



# *Creating Your Own Pricing Approach*

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It's time to create your own pricing approach that works for you and your clients.

## What we've learned so far

- You need to be mindful of your 4Ps. As you construct your pricing it can't be done in a vacuum. You need to remain mindful of where you want your business to sit in relation to Product, Price, Position and Placement.
- All of your arrows need to line up. So Product, Price, Market and Service all need to be either arrows up, a dash, or arrows down. I'm guessing most people doing this course will be arrows up, or a dash across all of those headings.
- You know where the big value is delivered in your sales process with clients:
  - At the very first meeting
  - When you present the recommendations
  - And at each year's annual review meeting or annual planning meeting

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Here's the process for calculating your fees:

## **1. Identify the different target markets that you're focusing on**

Go back to the segmentation work you did. Who are you really looking to work with?

If 60% or more of your work comes from one or two key segments, then focus your mind now on these one or two segments. You can think about the others later, and to be honest, they'll probably just be a tweak of what you come up with here.

The target markets I'm focusing on are:

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## **2. Think about pricing at each value stage for each segment**

For this next stage, I want you to create some pricing ideas for your target segments from step 1.

Will you charge for the initial planning work? If so, how, and how much?

Will you charge for implementation? If so, how, and how much?

Will you charge for your ongoing advice and service? If so, how, and how much?

Do you need to create a second pricing strategy for any other segments?

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## **Other issues to consider**

You might be doing this pricing work and have a relatively low level of confidence in it. You're just not sure that it's right.

Well...welcome to the club. Pricing is tricky.

Is there a 100% correct answer? A right and wrong answer?

Of course not.

If you've done the work in this module and you have a first draft pricing approach that feels good enough, then launch it and see what happens.

You won't be scrapping it if the first person who walks in the door doesn't like it.

If the first 5 people that show up don't like what you've done, then you might need a quick re-visit. But, in reality I've never heard of that happening .

Also, don't be afraid to reach out to me on the Forum. I'll happily take a look at your pricing strategy and give you some feedback.

What you'll find is that whatever you've come up with will, in all likelihood, be 90% right. That's more than good enough.

If the occasional job comes in that you really want to do, but it doesn't fit your pricing approach, then tweak your pricing for that one job. That's totally cool to do.

If you're worried that you're too cheap, please don't be.

You probably are too cheap, but you've got to start somewhere, and you have to secure a few clients to give yourself some comfort that people will deal with you on this new basis.

If you push the boat out too far and too fast on your pricing, you'll scare the living daylights out of yourself. There's no need for that.

Start wherever you can and work your way through the gears.

After completing this months module, you should be in a much better place when it comes to pricing your services. You can cut through all of the industry noise and you can design a pricing strategy that's right for you and your clients.