

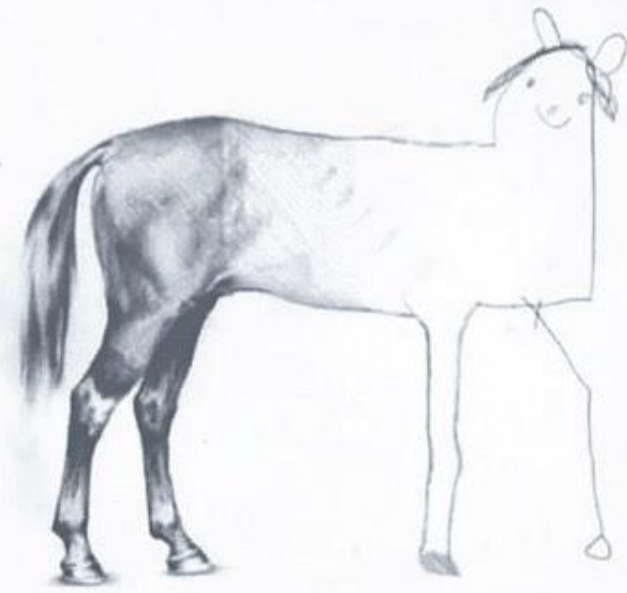
the
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network



Pricing For Professional Services in 2025



when your client asks



if you can do it cheaper...

When the client says can you do it cheaper...



Sydney rug store finally shuts after 10-year closing sales | Daily Mail Online

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davy.
@davygreenberg

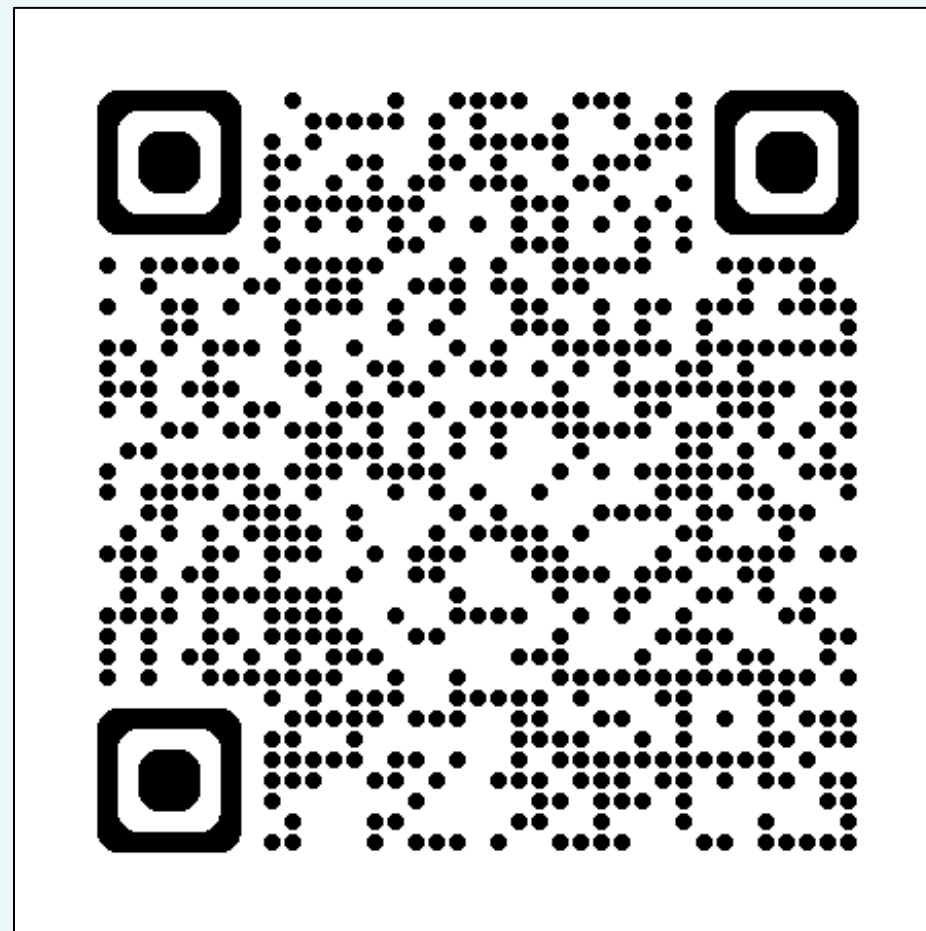
If I do a job in 30 minutes it's because I spent 10 years learning how to do that in 30 minutes. You owe me for the years, not the minutes.



Introduction

Dean Holmes

- Invest in and coach Financial Planning Business.
- Financial Adviser for 16 years
- The Wealth Network was born from my goal to help business owners improve their profit, time and happiness.



Agenda

Why pricing is a critical factor in the profitability and sustainability of your business

- Value vs Price
- Pricing Model
- Dropping the hourly model
- Discussing under charging
- Building a pricing muscle



Value vs. Price

People buy on price... in the absence of them understanding the value you bring



Biggest Learning About Pricing

“We”, meaning you and I, have greater problems with our pricing than our customers ever do.

- Every client should be profitable, you just need a disciplined approach and conviction in what you're worth.



Power of Recurring Revenue / Repeat Business

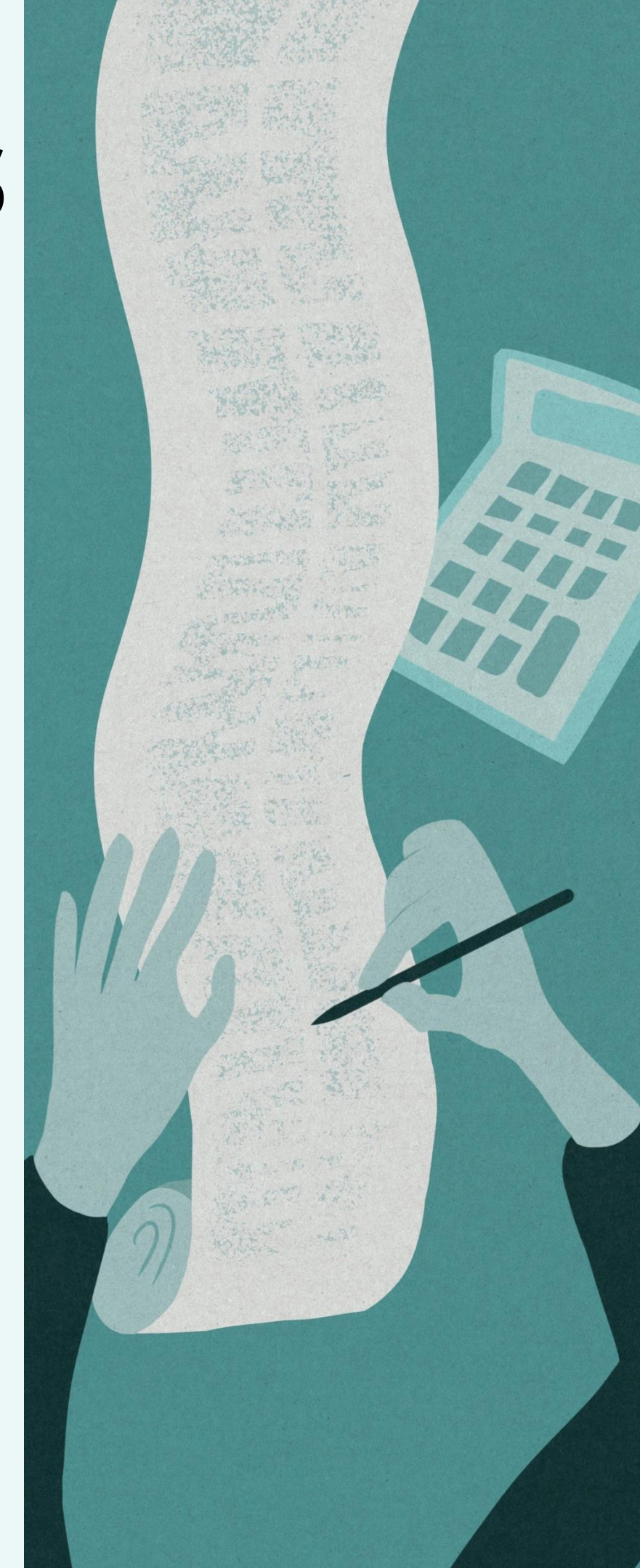
- Flywheel of your business
- High lifetime value of a happy customer
- Maintaining a customer is easier and cheaper than finding a new customer

It is NOT OK to discount to get benefits.



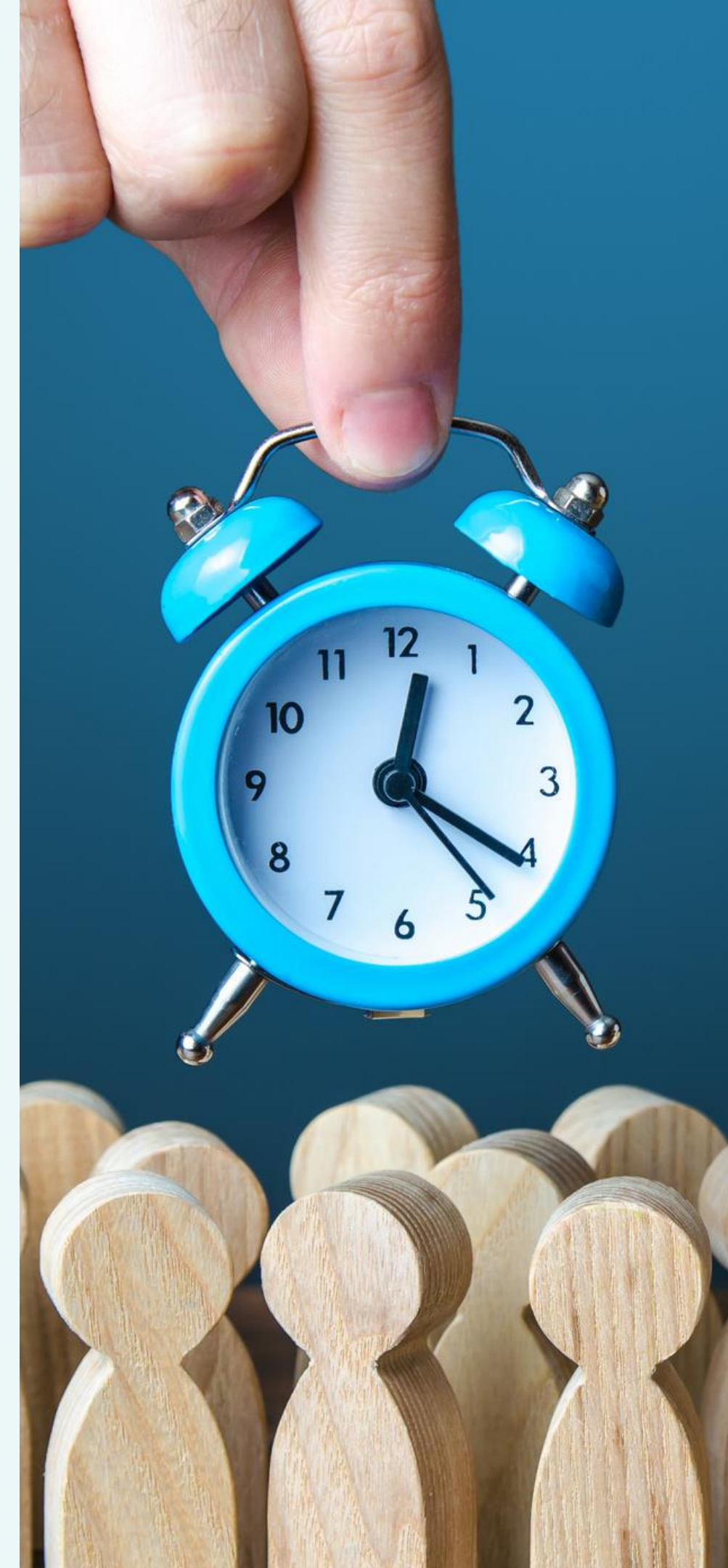
Breaking Down Pricing Models

- Initial Fees
- Retainer
- Hourly
- Asset Based Fees
- One Off Strategic / Consulting Fees
- Insurance Commissions
- Mortgage Commissions



Moving away from an hourly-based world

- Limitations of the hourly billing model
 - Transactional, Complicated, Relatively High (e.g. \$1000 p.h)
 - Stops clients interacting with the business as often
- Alternative pricing models
 - Retainer | Fee for Service | Strategic Advice
 - Create a “product” with tiers to sell and price
- Transition
 - Determine your value – “out of everything we have discussed today, what did you find the most valuable”



Overcoming Undercharging

1. Undercharging Issues

- Many professionals charge less than their worth.
- Often due to fears or misconceptions about their value.

2. Strategic Undercharging

- Can be a strategic move, but we must have a plan for long-term profitability.

3. Exploring Reasons

- Delve into core reasons behind undercharging.

4. Self-reflection

- Reflect on personal reasons for undercharging.



I'm Busy | I'm Full

- One thing I hear is... “I am Full”. This should make pricing easier.
- Robin Hood Story...
 - Steal from the rich to give to the poor
- We do not want to be Robin Hood. Who are we Stealing From?
 - **You** – your time, profit, happiness
 - **Staff** – they learn to undervalue what they do
 - **Clients** – charging full prices to some and discounts to the clients that “won't pay that”
- Is it fair? **No**



Writing off Work

- What could “writing off WIP” do to your client relationship?
- A Common Scenario...
 - Client get an invoice it says \$7,200, but say \$5,500 as a good will gesture, for prompt payment, for other reasons...
- Here are some of my thoughts

Positive Aspects	Negative Aspects
Goodwill Gesture – great but who is reading the invoice?	Pricing Errors – can they quote properly? I thought they would be good with numbers...
Acknowledgment of Dispute – OK	Inefficiency – are they inefficient with their time?
Relationship Building	Negotiation Weakness – they ask for the full amount. I will always get a discount...



Forecasting Growth

How many opportunities do I need?

- Number
- Quality

How many initial meetings do I need?

- Quality, engaged prospects

How many do I need to engage?

- To reach personal and business goals

Knowing your numbers ensures you meet and engage the right clients at the right time for the right fee



Objections Building your Pricing Muscle

- We need to build a pricing muscle in our firms by building confidence and reputation around your
 - Value
 - Service
 - Price
- **STOP** discounting in your head before a meeting.
- Establish the internal concepts of Standards and Extra service to prevent scope creep.



Practice your Pitch

Don't try new things on grand final day

Why Practice Your Sales Pitch? 🎯

- Boost Confidence 💪
- Enhance Clarity of your message 🗣️
- Adapt to different Audiences 👥
- Minimise Errors and miscommunication ✅



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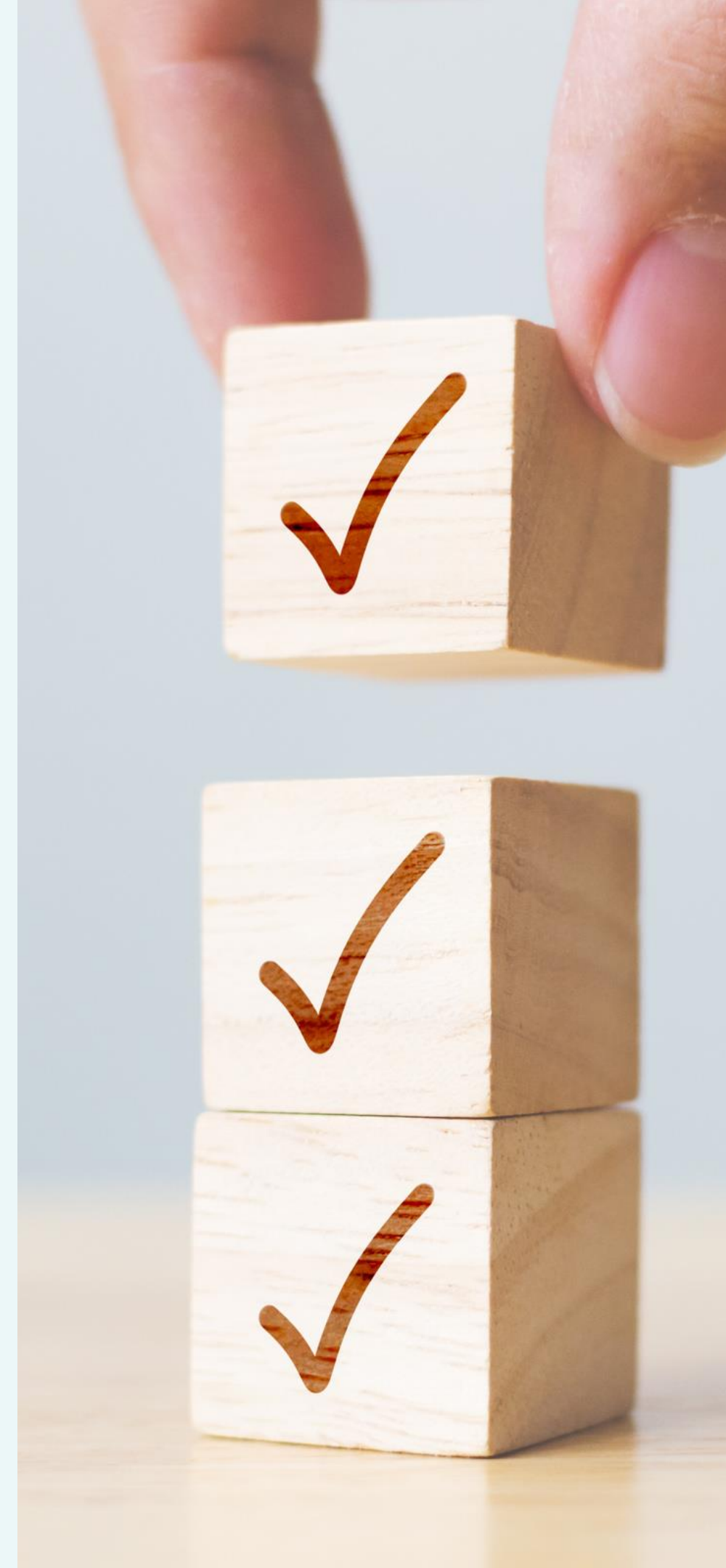


HOME COACHING PARTNERSHIP WHO ARE WE RESOURCES UNCOMMONCENTS CONTACT Masterclass 2024

**PRACTICE
YOUR PITCH**

Your Action Items

1. Review pricing structure
2. Review pricing communication – consistent across staff
3. Model the benefit to your clients, your team, your business of a price increase
4. Practice Your Pitch!



Questions?

We all make pricing errors 😊



Thank you!

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