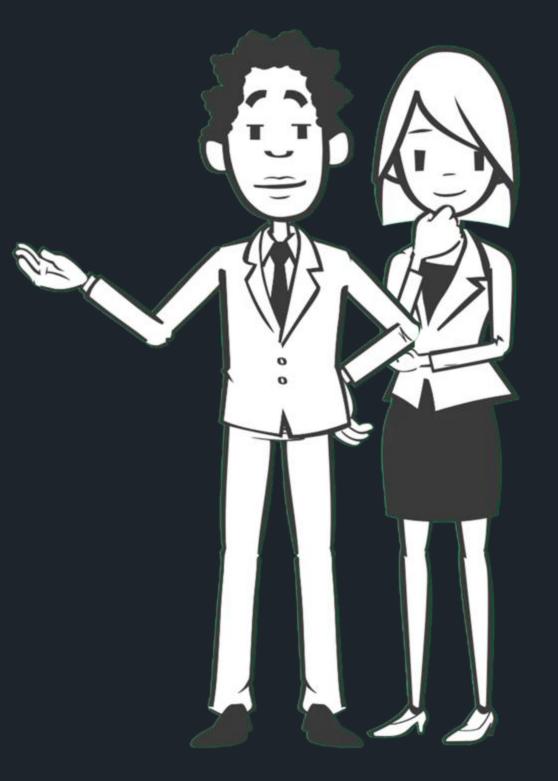


Negotiation and Pricing Curriculum

David Benz

8:00pm ("messag 45.146.166.121

Challenges



AEs

- Jump too quickly to discussions around price •
- Not sure how and when to position Savings and Volume Plans
- Don't know how to respond when customers raise pricing as a concern • Move too quickly to "Let me see what I can do ..."
- pricing is a differentiator
- Don't anchor in business value or try to anchor too late in the sales process •
- Are afraid to pitch significant uplifts
- See significant competitive pressure on deals; Most often from Datadog
- Face challenges in uplifting previous aggressively discounted sales

Negotiation

Newer AEs/

New Pricing

Models

Business

Differentiation

Value/

- Don't know NR gives/gets and how to use when negotiating deals
- Face hardball negotiation tactics such as budget boxing and threatening to leave
- Discount too deeply, too early
- •

Struggle with our pricing differentiation story against competitors like Datadog; Can't explain how

Struggle with customers stalling until end of quarter/year to try to get better long-term contracts

Proposed Curriculum

100 - Baseline

200 - Intermediate

300 - Advanced

- Included in New Hire training
- Volume plans) and how to use with customers
- Focused on business value and differentiation
- practice activities, and on-demand microlearnings

- Focused on negotiation
- half-day coaching workshop for managers

• Focused on NR consumption-based pricing, the most common scenarios AEs face and how to price, and how to lead customers to pricing

• For existing AEs, focus on the pricing model changes (Savings and

• Blend of sessions that can be delivered directly to teams, peer-critiqued

Cornerstone is a four half-day negotiation workshop for AEs/FLMs plus a



Baseline

Learning Objectives

- Describe the New Relic consumption model and recognize how the ACR/CRR flywheel works
- Discuss the 3 vectors of the New Relic pricing model (Editions, Users, and Buying Programs) and how these are used to create a quote for customers
- Recognize how to use the pricing model to provide gives/gets to customers in negotiations
- Identify when to recommend PAYG, Savings Plan, and Volume plan to customers
- Build a pricing proposal for a new customer and a renewal
- Paint the path to pricing Handle customers who want to jump straight to a quote without sufficient discovery
- Estimate future customer growth



Live

- New Relic Pricing 45-minute webinar
 - Pricing example walk through and follow-up • activities
 - Includes 15 minutes discussion/Q&A



- Pricing Proposal New Customer •
- Pricing Proposal Renewal ٠

Microlearning



- The Savings and Volume Plans in 10 Minutes •
- How to Walk a Customer to Pricing •
- What You Need to Know About New Relic Billing \bullet
- Introducing New Relic's Value Framework •

Tools & Job Aids

- Customer to Pricing
- ٠

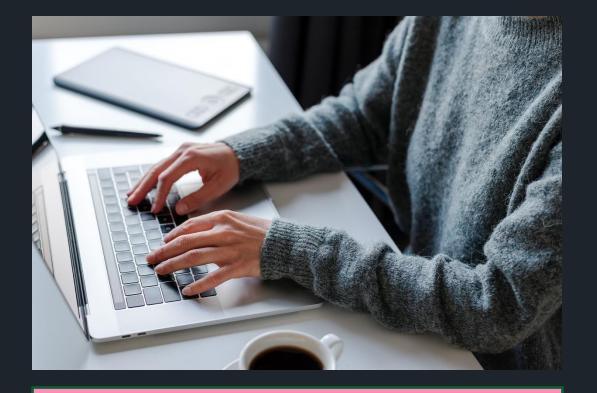


(includes evaluation & coaching for managers)



Pricing Flowchart and Questionnaire – Walking a

Savings and Volume Plan Side by Side Comparison



Intermediate

Learning Objectives

- Perform a business value assessment (BVA) to anchor pricing discussions
- Create a consolidation pricing analysis and story
- Pitch the value of New Relic pricing as a competitive differentiator ability to scale
- Quantify and position the added value of New Relic pod support
- Position uplifts for synthetics, IAST, and extended retention
- Position uplifts for synthetics, IAST, and extended retention
- Describe partner pricing and how it's similar/different



Live



- New Relic Pricing as a Differentiator 45-minute workshop •
 - Common objections as voiced by customers \bullet
 - The New Relic differentiation story
 - Includes 15 minutes discussion/Q&A \bullet
- Building a Business Value Case- 45-minute workshop
 - Conducted by Value Engineering team

Microlearning



- Partner Pricing in 6 Minutes •
- Synthetics Monetization •
- How to Pitch Extended Retention •
- Positioning Interactive Security Testing (IAST) Pricing ۲



- - Run with teams after the BVA session

Tools & Job Aids

- Pricing Differentiation Slides •
- •
- Tactics for Responding



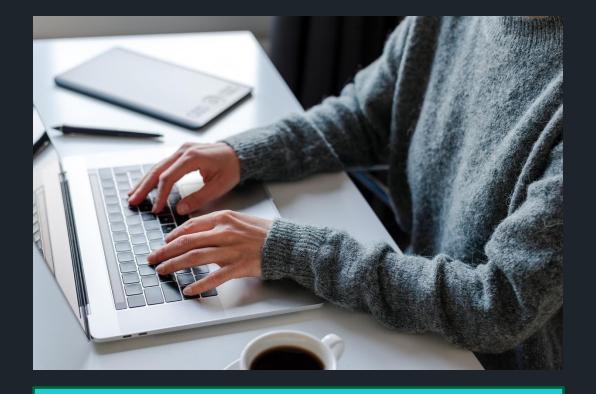
(includes evaluation & coaching for managers)

 Scenario/Role Play – Positioning New Relic vs. Datadog • Run with teams after the differentiation workshop

Business Value Assessment – Peer Review

Business Value Assessment Template & Examples

List + Videos of Common Customer Objections and



Advanced

Learning Objectives

- Use a systematic approach to planning for important sales negotiations
- Leverage discovery and apply fundamental Sales Negotiation Principles to manage customer perception of value (anchoring on value)
- Use proven negotiation behaviors and tactics in critical customer negotiations
- Make small concessions (focused on understanding New Relic's gives/gets) with a particular emphasis on avoiding unnecessary
- Create custom pricing analyses and stories for unique observability use cases
- Prepare and respond to hardball negotiation techniques including working with procurement



Live



- Negotiation Skills- 4 half days workshop ullet
 - Includes how to deal with common New Relic • challenges AEs face like price boxing
 - Participants build a negotiation planner for an existing • customer
- Coaching and Reinforcement for Managers Half day
 - Best practices for coaching teams •

Microlearning



- Negotiation Gives and Gets in Consumption Pricing ullet
- **Negotiation Case Study Series** ۲
- Customer Business Value Series ۲
 - Improve System Resilience \bullet
 - **Ensure Peak Demand Performance**
 - Increase Software Release Velocity \bullet



- Negotiation Practice Role Plays •
 - 1. Discovering what works
 - 2. Planning for your negotiation
 - 3. Concessions
 - 4.

Relationship behaviors Run with teams during the 4 half day sessions

Tools & Job Aids

- •
- Sales Negotiation Planner •
- Negotiation Skills Coaching Toolkit •





New Relic Gives and Gets – Pricing Negotiation