COMPANION WORKSHEET PACK

Pricing Strategy Fundamentals

The Right Price Is Neither the Lowest Nor the Highest

9 Worksheets · 3 Categories · A4 Print-Ready

High-Volume · Niche-Search · Specific-Case

PT Hibrkraft Kreasi Indonesia · hibranwar.com

PART 1

High-Volume Worksheets

Universal worksheets — what most operators reach for daily or weekly. Run these on a regular cadence regardless of business size or stage.

PART 1 · WORKSHEET 1

Per-SKU Cost-vs-Price Reconciliation

Run once a week for the three to five products that generate the most revenue. Takes under 20 minutes.

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PRODUCT / SKU	DIRECT VARIABLE COST/UNIT (RP)	OVERHEAD SHARE/UNIT (RP)	FULL HPP/UNIT (RP)	CURRENT SELLING PRICE (RP)	MARGIN (RP)	MARGIN (%)

1. For any row where margin % has fallen below your minimum acceptable threshold: identify which cost component moved. Was it raw material, a utility bill, or a change in production volume that spread fixed overhead across fewer units?

2. If the gap between full HPP and selling price is narrowing week on week, that is the signal to initiate a price review — not to wait for the quarterly schedule.

PART 1 · WORKSHEET 2

Monthly Price-Change Review Log

One row per pricing decision made this month — whether a change was made, a change was considered and rejected, or a trigger was detected. Blank months are not neutral; they are a record of no action.

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DATE	PRODUCT / SERVICE	TRIGGER (COST MOVEMENT / COMPETITOR / SCHEDULED REVIEW)	DECISION (RAISE / HOLD / INVESTIGATE)	NEW PRICE (RP)	EFFECTIVE DATE	APPROVED BY

1. Count the number of months in the past year with no entry in this log. Each blank month is a period where pricing ran on autopilot. Was input cost stable during those periods, or was the autopilot covering up margin drift?

2. For any decision marked 'hold': write one sentence on what data supported holding, not just the conclusion. If the answer is 'we didn't check,' that is not a hold decision — it is the absence of a decision.

Discount Approval Gate

Complete before agreeing to any discount. One row per negotiation. Do not hand over a number until this sheet is filled.

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CUSTOMER / ORDER	PRODUCT	LISTED PRICE (RP)	NET MARGIN AT LISTED PRICE (%)	DISCOUNT REQUESTED (%)	BREAK-EVEN VOLUME INCREASE REQUIRED (%)	REALISTIC? (Y/N)	COUNTER-OFFER OR CONDITION

1. Break-even volume formula: Discount (%) ÷ (Net margin (%) − Discount (%)). If the required volume increase is not achievable from this specific order, the discount as requested will cost absolute profit. Write the counter-offer before the conversation resumes.

2. For any row marked N in the Realistic column: the default counter-offer is either a smaller discount or a compensating condition — minimum volume commitment, faster payment terms, or a longer contract. Choose one and write it in the last column before responding to the customer.

PART 2

Niche-Search Worksheets

Rare-situation worksheets — high value when the situation hits. Run these only when the trigger appears, but keep them findable.

PART 2 · WORKSHEET 1

Full Price-Tier Rebuild After a Major Cost Shift

Use when a significant cost event — new supplier pricing, minimum wage increase, facility relocation, major equipment purchase — changes the underlying cost structure across multiple product lines at once. Not a routine update; a structural reset.

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PRODUCT / SERVICE	OLD HPP (RP)	KEY COST COMPONENT THAT CHANGED	CHANGE AMOUNT (RP / %)	NEW HPP (RP)	OLD SELLING PRICE (RP)	REQUIRED NEW PRICE AT TARGET MARGIN (RP)	EVC CEILING (RP)	PROPOSED NEW PRICE (RP)

1. For each row: is the required new price at target margin below the EVC ceiling? If yes, the price is defensible to customers. If the required price exceeds EVC, the business faces a structural problem — cost has risen past the ceiling the customer is willing to pay. That requires either a cost reduction, a renegotiation of the EVC through differentiation, or an exit from that product line.

2. After filling all rows: which product lines show the widest gap between new HPP and EVC? Those are the lines where the cost shift has the least strategic room to absorb. Prioritise communication of the price change on those lines first, with the most specific cost justification.

PART 2 · WORKSHEET 2

Channel Margin Reconciliation

Use when re-evaluating distribution channel investment after a significant cost change — a new marketplace fee structure, a logistics cost increase, or the addition of a new sales team. Runs quarterly at minimum; immediately after any material channel cost change.

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CHANNEL	GROSS MARGIN (%)	PLATFORM COMMISSION (%)	PAID ADVERTISING (% OF CHANNEL REVENUE)	PACKAGING PREMIUM (%)	RETURN HANDLING (%)	SALES / ADMIN TIME (%)	OTHER CHANNEL COSTS (%)	TOTAL CHANNEL COST RATE (%)	NET CHANNEL MARGIN (%)

1. Net channel margin = Gross margin minus Total channel cost rate. Rank channels by net margin, not gross margin. Has the ranking changed since the last time this was calculated? If yes, which specific cost component moved the most?

2. For any channel where net margin is below 8%: identify one cost component that could realistically be reduced by half or more without destroying the channel's revenue. Batch deliveries, lower-frequency ad spend, or renegotiated platform terms are common candidates. If no cost can be reduced, the channel price must rise — or the channel needs a strategic review.

PART 2 · WORKSHEET 3

Price Elasticity Sensitivity Test

Use before a price increase larger than 8% — or any increase in a segment where the business has limited historical data. Maps the revenue and profit outcome across a range of volume-loss scenarios so the decision is made with calculated risk, not assumed safety.

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PROPOSED PRICE INCREASE (%)	CURRENT MONTHLY VOLUME (UNITS)	VOLUME LOSS SCENARIO (%)	ESTIMATED REMAINING VOLUME (UNITS)	REVENUE AT NEW PRICE (RP)	REVENUE AT OLD PRICE (RP)	NET PROFIT CHANGE (RP)	NET PROFITABLE? (Y/N)

1. Fill three volume loss scenarios for each proposed increase: best case (historical minimum churn), base case (internal elasticity estimate), and stress case (double the base case). In how many of the nine scenario-increase combinations does net profit improve? That ratio is the calculated risk of the proposed increase.

2. For the stress case scenario: if that volume loss actually occurred, what is the minimum price increase that would still leave the business with higher absolute profit than today? That number is the floor for negotiation if the increase is contested internally.

PART 3

Specific-Case Worksheets

Pre-framed scenarios — each worksheet walks you through a single, concrete situation. Read the scenario, then fill in your version of it.

Competitor Cuts Price by 15 Percent

> *Scenario: A direct competitor in your main product or service category has announced or is visibly implementing a 15 percent price reduction. Your sales team is reporting customer inquiries asking whether you will match. No order has been lost yet, but three existing customers have raised the topic in the past two weeks.*

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ITEM	YOUR NUMBERS
Competitor's reported old price (Rp)	
Competitor's new price (Rp)	
Your current selling price (Rp)	
Your full HPP per unit (Rp)	
Your current net margin (Rp)	
Break-even volume if you match their price (additional % needed)	= (gap from your price to their price) ÷ (your net margin − that gap)
Your EVC — customer's next best alternative + your value premium (Rp)	
Distance between your price and EVC ceiling (Rp)	
Your customers' estimated elasticity (from internal data)	

1. Before moving your price: check whether matching loses more margin than is gained in volume. A 15% cut on a 20% net margin product requires 300% additional volume to stay break-even. Is that achievable? If not, do not match — instead, identify which value components justify staying at your current price and build the sales team's response around those.

2. Identify the three customers most likely to leave and calculate their current net margin after service costs. If their net margin is already low because of high service cost or long credit terms, losing them to a cheaper competitor may improve overall portfolio profitability. Run the numbers before deciding whether they are worth retaining at a lower price.

Biggest Customer Demands a 10 Percent Volume Discount

> *Scenario: Your largest customer by revenue — accounting for roughly 20 to 30 percent of your monthly sales — has requested a 10 percent volume discount at the next contract renewal. The request is framed as a condition for continuing the relationship at its current volume. No formal ultimatum has been issued, but the tone of the conversation suggests the customer is serious.*

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ITEM	YOUR NUMBERS
Customer's monthly revenue contribution (Rp)	
Customer's share of total monthly revenue (%)	
Product net margin at current price (%)	
Break-even volume increase for a 10% discount (%)	= 10 ÷ (net margin − 10)
Identifiable service costs for this customer (delivery, admin, credit terms, custom work) (Rp/month)	
Net margin after service costs at current price (%)	
Net margin after service costs with 10% discount (%)	
Working capital cost of current credit terms for this customer (Rp/month)	
Minimum volume commitment from customer that makes 10% discount margin-neutral	

1. The customer's request creates two distinct negotiation levers: the discount percentage and the volume commitment attached to it. Before the next meeting, calculate the volume commitment that makes the discount margin-neutral. Offer the discount contingent on that commitment — in writing, with a contract clause — rather than as a goodwill concession with no condition.

2. Calculate what revenue and margin the business would generate if this customer left and the volume was redistributed across other channels. If the business can sustain that scenario within 90 days, the negotiating position is stronger than it feels. If not, identify which channel investment would reduce this customer's concentration risk by the next renewal cycle.

Raw Material Cost Jumps 22 Percent

> *Scenario: A key raw material — accounting for 40 to 60 percent of your direct variable cost — has increased by 22 percent due to a supply chain disruption, currency movement, or a supplier price revision. The increase has been in effect for one full billing cycle. Existing customer contracts run for another six to nine months. No price escalation clause is in any current contract.*

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ITEM	YOUR NUMBERS
Key raw material cost per unit — old (Rp)	
Key raw material cost per unit — new (Rp)	
Old full HPP per unit (Rp)	
New full HPP per unit after material increase (Rp)	
Old selling price (Rp)	
Old net margin per unit (Rp / %)	
New net margin per unit at old price (Rp / %)	
Price increase required to restore old net margin amount (Rp / %)	
EVC ceiling (Rp)	
Distance between required new price and EVC ceiling (Rp)	
Estimated customer elasticity in this segment	
Months before the earliest contract renewal or renegotiation	

1. Map every active customer or contract by revenue share and by which column of this table applies to them. Customers on no formal contract can receive notification of the price increase within the standard lead time (two to four weeks). Customers on written contracts without an escalation clause: identify the next renewal or natural renegotiation point. Calculate how much margin the business absorbs per month at the old price until that point arrives.

2. Draft the price increase communication using the three-part formula from Chapter 7 before the next customer interaction: Part 1 — the new price and effective date; Part 2 — the specific cost increase with percentage (and a supplier or index citation if available); Part 3 — confirmation that product quality and delivery standards are unchanged. Have one version ready for each customer tier: WhatsApp for smaller accounts, formal email for contract customers, scheduled call for the top three by revenue.

Companion to:

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