

Case Study

Transforming an IT Services Company from Price Competition to High-AOV Premium Positioning

Client Profile

- **Industry:** IT Services & Consulting
- **Solutions:** Web Development, Cloud, ERP, Custom Applications
- **Business Type:** SME serving Mid-Market Clients
- **Core Challenge:** High competition, low margins, price-driven sales

The Core Problem

The organization was:

- Closing deals — but at discounted pricing
- Competing aggressively on cost
- Facing frequent price objections
- Experiencing margin pressure
- Struggling to increase Average Order Value (AOV)

Sales conversations were feature-heavy and service-oriented:

“We build websites, apps, and cloud solutions.”

Which positioned them as a vendor — not a strategic partner.

Revenue was growing slowly.
Profitability was shrinking faster.

Strategic Intervention (External CMO – Premium Revenue Mandate)

Instead of pushing for more volume, we focused on:

Increasing deal size, improving margin, and elevating perceived value.

Phase 1 – AOV Segmentation & Ideal Client Redefinition

We restructured their revenue model into:

- Minimum AOV segment
- Core profitability segment
- High-AOV strategic segment

We then refined ICP around:

- Budget readiness
- Business maturity
- Growth orientation
- Decision-maker quality

This reduced low-value opportunity distractions.

Phase 2 – Business Impact Repositioning

We shifted messaging from:

“Service provider”

To:

“Business outcome enabler.”

Instead of discussing:

- Tech stack
- Development hours
- Infrastructure

We reframed conversations around:

- Cost savings
- Revenue acceleration
- Risk reduction
- Operational efficiency

Every proposal began with business impact before technical scope.

Phase 3 – Premium Proposal Architecture

We redesigned proposal structure into:

1. Executive Summary (Business Problem)
2. Financial Impact Projection
3. Strategic Solution Overview
4. Risk Mitigation Plan
5. Investment Structure

This changed buyer perception from cost evaluation to ROI evaluation.

Phase 4 – Sales Team Premium Mindset Training

We worked on:

- Price objection reframing
- Confidence in high-ticket conversations
- Anchoring strategy
- Value-based negotiation techniques
- Walking away from misaligned prospects

Sales teams often discount due to fear — not strategy.
We corrected that.

Complex SME-Level Challenges We Solved

1. Internal Fear of Losing Deals

Sales team believed higher pricing would reduce closures.

2. No Clear Differentiation

Company messaging sounded similar to dozens of competitors.

3. Margin Blindness

Revenue tracked, but gross margin not analyzed per deal.

4. Proposal Customization Fatigue

Custom quoting without value framing reduced pricing power.

5. Low Confidence in Enterprise Rooms

Sales executives defaulted to discounting when facing experienced buyers.

Results Achieved

- ✓ Increase in Average Order Value
 - ✓ Improved Gross Margin per Deal
 - ✓ Reduced Discount Dependency
 - ✓ Higher Quality Prospects Attracted
 - ✓ Stronger Brand Authority
 - ✓ Fewer Low-Intent Inquiries
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Business Impact

Instead of increasing number of deals,
the organization increased value per deal.

Revenue became:

- More profitable
- More strategic
- More predictable

Sales cycles improved because value clarity reduced negotiation friction.

Strategic Shift Achieved

Before:

Vendor competing on price.

After:

Strategic partner commanding premium pricing.

What This Demonstrates

As an External CMO & Revenue Systems Architect, we:

3x Growth

- Redesign positioning for higher AOV
- Align pricing with business impact
- Improve margin without increasing cost
- Build sales confidence in premium conversations
- Shift companies from volume mindset to value mindset

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