Module 5: You're Not Charging Enough!

Pricing For Solopreneurs

What we'll cover

Reality check: Are you offering real value?

What kind of spending is this?

The threat of retainer clients

Why we undercharge

Handling self-doubts

Homework

Reality check: Are you offering real value?

What are you offering?

Have you confirmed that your clients highly value what you're offering?

Conduct 5 reality-check interviews

- **NOT sales calls... listening calls**
- **Learn what words your clients use**

Based on those interviews...

Are your services as high-value as they could be?

What more could you do?

What can you stop doing?

How can you repackage yourself?

What kind of spending is this?

What kind of spending is this?

Is this essential/strategic or discretionary spending?

- **"Wow, that looks great" vs "I have to have this"**
- **What will happen if they don't hire you?**
- **What will happen if they do hire you?**

What kind of spending is this?

How can you tie your services to your client's strategic goals?

Are your clients paying you for results or activity?

The threat of retainer clients

The threat of retainer clients

They pre-pay for X hours of work

- **Has to be use-it-or-lose-it**

Hard to get the pricing right

***All* retainer clients go away**

Retainer clients

They hold you back

- **You don’t have time for marketing**
- **It’s a static job that won’t grow**
- **You are paid for activity, not outcome**
- **You can’t “value-price”**
- **You see yourself as an employee, not a business owner**

~~Retainer~~ Repeat clients

Build long-term as-needed relationships

With clients who have recurring needs

You continue to *earn* the business

So you can continue to value-price

No risk, no gain. The more you (sensibly) risk, the more you gain.

Why we undercharge

Why we undercharge

We're desperate for a client... any client!

- **"It's good for my portfolio"**
- **"I'll get good referrals"**

We are thinking like employees

- **$80K/year salary ≠ $38/hour**

Why we undercharge

We are thinking like personal spending

$200 = $2,000

We're just someone's rounding error

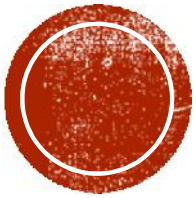
We hate talking about money

(But I hate not making money worse...)

Why we undercharge

We settle for what we need instead of what we want

- **"I could live on $X/year if that's all I make" vs**
- **"I could have a great time by finding a way to make $X/year"**



Handling self-doubts

Handling self-doubts

"I'm not really worth that much"

Oh, yeah? Why not?

"My clients would never pay that much"

Are you sure? Have you tried pricing higher?

If so, find new clients!

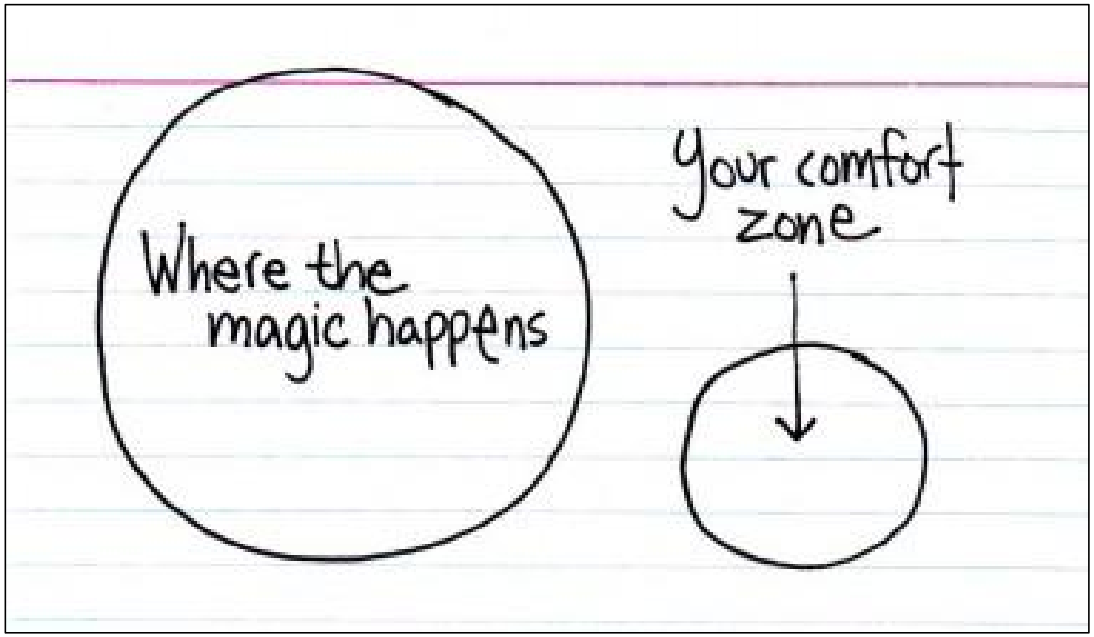
Handling self-doubts

"The people I care about can't afford me"

- **Fund your pro bono work with lucrative work**
- **Find higher-value ways to help**

"What if I fail?"

- **No risk, no gain**
- **Practice taking risks just beyond your comfort zone**



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Homework

Homework

Conduct five informational interviews with your prospective client base. Learn:

- **their biggest challenge for the next 6 months**
- **what keeps them from meeting their goals**
- **the biggest challenge in their industry**
- **what they need for better strategic decisions**

Next up is

Module 6: Presenting and Selling a Budget