



Are You Willing to Sleep in front of the Fire?

There is a story attributed to Ben Franklin that carries a profound message to business owners. It goes like this.

Ben had a printing business and was concerned about a competitor's pricing policy. He

invited his competitor around for dinner and placed a bowl of broth and a piece of bread on the table. In the room was a warm fire with a blanket next to it.

Ben said to his guest, "I can live on this bread and broth and have no trouble sleeping by the fire wrapped in that blanket. If you can live on less, you can starve me out. If you can't, you had best reconsider your pricing."

Issues of illegal price fixing aside, the lesson is clear. Unless your costs are lower than your competitors' or you are willing to sleep in front of the fire, don't compete on price.

Moral of the Story:

Unless your costs are lower than that of your competitors' or you are willing to sleep in front of the fire,

Don't compete on price!

The Better Business Group has produced a Business Improvement Module - "More Margin... More Profit", that deals specifically with pricing and margins. The module steps you through the process of identifying the Opportunity, Discovery and Learning and Template Programs that can be adapted directly to your business.

"Finding the diamonds in your business" *Your Stepping Stones to Financial Freedom*

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