



## ***DO YOU KNOW YOUR MINIMUM SELLING PRICE?***

Experience has shown no matter where you set your minimum selling price, a sales representative sooner or later will ask you to lower it. The question is not whether you will be asked permission to discount; the question is when should you say yes.

One of the best examples of this is highlighted in an excellent article “Making Sales and Losing Money” by Brian Jeffrey. The article highlights a case where a sales rep, after obtaining his largest order to date, actually loses money on the sale. Not only does Brian discuss how this could easily happen, he also discusses excellent ideas on how you can prevent it from happening to you. You can read the article at <http://ow.ly/27HXi>.

Your company’s fixed costs must be paid whether you make the sale or not. Therefore, any time a discounted selling price contributes at least one dollar towards paying your fixed costs, it is considered profitable. As long as all of your variable costs are covered, including the cost of the goods sold plus any variable sales commissions, the discounted price can be accepted.

The *Minimum Selling Price Calculation Worksheet* available for sale in our eStore at [http://www.b2bsalesconnections.com/store.php#automated\\_tools](http://www.b2bsalesconnections.com/store.php#automated_tools) will automatically calculate a product’s minimum selling price to contribute at least one dollar towards the payment of fixed costs, given the cost of goods sold and the commissions to be paid on the sale.

As most managers would agree that making a sale for only a dollar is hardly worth the effort, the spreadsheet also shows how much gross profit is being made if you sell the product at a certain price.

### ***Aim Higher!***

Need ideas for your sales meetings? Join our free webinar where we discuss quick and easy ways to make your sales meetings more interesting and productive. To register, visit [www.b2bsalesconnections.com/webinars.php](http://www.b2bsalesconnections.com/webinars.php).

Webinar does fit your schedule? View the presentation video in our Download Centre at [www.b2bsalesconnections.com/download\\_centre.php](http://www.b2bsalesconnections.com/download_centre.php). While you are there, be sure to download a free copy of our white paper “Creating Your Unique Value Proposition”

Susan A. Enns, B2B Sales Connections

Susan A. Enns is managing partner of B2B Sales Connections, an online sales training website with free sales resources, a specialized job board & free resume listing services for business to business sales professionals. She has a proven track record of success, with over 22 years of direct sales, management and executive level business to business experience. Her accomplishments include being the top sales rep in Canada, managing the top sales branch, and achieving outstanding sales growth in a national channel sales organization. She has written the downloadable e-courses “Action Plan For Sales Success” and “Action Plan For Sales Management Success”, created numerous automated sales tools, and she writes and edits the company’s newsletters. Currently Susan serves on the Leadership Executive of the Sales Professionals of Ottawa as President. For more information, visit [www.b2bsalesconnections.com](http://www.b2bsalesconnections.com) or contact Susan directly at [senns@b2bsalesconnections.com](mailto:senns@b2bsalesconnections.com), [www.twitter.com/SusanEnns](http://www.twitter.com/SusanEnns), or [www.linkedin.com/in/susanenns](http://www.linkedin.com/in/susanenns).