

Twelve Tips for Pricing Your Alpacas for Individual and Package Sales With a Few Tips on Successful Negotiations

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Tips to consider for determining individual prices.

1. **Make a list** of all your alpacas, at least the ones you consider selling.
2. **Create a spreadsheet** with multiple columns (use Excel or Google Docs.)
3. **Create a column** for each of these items:
 - Name, Gender, ARI #,
 - DOB
 - Color
 - Function on your farm (pregnant, stud, PR alpaca, non-breeder, cria, weanling, etc.)
 - Optional
 - Dam
 - Sire
 - Progeny
 - Fleece AFD
 - Other – your choice

4. **Make a column** for these following items to determine a value of importance by awarding points from 1 - 5 (1 low and 5 high)

- Pedigree
- Show wins
- Conformation
- Fleece quality
- Temperament
- Desirability to keep

5. **Make a total column** to add all the points, then create a column with the average.

Note: If another person at your farm wants to determine prices, too, then have them rate the alpacas separately from you. Once you rate the alpaca, compare your answers, and create an average from your scores.

6. **Decide how you would rate them by assigning letters**

representing how desirable they are to your business and breeding program.

An example would be to use "A" for those you want to keep, "B" you would sell them if the price were right, "C" would sell separately or in a package, "D" wishes to sell, and the price is flexible, and "E" would use as a companion in a package.

7. **Research the prices of alpacas for sale in your area and on comparable farms.** Get a feel for the prices of alpacas at different ages, colors, and breeding status. The results will help you determine the price range for your alpacas.

8. **Decide on the prices starting from the lowest.** Then increase the prices for each category depending on their value. If you feel your

alpacas are of exceptional value compared to other farms in your area, give valid reasons why they are more expensive. Look at the prices and marketing language of comparable farms from other regions.

Tips to consider for determining package prices - It's best to use a marketing strategy like this:

All your alpacas have a monetary value. You are willing to reduce the price and include some of them in a package or as a companion. **In other words, please don't say they are free.** Instead, they are reduced or discounted because of a multi-alpaca purchase.

9. **Create different packages at different price points** once you determine the price range you wish to sell. I recommend packages of two or three to start. Add up the individual prices and reduce the total by 20 - 30% per package. If you combine packages, you can reduce further if you feel it warrants it.
10. **Remember to use the total value of the alpacas available in this package for \$X amount.** For example, three pregnant females that you put a value of \$8,000 each would be a package of \$24,000 available for sale at \$19,900 or as low as \$16,800. Stating it this way is better than saying that each female is \$5,600.
11. **State your sales price as a % off a package** because sometimes someone will want to have you take an additional percentage off your pre-determined low price. And you may start feeling like they are taking advantage of you.
12. **Give a creative name to each of your packages.** Use these names in your marketing language and on any sales list. People like to identify with an image. Some examples I used: the three Amigos, The Golden Dream, Midnight Surprise, and the Grey Sensation as some of

my three-in-one package choices. Buyers did not want to break them up, so they never questioned why I put the three together.

In conclusion, since I don't want you to lose money or feel taken advantage of in a negotiation situation, do your preparation ahead of time. Here are a few more helpful tips to create a smooth negotiation.

- Write up a description for each alpaca and mention why you have placed these alpacas in this package.
- Create a contract or agreement that spells out your terms and conditions of sales. Always tell the buyer what a good deal they are getting (if you feel that is true.)
- If they want additional services, consider that you will give them a discount off your regular stated price, since they have become a client with you.
- Only "throw in" free services if you feel it is necessary to prevent a "deal-breaker." Those services might include a limited number of days of discounted agisting, discounted or free transportation if in a local area, discounted rebreeding to one of your studs, or weaning a cria.
- As a seller, you do not have to offer every one of these services at a discount. The buyer needs to understand that there is value in your time and care of their newly purchased alpaca.
- Once you have successfully sold alpacas, you can add "mentoring services" to your list of services for new owners. This assistance would be an optional charge that new owners would be happy to pay.

If you have any questions, feel free to contact me for clarification.

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