

UNVEILING UNWELCOME NEWS:

MASTERING THE ART OF ANNOUNCING A PRICE HIKE

Author: Maria Boos

Price increases are simply unavoidable sometimes. While customers will never be happy about them, incurring their wrath or risking their relationship is avoidable if you're thoughtful about how you break the news. What you say—or don't say—about a price hike can have a huge impact on customer satisfaction, loyalty, and retention.

Many subscription and streaming services have been the bearer of bad pricing news lately as they work to shore up revenue in a challenging economic climate. That's understandable, but some of the communications have us scratching our heads at maslansky + partners, where our guiding philosophy is **It's not what you say, it's what they hear.**®



WHAT NOT TO SAY

There's no shortage of examples that miss the mark when you think about how customers might be hearing the message. Here are a few tips on what **not** to say.

✗ Don't be vague or inconsistent about what's happening. And definitely don't sound like you don't know (and therefore don't care) about your customer.

IF YOU SAY...

peacock

Thank you for being a Peacock subscriber. We wanted to let you know about upcoming changes to your subscription.

As of today, we are changing the price of Peacock subscription plans as follows:

	From	To
Premium monthly	\$4.99	\$5.99
Premium Plus monthly	\$9.99	\$11.99

As a current subscriber, you'll receive one additional month at the current price. The new pricing will be effective on your next billing date on or after August 17, 2023. If you are currently on an offer, your promotional pricing will continue through the end of the promotional period. Note that if you are on an offer and upgraded to Premium Plus for \$5/mo., your price for the Premium Plus Add-On will increase to \$6/mo. effective on your next billing date on or after August 17.

If you cancelled your subscription within the last 30 days, please disregard this notice; you will not be charged after the end of your current billing cycle.

To manage or cancel your subscription, visit your Account. For more information on how to cancel, visit www.peacocktv.com/help/article/cancellation.

THEY HEAR...

Nice opening. Always good to feel appreciated, and it gets my attention with mention of "upcoming changes."

Wait...what? It's happening "today?!" What happened to "upcoming?"

Not sure why they're telling me the prices of all the plans since I'm on Premium. Definitely not upgrading now!

Oh, I do get one more month at my old price. Why does this message keep contradicting itself?

Now I'm lost and just ticked off. Why do they keep saying "if you...?" Aren't they supposed to know what they offered me? And if someone has cancelled their plan, why would they even get this message?



Don't muddy the message with extraneous information. And don't ever presume to speak for the customer.

IF YOU SAY...

The price of Premium is changing from \$15.99/month to \$16.99/month.

Since you're already on Premium, you'll pay \$15.99 until your billing date in September, when your subscription will go up to the new price.

OK, GOT IT

Dismiss

THEY HEAR...

An increase of \$1 per month doesn't feel too bad. I wonder why they didn't frame it that way instead of putting the total monthly price in big type?

Why point out that I'm already on Premium? Seems like it would be much simpler just to say the new price starts in September.

Why are they making me say "OK, got it?" Wish I could "dismiss" the price increase!

These examples show the peril of sending messages that aren't customer-focused—especially when delivering bad news. When communications lack empathy and feel one-sided (your side), customers are likely to hear that they're just not that important to you.

IS THAT THE MESSAGE YOU WANT TO SEND AS YOU'RE ASKING THEM TO SHELL OUT MORE MONEY FOR YOUR SERVICE?

WHAT TO SAY

Every single communication is an opportunity to make a connection on a human level and show that you appreciate your customer.

Remember: the brand they know is the one they experience every day. Let's look at an example that embraces the customer's perspective and finds a better way.



Do sound empathetic, offer a concise and credible explanation, and show gratitude.

INSTEAD SAY...

nuuly

Our Subscription Price Is Changing

The price of your monthly Nuuly subscription will increase on **August 1, 2023** from **\$88 for 6 items** to **\$98 for 6 items**

We know this is a big update and as a current subscriber, we wanted to give you plenty of advance notice. For all new subscribers, the price change will go into effect on April 26.

Why?
Adjusting our subscription price is essential to keep Nuuly Nuulying the way you know + love.

The short version: since our launch in 2019, the costs of bringing you best-of-the-best brands, styles + service have increased. To continue delivering the full Nuuly experience, we'll be changing our subscription price for the first time in 4 years.

What This Means For You
We get it—you have a budget + our price change might not factor in. We hope you'll continue to Nuuly, but if you need time to figure out your next move, pause for as long as you'd like without fees—we purposely designed Nuuly to be super flexible.

[Find Out More](#)

SO THEY HEAR...

Well, this isn't great news, but I appreciate that they're being direct and giving me plenty of notice.

Nice that I get a break as a loyal customer.

Seems reasonable; we've all heard about the supply chain issues driving costs up. And four years without a price hike is pretty good.

Sounds like they get that this is a big deal to me. I appreciate that this isn't take-it-or-leave-it; they're giving me an option to pause and spread my costs out without getting hit with fees.

Notice the difference? Even—no, especially—when you have to deliver bad news, it's critical to make every communication clear, credible, and customer-centric. That's how you reinforce a consistent and positive brand experience.

AND THAT'S HOW YOU KEEP YOUR CUSTOMERS.