricing Survey with Two Parts

- **Click Tools Survey:**

- ~140 questions addressing general strategies as well as specifics for different learning services
- Adaptive survey: if certain cases are irrelevant for responder, all corresponding questions are skipped
- 45 responses

- **Excel Pricing Sheet**

- Prices are collected by spreadsheet for easy averaging and communication
- List & street prices for customer and partner
- Send only to Mike
- 30 responses

The screenshot shows an Excel spreadsheet with a list of regions and their corresponding currencies. The regions listed are Americas (US/Canada, Mexico, Brazil, Rest of Latin America), EMEA (UK, Germany, Benelux, Nordics, Southern Europe), Eastern Block Countries (Russia), Africa, Middle East, and APAC. The currency for each region is listed as USD. The spreadsheet also includes a 'List Price' column and a 'Street Price' column. The bottom of the spreadsheet shows navigation buttons for 'Instructions', 'List and Sales Prices', and 'Currencies'.

Region	Currency	List Price	Street Price
Americas			
US/Canada	USD		
Mexico	USD		
Brazil	USD		
Rest of Latin America	USD		
EMEA			
UK	USD		
Germany	USD		
Benelux, Nordics	USD		
Southern Europe	USD		
Eastern Block Countries	USD		
Russia	USD		
Africa	USD		
Middle East	USD		
APAC			



# How to access and leverage the survey results...

## Pricing Strategies

- Review key statistics in this presentation
- Identify general pricing strategies via general Excel and PDF file and use Excel file to create own charts and statistics
- Research pricing strategies for specific cases eg benchmark vs similar companies in terms of revenue, business model etc.:
  - Leverage pdf and xls files in Goldmine for key groups (by company size, by training revenue etc.)
  - Analyze yourself in ClickTools with filter and cross tabs (updated “How to Use ClickTools” in Goldmine) and export data if needed

## Pricing

- Review average pricing by region in Sheet “Summary”
- Research pricing for specific cases eg benchmark vs similar companies in terms of revenue, business model etc.:
  - Leverage existing groups in rows 36 to 65 for key groups (by company size, by training revenue etc.)
  - Go to country sheets and filter via columns B to E  
Crev=company revenue and  
Erev=Education revenue  
(**S**mall, **M**edium, **L**arge)  
Busn=Business model  
EdBM=Education Business Model  
(PL=P&L, CC=cost center, hybrid)



# Pricelist and Currencies

**75%**

**Have local pricelists**

**majority in local currencies**

**-via pricing zones 7%**

**-via price list in one (27%) or local currencies (39%)**

**66%**

**Have different prices by country**

**via local price list (40%) or discount on global (15%)**

**But still 25% have a single global price**

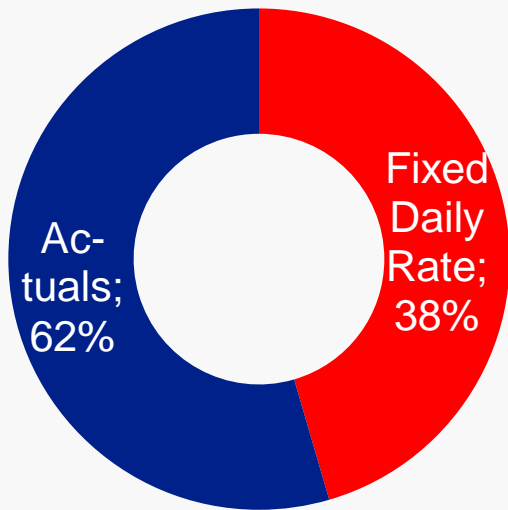
**70%**

**Have prices in local currency at fixed Fxrate**

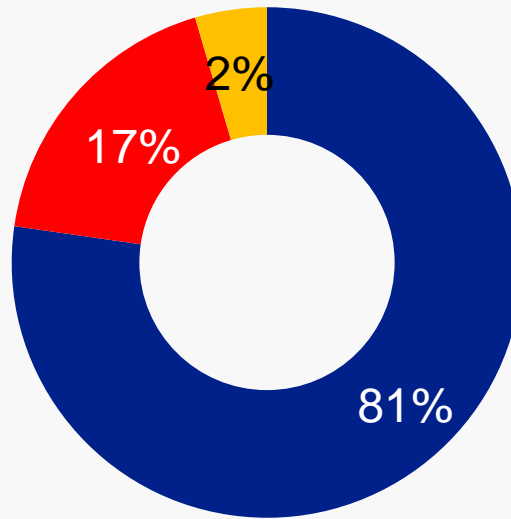
**Majority offers in \$, €, £, AUD**

# Travel & Living

## T&L Charged at

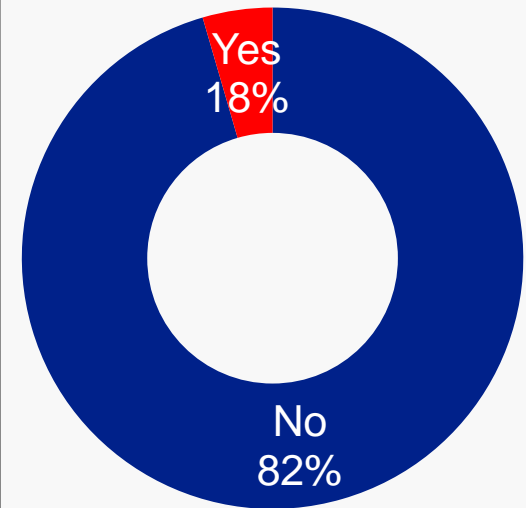


## T&L Margin



- No margin
- Margin in fixed fees
- Margin via Markup

## Charge for Travel Time







# Pricing Approaches

**65%**  
transactional

**Revenue via customers buying learning products as required**

**20%**  
credits

**Revenue via selling training credits**  
For 71% 1 unit of the credit is equal to an amount in their base currency

**6%**  
subscription

**Revenue via selling subscriptions**  
Include eLearning & classroom, but not exams  
82% 1 year (9% 6 months)

**6%**  
Bulk purchase

**Volume sales via training days or pre-payments**



# Why and How is Discounting Done?

## Top 3 reasons for discounting

- **1. Strategic customer**
- **2. Product revenue opportunity** (but 88% have no policy to discount based on product deal size)
- **3. Internal sales pressure**

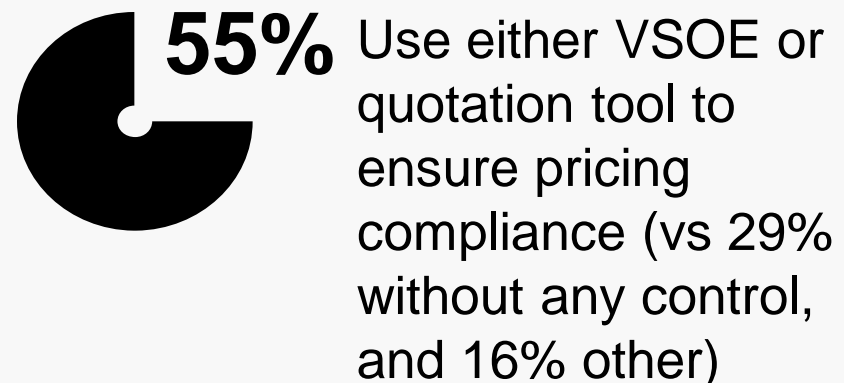
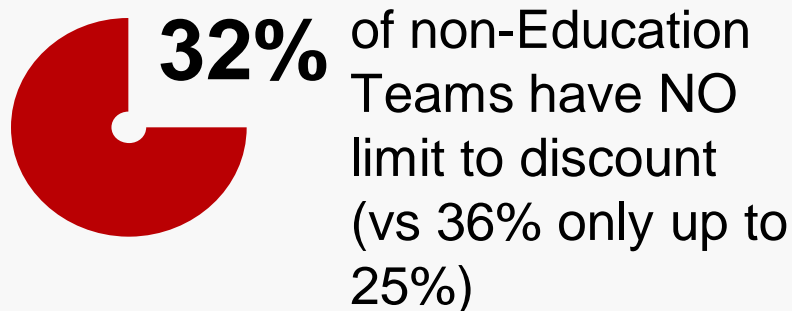
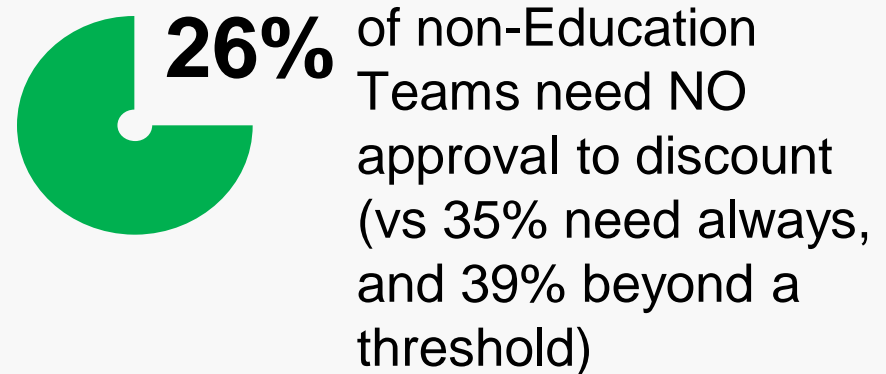
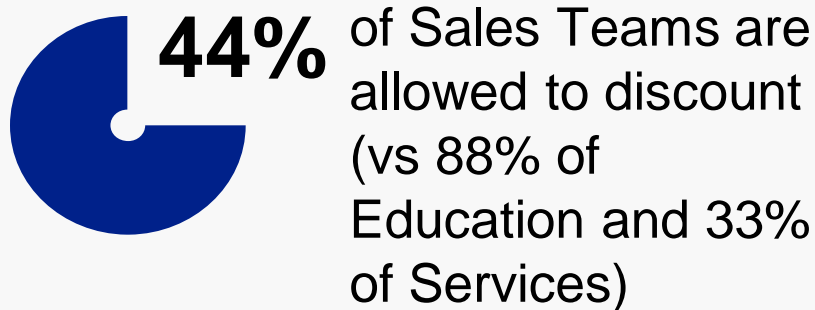
## Types of Discounts

- **73% Promotional discounts**
- **68% Regional discounts** (see previous slides)
- **54% volume** (24% single, 30% 2-3 different levels with 11-25% variance)

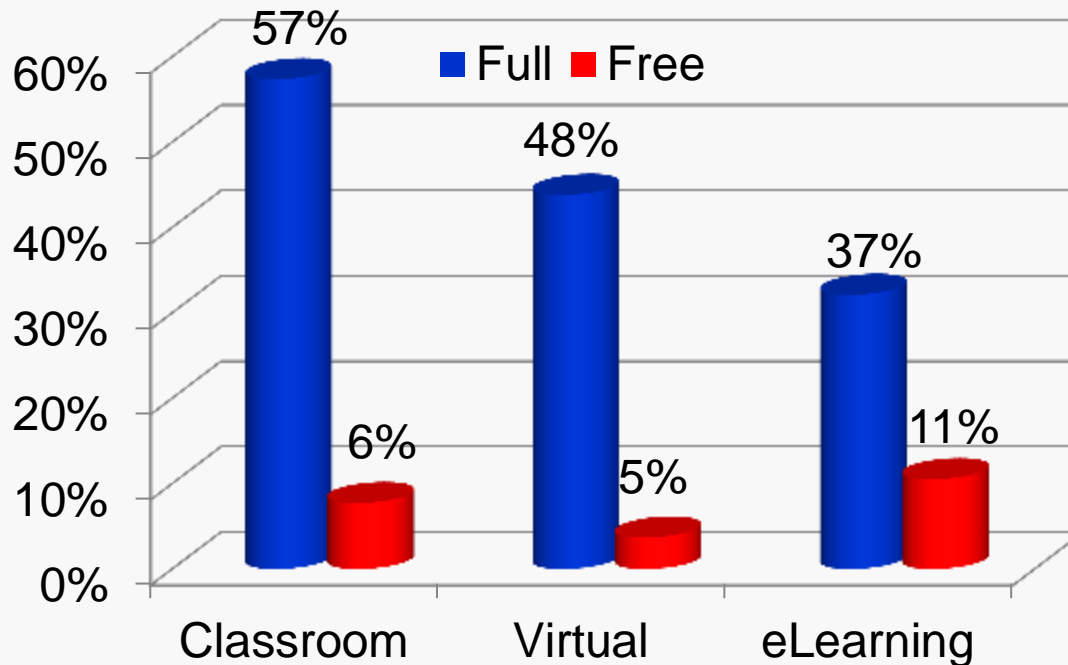
## Manage Global Customer and multiple discounts

- **Global customer**
  - 36% single price
  - 31% where student comes from
  - 33% other approaches
- **Multiple Discounts**
  - 51% only have 1 discount
  - Only 14% allow to add or multiply up discounts

# Pricing Compliance



# Free vs Full Pricing



How much of your business is at full price/ for free

- **For free (always):**  
**87%** of employees, but only **4%** of customer and **13%** of partner
- **Funding of free:**  
**47%** No special funding  
**19%** Carve out  
**14%** Cost transfer to other department  
**12%** Marketing development fund



# Price Changes

**69%**

**Change prices only when necessary**

**Although 40% review every 12 months, 49% when needed**

**55%**

**Change fxrates only when necessary**

**While 26% regularly every 12 months**

**50%**

**Need no approver for price changes**

**While remaining need 55% the CFO, 30% Sales or CEO to approve**

**60%**

**Change prices due to market trend**

**30% because of competitiveness**

**25% because of higher expenses**

# Partner Discounting

- 52% have partner discount by partner tier, only 26% one for all partner,
- 74% allow partner to resell their training, but only 29% have a formal program to license
- 57% of partner can resell training to their customer with same partner discounts, 14% with lower discount
- Partner discounts vary mainly between 0-20%



# Questions



# Backup Slides





# How to find Pricing Survey Results

The image shows a screenshot of the CEEdMA website. At the top left is the CEEdMA logo with the tagline "the computer education management association". To the right is the text "The Premier Organization for Training Executives and Managers Within Technology Companies". Below this is a red navigation bar with links: Home, About Us, ASK the Members, Members Only, President's Blog, Find a SIG, Member Search, and Job Board. On the left side, there is a "Metrics" section with a star rating and social media icons. A dropdown menu is open under "Members Only", listing various categories. The "Dynamic Benchmark Repository (DBR)" category is expanded, showing a list of studies. The "Pricing and Discounting Study (Apr 13)" is highlighted with a blue box. Other studies listed include "Business Metrics (May 11)", "Certification Best of Program (Feb 10)", "Virtual Classroom (May 09)", and "Authorized Training Partners (Sep 08)".

**CEEdMA** the computer education management association

The Premier Organization for Training Executives and Managers Within Technology Companies

Home About Us ASK the Members Members Only President's Blog Find a SIG Member Search Job Board

**Metrics**

★★★★★ | Share | Facebook | Twitter | Email | RSS

Using the Dynamic Benchmarking Repository (DBR) - Pricing and Discounting (Apr 13)

Business Metrics (May 11)

Pulse of the Industry (Apr 10)

Certification Best of Program (Feb 10)

Pulse of the Industry (Oct 09)

Virtual Classroom (May 09)

Authorized Training Partners (Sep 08)

Certification Best of Program (Aug 08)

Business Metrics (May 08)

Curriculum Development (Sep 07)

**Members Only**

- Awards
- Goldmine
- Newsletters
- Metrics
- Executive Advisory Council
- Special Interest Groups (SIGs)

**Dynamic Benchmark Repository (DBR)**

- Archive of ASK Queries
- Best Practices
- Bylaws, Code of Conduct, Board Duties
- Conferences
- Pricing and Discounting Study (Apr 13)**
- Business Metrics (May 11)
- Certification Best of Program (Feb 10)
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- Authorized Training Partners (Sep 08)
- Archive of DBRs

# How to Access ClickTools: Find description



The Premier Organization for Training Executives and Managers Within Technology Companies

- Home
- About Us
- ASK the Members
- Members Only
- President's Blog
- Find a SIG
- Member Search
- Job Board

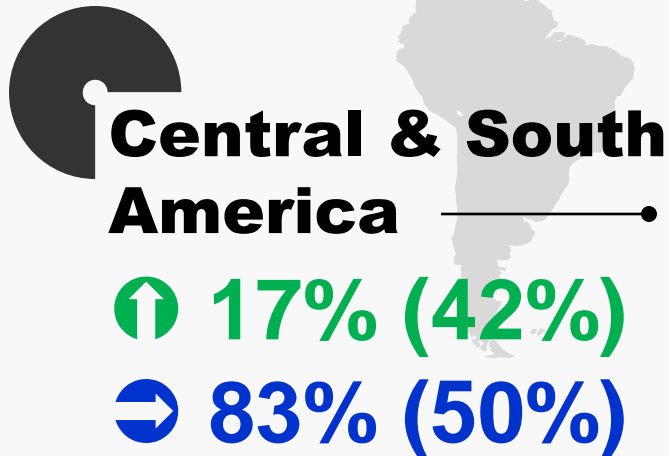
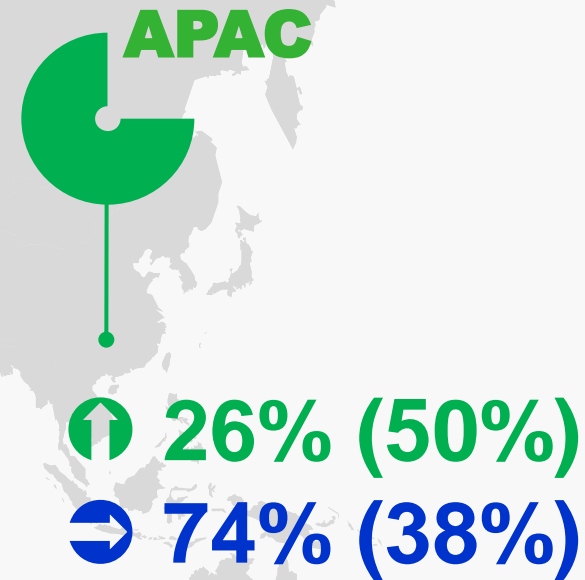
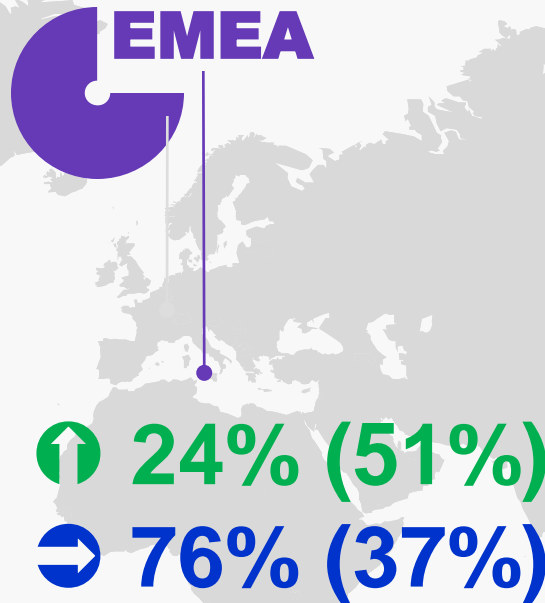
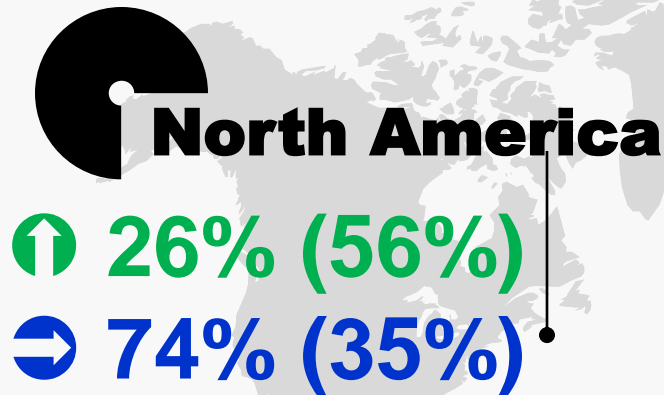
## Metrics



- Using the Dynamic Benchmarking Repository (Apr 13)
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- On-Demand Webinars
- Press Releases
- Special Interest Groups (SIGs)
- Training Market Barometer
- Profile Home
- Manage Profile
- Groups
- Pricing and Discounting Study (Apr 13)
- Business Metrics (May 11)
- Certification Best of Program (Feb 10)
- Virtual Classroom (May 09)
- Authorized Training Partners (Sep 08)
- Archive of DBRs
- Joint Meeting of the Metrics & Benchmarking and the Sales & Mktg

# Price Changes in Last 1 (3) Years





# Other Learning Services

- Customization
  - Pricing
    - 50% per development day
    - 40% per development hr
    - 25% via training credits
  - 60% mixture T&M and fixed bids, only 20% only T&M
  - 25% charge only for >1 day, 15% never for customization
- Selling IP
  - Only 19% sell IP, with different models (per course, day, item), mainly student and instructor books or eLearning