

PRINCIPA ALLIANCE – *People Working Together to Build a Better Business*

POSITIONING

**Are You Willing to Sleep
in front of the Fire**

There is a story attributed to Ben Franklin that carries a profound message that you and your clients should heed.

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.

Unless your costs are lower than your competitors' or you are willing to sleep in front of the fire, don't compete on price.

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.

You might want to send this little piece of sage advice to those of your clients who seem destined for many nights in front of the fire.

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If your Business Advisor is a member of the Principa Alliance they have business growth protocols and resources especially tailored for small and mid-sized businesses. Contact them today to learn how they can help you grow a more profitable business.

To learn more about how to grow your business, contact a member of the Principa Alliance, a global network of consulting professionals. Visit online: www.principa.net