

# WANT TO COMPETE WITH BIGGER COMPANIES THIS HOLIDAY SEASON? OFFER EXCLUSIVITY

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As a small business owner, competing with bigger companies during the holiday season can seem daunting. However, there is one strategy that can help you stand out and attract customers: offering exclusivity.

By creating exclusive products or services that cannot be found at larger retailers, you can provide a unique and personalized experience for your customers. Consider offering limited-edition holiday items or partnering with local artisans to create one-of-a-kind gifts.

## TOP NEWS

**Although rare goods are difficult to find, many buyers value them and are prepared to pay a high price for them. According to research conducted in 2022 by Chiara Farronato, an Associate Professor of Business Administration at Harvard Business School, creating fewer things enables high-end shops to demand higher rates for them.**

In order to determine how much more or how much less buyers would be ready to pay for more readily available black shoes or for harder-to-get red shoes, Farronato and a few other researchers ran simulations. They found that a customer's willingness to pay drops by up to 15% when an item's inventory doubles.

Furthermore, the study found that upscale retailers overproduced when they neglected to consider "rarity" in the product development process. They think that producing fewer products is the key to generating earnings. By providing luxury firms with information on what consumers might be prepared to pay for different things, an online marketplace like STOCKX can help them price their products appropriately.

**Here are some pricing tactics for high-end retailers that will help you succeed throughout the holidays and beyond:**

- Value-based pricing: This method involves determining your prices by taking into account the special value that your items offer to your clients. Make sure to express to your customers the advantages of your items and set their pricing appropriately.
- Pricing for limited edition or exclusivity: You may instill a sense of rarity and raise prices by introducing limited or exclusive goods such as those listed above.
- Premium brand extension pricing: You might introduce higher-end iterations of your current products to improve consumer perceptions of your brand. Naturally, premium pricing should be applied to these premium varieties.

Ultimately, you want to make sure that your pricing and inventory plans minimize waste, maximize cash flow, and boost customer satisfaction. Remember that determining precisely what works and what doesn't for your specific brand and target demographic may need some trial and error.

