

# PROFITABLE PRINT RELATIONSHIPS

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## The Successful Print Sales Circle

### Worksheet 16: Upsells and profit margins

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#### Step 1: Pick an upsell

Review your upsells and pick one of your most popular ones. If you are not already making upsells a key part of your sales strategy, be sure to go back and review and implement video and worksheet 4 from month 2 of The Successful Print Sales Circle.

**Write down which upsell you are going to work on**

#### Step 2: Change the profit margin

What is the current profit margin of your upsell? Many people will be offering the upsell at exactly the same profit margin as their main products. It is vitally important to offer the upsell at a higher profit margin. Start by pricing your upsell at between double and three times your normal profit margin.

**Write down the new profit margin**

#### Step 3: Adjust the estimating system

Make sure your estimating system has the new profit margins entered for upsells. If the system can't manage this, consider adopting a fixed price structure for upsells to ensure you do not undersell them.

## Step 4: Brief the team

Make sure that all staff involved in pricing and customer management understand about the increase profit margin for the upsell and how important this is. Consider using an upsell matrix if you have not already implemented one from the previous upsell task in month 2.

## Step 5: Push the upsells

Remember, the upsells will be your most profitable business, so it is vital that you promote them as much as possible. Here is a checklist of ways to promote them:

- Direct mail campaign
- Social media
- As part of a call script
- On e-mail footers
- On any published price list
- On your website
- On posters at your premises
- When taking order details
- On quotations
- When chasing up/booking jobs

**Write down how you will promote your upsells**

## Step 6: Measure

Make sure you measure your results. There are two areas to measure: upsell conversion rate and total profits. You are aiming to increase both. With increased promotion, you should be booking more upsells. And, as you have increased your profit margins, you should be creating more profit.

Occasionally your customers will be put off by a higher profit margin. It is important to remember that even if you sell less upsells, this will be offset by the higher profit margins. If you double your profit margin but your upsell conversion rate drops by 25%, you will still make 50% more profit.

## Step 7: Implement elsewhere

You should review your profit margins in as many areas as possible. Where else should you consider raising your profit margins. Here is a checklist:

- Review the profit margin on these upsells: consider testing a higher margin
- Raise the profit margin on other upsells
- Review your profit margins on general work – review the raising prices video and worksheet from month 5
- Review the profit margins for unprofitable customers and customers who are difficult to deal with
- Review the profit margins for individual products which do not make as much money as others or are time consuming to manufacture

**Write down where else you will review your profit margins**

## Step 8: Share your success!

As you can see, this system allows you to review profit margins in a wide number of areas of your business. However, it is best to start in a small area first.

For this task, your goal is as follows:

- Raise the profit margin on three upsells
- Push at least one of these extra upsells to twenty customers
- Aim to increase upsells by 20%
- Measure the extra profits

When you see how this task works and the results it can bring, you will see that it is important to treat all your upsells in this. You should also revisit step 7. Make sure you review your profit margins every few months. You may have purchased new equipment that allows you to produce items more cost-effectively, and this will allow you to review profit margins further. You should also run an audit to make sure that all staff are applying the correct profit margins. Finally, you should review which upsells are working well and which are less popular. You will then know which upsells to promote further.

Fill in the table on the next page to make sure that you complete this task successfully. You may prefer to make a copy of it or create a spreadsheet. Remember, it is important to fill this in: this is your way to check that you are on track with this exercise and are taking action.

How did you find this exercise? Please share your results with us at [circle@ProfitablePrintRelationships.com](mailto:circle@ProfitablePrintRelationships.com) If you come across any challenges you will be able to raise

them on the monthly group call. If you are a gold member you can ask any questions privately on your exclusive e-mail address.

Upsell 1	Prospect name	Upsell offered	Profit margin:	Extra profit
Upsell 2			Profit margin:	
Upsell 3			Profit margin:	
			Value of order	
1				
2				
3				
4				
5				
6				
7				
8				
9				
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