

On Your Terms podcast Episode 39:

How to Price Your Offers

Sam Vander Wielen: [00:00:10] Pricing, pricing, pricing. So, how are we supposed to price our products? Is it supposed to come from our gut? Is it supposed to be a download from the universe? What about our competitors and how they're pricing stuff, how does that factor in? I am so excited to chat with you all about pricing today. In case you're new here, hey there. I'm Sam Vander Wielen. I'm the host of On Your Terms and an attorney turned entrepreneur who helps online coaches and service providers legally protect and grow their online businesses, using my DIY legal templates and my Ultimate Bundle.

Sam Vander Wielen: [00:00:39] So, I am so excited to chat with you all about pricing today. This was a fun episode to do. I really got into very concrete tips. I talked a lot about the mistakes and the myths that people make when they go to price their offers in online business, and then I gave seven concrete tips about how to actually price things in your business, and you're going to want to listen all the way through, because at the end, I even added a couple of extra bonus tips about how to increase your prices or your rates as you're moving forward in your business, or even now, if you're ready to. So, I'm really excited to get into this week's episode.

Sam Vander Wielen: [00:01:15] Before we do, I have to give a reviewer shoutout to the listener of the month, Dr. Maria. Dr. Maria said, "I enjoy Sam's podcast during my morning treadmill walks. The length is perfect for my workouts. Because I'm new to The Ultimate Bundle, I select a different episode each day. I get a tour of all the topics and a peek into Sam's mind. The podcasts are well-produced and well-delivered, informative and easy to listen to. Playlist gold for online business entrepreneurs."

Sam Vander Wielen: [00:01:41] Well, I'll take it. Thank you, Dr. Maria. I so appreciate you leaving this review. And not only are you the reviewer of the week, you're the listener of the entire month. And if you want to be featured on a future episode of my podcast, be sure to leave a review on Apple Podcasts so that I can share your review, and about your business, and you even get a chance to win a 20-dollar Starbucks gift card, because I pick a reviewer of the month every single month. So, leave your review on Apple Podcasts, and hopefully, I will be giving you a shoutout in the future.

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Sam Vander Wielen: [00:02:11] Oh, and one more thing, if you couldn't tell already, I just have to apologize to you in advance, I am really sick right now. I'm getting over it. Hopefully, I'm moving in the right direction, but my voice sounds terrible. I am definitely doing my best over here, but I just wanted to give you a heads up and apologize. Hopefully, the audio is just fine. I think that the content is just as good as always. So, yeah, with that, sorry in advance and enjoy this episode.

Sam Vander Wielen: [00:02:40] Oh, pricing. I feel like pricing is just such a tricky area, it's such an interesting conversation, I'm so fascinated by this. Maybe it's because my husband, Ryan, he's a game theorist, and he's an econometrician, he's like always talking to me about like pricing theory and all that stuff. So, I always have this in my mind, and it's something I've seen handled really, I don't know how to put it, oddly in our industry, I guess, like a lot of things.

Sam Vander Wielen: [00:03:08] I know a lot of people mean well, but look, there are a lot of people in our industry who teach things about business that don't have any actual business experience. Like whether they don't have the formal education background, which I don't think you always need, but it's helpful, or then they don't even have like the work experience, life experience, and that freaks me out a little bit when I see them giving out advice.

Sam Vander Wielen: [00:03:32] And so, especially when it comes to your pricing, because this stuff that we're going to talk about today can really make or break your business. It can really make or break whether your business is viable. It can make or break your stress levels, right? And I'm sure that you started a business so that you could have all of these things, like freedom and flexibility, and maybe be able to better support your family or to give back.

Sam Vander Wielen: [00:03:56] All of those things take money, right? If we don't make money, we can't do all of those things, right? So, it's really, really important that we price things well. And when I hear people talk about pricing, I tend to hear them talk about it in more of like wishy-washy, woo-woo way, and not really give you any substantive advice. So, my goal with today's podcast episode is for you to walk away with very concrete tips.

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Sam Vander Wielen: [00:03:56] Like I want you to, if you're listening to this on a walk, I think that's great, and then maybe later, you come back to the part where I give all the very specific tips. You can like write them down, sketch it out. I would love to hear from you as you're going through today's episode about like what this brought up for you about pricing, if you're going to change something, if you had an aha moment. Definitely DM on Instagram at Sam Vander Wielen and let me know.

Sam Vander Wielen: [00:04:41] So, what are some of the issues I see around pricing before we get into all of these tips today? First and foremost is that I see people—usually, like when people are starting a new business, they'll base their prices on other people's prices, like their competitor's prices, right? So, I see this happen to me a lot, a lot of people start legal template businesses, they start following me, they get on my email list, they start using all my language, they mimic everything I do, they create the same exact products, and then they price them like \$50 lower or half price, right?

Sam Vander Wielen: [00:05:16] Sometimes, people come in, they like really lowball, and they'll do this kind of stuff. And it's very interesting. I see that as a strategy a lot. And we're going to talk today when I get into the tips about what part of that is a good idea, what part of that, and why it really goes wrong. I think on another hand, I also see people just go way too low. There's definitely this fear that comes up for people that's like, if I charge too much, no one's going to buy it, or on the flip side, it's like, if I charge a little, then a lot of people will, or this will somehow make it easier for people to believe in me, trust in me, hand over their credit card or PayPal.

Sam Vander Wielen: [00:05:55] And that's also not a great way to approach this, right? We're going to talk about why. I also see people give way too many options, right? A lot of people treat their pricing as a buffet as opposed to a menu, which is more how I like to think of it, a little bit of like appetizer, entree, dessert kind of situation. I think a lot of people treat pricing as like, here are a million options thinking, again, if I cast a wider net, then that will bring more people in, just like the low pricing strategy, doesn't work that way.

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Sam Vander Wielen: [00:06:24] People also don't create scalable or even like sustainable businesses, because I feel like scalable like can be a triggering word in the sense that people associate that with like a lot of busyness, and like selling of \$1,000,000, and creating like a Marie Forleo-sized business, and all of that, and it can mean that, and by the way, there's nothing wrong with that. But also, when you don't price things correctly, you don't even build a sustainable business.

Sam Vander Wielen: [00:06:50] You don't build a business that will be able to last the test of time. You don't build a business that you're going to be able to run for a long time, right? So, it is really important that we're pricing things correctly so that we are supporting you, and your business, and ultimately, your customers for the long run, right? I also see people going too far in the woo-woo approach direction, right?

Sam Vander Wielen: [00:07:15] And I am not an anti-woo-woo person, but for me, at least, I would say the bulk of pricing comes from more of a logical like straightforward approach, right? So, not like a, how is this feeling, what am I getting in a download kind of way, right? It's more that we really need to route these prices in reality, and in market demands, and in economic principles, but also, of course, it has to feel good, right? Of course, it has to feel like something that you're proud to stand behind.

Sam Vander Wielen: [00:07:48] So, we're going to talk about today like, how do we tap into some of these more woo-woo recommendations of how we have to approach our pricing, but how do we also make sure they're based in reality? Right? And I also want to talk with you today about another problem that I see when it comes to pricing, what I often see is that you're looking for a right price to justify feeling okay or worthy charging that amount for your services, your program, your product.

Sam Vander Wielen: [00:08:21] But if Sarah over there is charging \$1,000 for her services and you're not going to be able to stand confidently in asking for that much, or it's not rooted in reality or some of the principles that we're going to talk about today, it doesn't matter what Sarah is charging, right? So, that's why this whole like looking for the "right price", like how much are people charging for a consulting session? How much are people charging for copyrighting?

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Sam Vander Wielen: [00:08:46] Like that won't necessarily matter if you're not doing it the same way, if you're more or less experienced, if you are targeting a different audience, right? There are going to be so many different things that we're going to talk about today that I think, I hope, that you'll walk away from this being like, oh, it doesn't really matter what he or she is charging, like it has to do with a lot of other stuff, right?

Sam Vander Wielen: [00:09:06] So, let's get in to these tips. What can you do? How can you price your offers appropriately to build this sustainable business, to build something that actually supports you, makes a living for you, actually helps people? You know that that is a big goal or thing that I harp on a lot, too, is that we tend to focus a little bit too much on ourselves and not like on, is this product actually good? Does this product actually help people?

Sam Vander Wielen: [00:09:31] So, we're going to talk about that today. Alright. Let's get into number 1. Tip number 1, when it comes to pricing your offers, is value. Okay. We're going to talk about value first. There are two aspects of value that I want you to think of when we're talking here about tip number 1. The first is from your perspective, and that is, what is the value of your time? Right? This one is focused on you.

Sam Vander Wielen: [00:09:59] This work, this program, this offer, this coaching session, whatever, how does it impact your time, your energy, your attention? How much of your expertise does it take up from you? Right? And then, on the flip side, we're going to turn the flashlight around from being focused on us to others, what is the value of our impact on them? Does it have a financial impact on them? Right? And don't just think of this in such concrete terms, like a lot of times, what I'll hear from friends or from customers are like, well, I'm not a business coach, and business coaches are the only ones that can charge that much money, because they can make a direct connection between how much money they make people, right?

Sam Vander Wielen: [00:10:42] They can say, oh, if you take my course, you'll make \$10,000 a month or whatever nonsense they're selling. So, do not fall into that trap. First of all, that is a limiting belief. That is a story that we are telling ourselves. It is not true, right? I sell legal templates for goodness sake, right? I sell legal templates. I cannot

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make the argument of like, if you have a privacy policy, you're going to make way more money, right?

Sam Vander Wielen: [00:11:05] I sell a hell of a lot of legal templates, so I know I have friends who do all kinds of things, from dating to bar memberships, to career coaching, so many different things, lots in health and wellness things. First of all, you can still have a financial impact on people if you do health, career, dating, coaching, all that kind of stuff, copywriting, web design, you still have a financial—it's an indirect financial impact, right? Just like I would argue if you like legally protect your business, you would have a more successful business in the long run, or even in the short run of like being taken more seriously, you feeling more confident, therefore you put yourself out there more, therefore you make more money, right?

Sam Vander Wielen: [00:11:44] So, pretty much all roads lead to money, but please don't buy into the story that the only thing that matters is money. Maybe you help your clients with time, right? Like you teach them how to meal prep, and that helps them with time. I mean, meal prep helps with money, too, because you would waste less food and go out to eat more or less, so that would help you, but you know what I mean, right?

Sam Vander Wielen: [00:12:05] Maybe you help people find a more fulfilling career. Maybe that career pays more, maybe it doesn't, but they would probably pay a hell of a lot of money. Like when I was a corporate lawyer, I would have taken a pay cut to be happier, to be in a better job. I did. I left my "stable income" as a lawyer, and I went to start my own business, and made \$0 in the beginning. So, don't get it twisted that like everything has to do with money on the impact and the value that you have with people, right?

Sam Vander Wielen: [00:12:34] But honestly, I think most things can be like eventually drawn to that point. But I want you to think about the kind of impact that your work has on them, and what is the value? What is the financial value of somebody finally feeling confident in their body, finally finding a workout that they love, finding a career they love, finding a person they love, all kinds of things? Right? So, we want to think about that.

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Sam Vander Wielen: [00:12:57] Before we move on from value, I also want you to think about, in your own business, like maybe you offer different services or products that do each or either of these, which is totally fine and normal, or maybe you always focus on one or the other, but I think it's something to note, is your offer that we're talking about pricing advice or consulting, where you're listening and offering feedback? Right?

Sam Vander Wielen: [00:13:26] So, you're on a coaching session, someone's telling you about themselves, telling you about something they're struggling with, and then you're offering advice, or is your work rooted in implementation? So, is it advice and consulting or is it implementation? So, when I say implementation, I mean, you're designing a website for somebody, or writing copy, or doing graphic design, you're managing their social media.

Sam Vander Wielen: [00:13:47] It's not like a right, wrong thing, or whatever, but you might think about pricing things differently. So, if you have three offers, and two of them are advice and consulting, but one is implementation, you might price those differently, because with your implementation one, we really have to factor in all of your time, right? Whereas, with advice and consulting, you might only spend an hour on the phone with somebody, but the advice that you're giving them, that you're boiling down and giving them in 45 or 60 minutes might have taken you 10 years to learn, right?

Sam Vander Wielen: [00:14:17] And so, you can't do this on like, oh, I'm going to charge \$200 per hour, and then apply that same \$200 to an implementation or advice and consulting, right? Because even though you might only be spending that 45 or 60 minutes in advice and consulting mode, that is made up of a lot more value than just that hour, right? There are lots of things that come into that.

Sam Vander Wielen: [00:14:41] So, this is very, very familiar territory to me, because as an attorney, it's like people can ask me very complicated questions, and it might only take me a minute or two to respond to them, but the reason I'm able to respond to them so quickly is because of years, and years, and years of hammering away at super, super heavy legal books, three years of law school, four years of undergrad, working in a state supreme court, an appellate court, all of these things, working in a big corporate law firm, all of those experiences, every single moment of those experiences, every

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hurdle I had to jump over, like studying the bar in two states at the same time, that all leads to being able to give that advice. So, imagine if I was only pricing my time and my value as like the two minutes it took me to give that person that advice, that's not going to be a sustainable strategy.

Sam Vander Wielen: [00:15:37] Have you ever felt lost about where to begin with the legal side of protecting your online business? Some people say you can just wing it at the beginning and get officially set up later. Not a good idea, by the way. Whether you're afraid to even start working with clients, because you don't want to do something wrong legally, and then get in trouble, or your business is growing, and you sort of forgot to take care of the legal pieces, I've got you.

Sam Vander Wielen: [00:15:59] I don't want you to live in fear of the internet police coming after you and your business, but you do have to do certain things, and get certain things in place in order to legally and safely run your business online. As much as it just feels like an unregulated Wild, Wild West online, that is very much not the case. As an attorney turned entrepreneur and former corporate litigator, I can assure you that there are rules, there are real steps that everybody who runs or starts an online business needs to take.

Sam Vander Wielen: [00:16:27] And you're not behind at all, we can get you set up in following the rules right away. In fact, we can even do it today. I want to teach you the five very simple steps to take to legally protect and grow your online business. You don't need an MBA to be a successful entrepreneur and stay out of legal hot water, but you do need to dot your legal Is and cross your Ts in a few key areas that can't be skipped.

Sam Vander Wielen: [00:16:47] That's exactly what I'll teach you in my free one hour legal workshop called Five Steps to Legally Protect and Grow Your Online Business. Just head to mylegalworkshop.com, drop in your email address, pick the time, and I'll send you a link to watch the workshop video whenever you have time. This is the best place to begin if you're just getting started legally legitimizing your business, so head on over to mylegalworkshop.com and sign up to watch Five Steps to Legally Protect and Grow Your Online Business now.

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Sam Vander Wielen: [00:17:16] Alright. Let's move on to tip number 2 on how to price your offers. Now, we're going to talk about quality. Okay. So, first, we talked about value. Now, let's talk quality. Let me give you an example first. When we talk about quality, we're talking about, what is the quality of the work that not only you're providing, but also that you want to provide? Right? So, on the podcast and in The Ultimate Bundle, I talk a lot about how I think one of the cool parts about being a business owner is that you really get to decide a lot of things in your business, right?

Sam Vander Wielen: [00:17:46] You get to make decisions about what your return policy is, and like how you price things, and like how you hold your sessions, and all of that, and you also get to decide what kind of quality you want to provide. So, you might have heard me say many, many times in the past that I'm very focused on building legal templates and a legal education business for online business owners that is more like a Nordstrom than a Walmart, right?

Sam Vander Wielen: [00:18:11] So, I want to provide really high quality, both of my products, but also of my service. And there's only so much I can do. If I was to sell my templates for \$50, \$100, I can only imagine how many more people I would have, and I would see the quality go down, because I can barely keep up with the volume as it is, and my prices are what they are. And so, I want to provide really high quality.

Sam Vander Wielen: [00:18:38] So, that's something to keep in mind when you're determining your prices, because if you want to offer really high level quality product, and services, customer service, all that kind of stuff, then it's not going to make sense if you're working with a million people, so why are you pricing your offers in a way that you're hoping to attract a million people? Right? And this is not to pick on like anybody in particular or any particular like situation I've ever seen, but I see this a lot with like people who have kind of social media manager-type businesses, any of those kinds of businesses.

Sam Vander Wielen: [00:19:10] So, people will be contractors in a person's business, especially when they're new, they'll set their prices really low, thinking that they have to be low to attract customers, and then they start getting all these customers to offer services, too, but then they're not doing like a super duper job, because they're

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stretched so thin running around trying to help a million people, which, in turn, leads to a lot of like client turnover, people not really respecting their work, not offering a ton of testimonials or something like that, and ultimately, not helping that social media manager, in this example, to grow and to develop their skills, which is what they would need to charge higher prices, right?

Sam Vander Wielen: [00:19:51] So, it always scares me off personally when somebody is really cheap, because I think, wow, they're going to have to work for so many people in order to make that work, right? I just went through a huge round of hiring, and I got a lot of resumes and job applications from people with all different salary and hourly wage requirements across the board, right? And when somebody was really low, it prompted me to ask a lot of questions about like, how many other people do you work for? How do you manage your time? How would I fit into that? Right?

Sam Vander Wielen: [00:20:25] And it made me feel actually much more comforted when somebody wasn't necessarily the cheapest, and then we would talk about it, and they would say, well, I do that, because I like to work with a few people, and really dig in, get to know their businesses, be available to you, and have room to grow, right? Not only with my business, but with their own business, their own education, their own like skill development, right? So, that means a lot to somebody like me. So, if it helps you at all to think of it from the reverse side of like somebody like me hiring somebody like you, I'm never looking for the cheapest, right? So, I think that's just something to keep in mind.

Sam Vander Wielen: [00:21:04] Okay. Tip number 3 on how to price your offers is that you need to factor in your experience. What is your experience level, particularly like with regards to, who else is in your space? Right? So, most people in your space, like do they have a degree of some sort or certification of some sort? Do you have that? I think that's a really good way to just look around and see kind of how you fit into this whole picture, right?

Sam Vander Wielen: [00:21:29] I also think that it's a really good area of growth and development for you depending on what kind of business that you have, that if you're feeling a little bit freaked out about how much you can charge and maybe you're

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struggling a little bit with imposter syndrome, first of all, we have to work on the imposter syndrome thing, and it doesn't always mean just like gathering more degrees in things, but on the other hand, as you gather additional degrees, or certifications, or you take a program, or a course, or you get some other credential of some sort, that does boost your credibility with being able to charge more.

Sam Vander Wielen: [00:22:06] And you need to charge more accordingly as you are getting more and more experienced. It can also just be that you're continuing to work with more and more clients. You've maybe tackled new tech tools, or you've learned some new skill, or you helped a client through a really important problem, and you'd be able to confidently talk about that, and that will help you to boost your prices the next go around, right?

Sam Vander Wielen: [00:22:32] So, that's something to think about. When it comes to this area, research is helpful, I think, in like looking at what other people are charging, like, oh, this person's like a health coach or this person's a copywriter, they seem to be like kind of similarly situated to me, just remember that other people's prices in general are not a floor or a ceiling, right? So, you do not have to be—it's not like you can't go any higher than them and you don't need to go lower than them. It can really be based on a lot of these other factors.

Sam Vander Wielen: [00:23:03] Tip number 4 is that I want you to focus on scalability and creating a profitable business when it comes to pricing your offers. So, this service or this thing that you're trying to price, how does it fit into your business overall? Is it your main offer? Is it your only offer? Is it one of 30 offers? Right? That might help you, first of all, to cut some offers if you have a lot, but it also might help you to understand, if this is your premium offer and this is a thing that you're going to be spending the most time, money, energy, effort, attention on, it needs to be priced accordingly, right? If you're offering some sort of VIP-level service, then it has to be priced accordingly, right?

Sam Vander Wielen: [00:23:41] So, I think that the price can also reflect, like connote a level of care, attention, importance kind of thing. And so, like I know once when I worked with a very like expensive business coach, she hardly takes on any one-to-one clients. So, you're paying a lot of money, yes, it's based on her experience, and the

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quality of her service, and all of that, it's also based on the idea that she hardly takes anybody, and so you're really getting a lot of her attention, right? So, think about like if you're trying to create a premium experience, does the price kind of reflect the fact that that's going to be offered?

Sam Vander Wielen: [00:24:20] Okay. Tip number 5 is all about marketing. So, I think one big mistake that people make when it comes to pricing their offers is that they will try to price an offer that doesn't make sense based on who they're marketing it to, right? So, you kind of need to reverse-engineer this and first deciding, who are you selling to? Right? You need to know who your ideal client is, and I've talked a lot before about how I do not believe in the BS like, oh, does she shop at Target or Walmart? Does she wear made-well jeans? Like does she love chocolate or berries?

Sam Vander Wielen: [00:24:51] Like I don't know, all that nonsense. I do not think that is the way to pick your ideal client. Your ideal client is somebody who has a specific pain point struggle, you really understand that, like you understand the interworkings, the neurons that are like firing or not firing in her brain, and why, and what's going on, what's keeping her up at night, what her dreams and desires are. And then, you have to be the expert who can resolve that to get them from point A to point B.

Sam Vander Wielen: [00:25:20] And so, when you're thinking of it that way, we also then can factor in pricing, right? So, the example I always use is like if you were creating a business for college freshmen, you were like, oh, my product is perfect for college freshmen. And then, you're like, it's going to be \$10,000 a month. Like what college freshmen are paying \$10,000 a month for your service? Right? It's a silly example, but the point is just making sure that we're not creating an offer and a product that doesn't make sense pricing-wise for our ideal client.

Sam Vander Wielen: [00:25:56] On the other hand, we also see people, even once they have like a good ideal client in mind, they then use language, and copy in social media and their emails, whatever, on their website that basically ends up attracting people who have money issues or who like are nervous to spend. If you always are talking about like coupon-clipping and budgeting, you might attract people who are a little nervous about that, right?

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Sam Vander Wielen: [00:26:20] So, it's just something to keep in mind as to how we're marketing to them. You have to think about what issues or roadblocks might come up for your ideal client based on how you're pricing it, right? So, for example, if my content was all content that was focused on like how to pay \$0 for legal support, or you don't need a lawyer, like save your cash, how to write your own contract so that you can not pay a lawyer.

Sam Vander Wielen: [00:26:48] And then, I like taught them some of these tips, and then was like, and now, buy my Ultimate Bundle or buy my legal templates. That wouldn't make any sense. I'm not attracting that person, right? That's not who I personally am after. The person that I want to attract takes their business seriously. They know how important this stuff is. They're smart. They tend to be just a little overwhelmed and confused about the legal stuff.

Sam Vander Wielen: [00:27:10] They are smart enough to know that they need it. They're also smart enough to know that they can't do it themselves, because you don't need to be your own lawyer in your business, and they're smart enough to know that they just need to get it done so that they can move forward and grow their business, right? They have better things to do with their time than futz with legal documents, and that's why they come to me, right?

Sam Vander Wielen: [00:27:29] So, my content speaks to them and the way that they think about things, not the person who wants to spend \$0 on legal support. I get those questions. I get those DMs. I respectfully respond to them, and I offer content, and I have tons and tons of free stuff, but that is not who I have in mind when I'm creating a product, pricing a product, even creating my content, right?

Sam Vander Wielen: [00:27:55] Okay. Tip number 6 is a tip that I have to credit to my husband, Ryan. He taught me a long time ago about economies of scale. And after we talk about this, you're going to see it everywhere you go, and you're going to see really good examples of it, and you're going to see how you buy into it all the time. And then, you're going to see really bad examples, where you're like, oh, people should be following economies of scale.

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Sam Vander Wielen: [00:28:14] So, disclaimer, I am not an econometrician. I am not at all intelligent about like economic stuff. My understanding of this is that essentially when it comes to economies of scale, we give people a reason to spend a little bit more to get more. So, here's an example. You offer a session with you for \$25, and then you say, but if you buy four sessions, you can have it for \$100. That doesn't make any sense, because why would somebody buy four sessions when they could just individually buy one session, and see how it goes, and just like rack it up, right?

Sam Vander Wielen: [00:28:48] Instead, you could make it like buy one session for \$25, buy four sessions for 80, right? So then, they feel like they're getting a little something for free, but you get them to spend \$80 instead of the \$25. It's more cash in the door. It helps you to be more sustainable in the long run. You see this constantly when you go to like The Gap or something, and they're like, buy one at this price, but buy three and you get like a serious discount, right?

Sam Vander Wielen: [00:29:13] It gets you to spend more than you would have had you just bought the one. Otherwise, why would you not just buy one or two? Even if you bought two, it would still be like cheaper, but then you spend a little bit more to get the three shirts for a little bit more money, but you see such a big savings that it makes sense in your brain, right? So, I see this all the time when I'm out and about, I will see the examples at the Gap or I see like people do on underwear all the time, but then I will be out and about and I will see something that will be at like a restaurant or something, and it will be like, buy one for \$5, buy four for \$20.

Sam Vander Wielen: [00:29:46] I'm like, why would you buy four? Like there's no incentive, right? I'll just buy two for \$10 and save my money. But if you told me I could get for \$15, then I'd spend 15 instead of the 10. So, that's how it works, essentially. I would think about this as your pricing things. I would work this in where it makes sense. I would especially think about this when it comes to like order bombs, and addons, and all that kind of stuff. It just tends to make sense to be like, oh, I can just add on like a little thing, it adds up, right?

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Sam Vander Wielen: [00:30:15] Okay. Last but not least, I'm going to round out with tip number 7, and don't quit on me after that, because I'm going to give you a couple of tips before we go today about how to bump up your prices moving forward, whether you need to do that now or in the future, so hang with me even after tip number seven. Alright. For tip number 7 on how to price your offers, I want to talk with you about options, giving people options.

Sam Vander Wielen: [00:30:37] So, typically, in life, we like options, but when it comes to pricing your offers, I find that too many options leads to indecision or going with your lowest offer to hedge their bets. So, when I was a health coach, for example, I used to offer a one month, a three-month, and a six-month package. I thought, okay, I'm being super helpful, if somebody only wants me for one month, they can have me for one month.

Sam Vander Wielen: [00:31:01] If somebody wants me for three, if somebody wants me for six, I was just trying to be accommodating and helpful. It came from a scared place of like, if I don't offer these, then nobody will sign up with me, right? And what do you know? In the end, everybody went with the one month offer, because first of all, I also didn't follow economies of scale, so it literally was like one month was whatever price, three months was just three times that, and six months was six times that.

Sam Vander Wielen: [00:31:26] So, it was like it didn't even make any sense, right? You could use economies of scale here to make it so that if you had like a three-month and a six-month thing, you get them to spend more for the sixth month, but it's not just double your three-month, right? You use economies of scale to make it work for you, to get them to spend more money, but not just double, right? You have to give them an incentive.

Sam Vander Wielen: [00:31:46] So, everybody went with the one month package, right? And after the one month, especially as a health coach, where like you give them all these resources, and I gave them recipes, and tips, and all that, everybody would be like, I'm good, thanks, like have a nice life. It's not a sustainable way to build a business, so I don't recommend that. I think just integrating a lot of what we've talked about today, the options should make sense for you and your business based on the amount of

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support that is offered from you, the time and energy it takes from you, the value of what you're offering and what they're getting, the time it takes to support your client, and also the time it takes to reach your result, right?

Sam Vander Wielen: [00:32:24] So, like sometimes, people are pricing things based on like, oh, I'll offer a six-month package so that I get paid for six months, and it's like, but does it take your client six months generally, in your experience, to reach the result that you're teaching them? Right? If it doesn't, don't just drag it out, because that works for you financially. Ultimately, you won't have happy clients, right?

Sam Vander Wielen: [00:32:46] So, I really believe in creating options that work not only for you, but also that are in the best interests of your clients. I have a whole episode dedicated to taking really good care of your clients, treating them like they're family, the Olive Garden approach, I can link to that below, but I would definitely give that episode a listen to if you want to learn more about taking such good care of these clients that they keep signing up with you, they keep coming back, they refer other people. I feel like that would be a really good follow-up episode after this.

Sam Vander Wielen: [00:33:17] Okay. So, I did promise you that I would give you a couple of tips before we go on how to bump up your prices. So, based on what we talked about today, I would encourage you to keep working on your expertise, right? Whether that means working with more clients, getting another credential, finishing some sort of degree that you're working on, taking a class or certification program, like whatever it is, it can be that, it can also be working on your craft.

Sam Vander Wielen: [00:33:45] So, like if you're a copywriter, like just keep writing, and writing, and writing, or like with what I do, it's like the more and more I work with people, the more knowledge I'm gathering about what you guys are facing when it comes to legally protecting your business, and all of that just keeps snowballing, and accumulating, and makes me a better legal templates person, right? So, keep working on your expertise.

Sam Vander Wielen: [00:34:07] That's going to give you not only the legitimacy to raise your prices, but it's also going to give you the confidence. I also would encourage you,

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as you're working with people, as you're creating freebies and stuff, to gather and share social proof, because the more that you have of that, the more that other people are going to more quickly and easily trust you, and want to work with you, and then respect your rates, right?

Sam Vander Wielen: [00:34:35] So, it might feel small in the beginning, and feel like, oh, I only have one or two people, or I'm not getting a lot of feedback, or whatever, but sharing what you have, and starting with where you're at, and then allowing it to snowball as you go over time. I would also keep working on your own confidence and belief in your worth, in your services, in what you do, in your outcomes that you create for people, in your credentials, and whatever you are, right?

Sam Vander Wielen: [00:35:03] Standing in your confidence as a coach, this one is huge, because no matter what you price your stuff, it will not matter if you don't feel confident in it. And I believe that this is true not just when it comes to pricing your offers, but when creating your offers in general. If you create something you don't feel great about, if you don't like the name of it, if you don't like the way it's set up, if you don't like the branding, if you don't like what you talk about in it, not only will you know, but everybody else will know, too, right? It comes across.

Sam Vander Wielen: [00:35:35] I do firmly believe that like one of the reasons why I've been able to sell millions, and millions, and millions of dollars in product of the Ultimate Bundle and of my legal templates is that I could stand here all day long and confidently talk with you about it in a genuinely excited, like proud way, right? I know how much it impacts people. I know how good it is. I know how much I like it. I know how much they like it. And I truly, deep down in my belly, in my heart, I believe in it, right? And I just think it's really good.

Sam Vander Wielen: [00:35:35] I know it's not for everybody, I know not everybody can afford it, that's okay, right? I understand that. But for those of you who it does work for, I really, really believe in it. And I think that that comes across in my stuff, right? And there's also just like a level of confidence in that, especially when it comes to pricing your stuff, that you're like, okay, I get emails from people all the time, I get nasty emails,

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I get nice emails all the time from people, would be like, hey, look, it's just not my budget right now, no problem, right?

Sam Vander Wielen: [00:36:36] When I was a younger entrepreneur, that kind of stuff would freak me out, and I would think, oh, my God, no one's going to buy this, that person said it, it's too expensive. You'll get a DM from somebody being like, how dare you charge that much for your coaching? I have a friend who like charges very high prices for her coaching, and she's like, "I get DMs from people who are like, 'How dare you think you can charge that much for what you do? Like who are you to do that?'"

Sam Vander Wielen: [00:36:59] You're going to get that stuff, but when you know that what you do is really good, and it's effective, and you feel proud of it, it's not going to be that triggering to you, right? So, when I get that stuff, I'm kind of just like, okay, like it's not for that person, it's not meant to be for everybody. So, to me, that feels like a really big relief. I'm like, it makes sense to me that if you write to me, and say, hey, this isn't for me, I hate you for pricing this as high, I'm like, well, that's okay, because it's not for everybody.

Sam Vander Wielen: [00:37:29] So, that person is going to be one of the people who wasn't for. That's okay. And I know how many people have paid for it, and loved it, and said they'd pay for it again, and they'd pay more, and they'd recommend to other people, and that they couldn't believe it was so affordable, it's like, I find that so funny about business in general. In the same day, I get emails from people being like, I would have paid twice as much for this, and then other people being like, this is highway robbery, I can't believe you're charging that, right?

Sam Vander Wielen: [00:37:53] I think that's just an important perspective to keep in mind. It's okay to not be for everybody as long as you are standing there at the end of the day feeling like you see the value in it, you will stand there all day long talking to the right people about it, that's all that's going to matter in the long run. I think that's like the best you can do.

Sam Vander Wielen: [00:38:13] So, I hope that this was helpful. I really appreciate you sticking with me through this gross voice that I have right now being sick. Hopefully, the

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content was still just as good today. Send me a DM on Instagram. I'm just so curious to hear what you take away from this episode. If you're going to change anything, if it just got you to think about pricing in a different way, I'm so curious. And with that, I can't wait to chat with you next week on the podcast.

Sam Vander Wielen: [00:38:40] Next week, I have a guest episode with my Facebook ads team. We're talking all about creating funnels, and how Facebook ads can support that, and what else Facebook ads can do. Do they only sell products? Can you use Facebook ads to like build your email list, for example, if you're just starting out? We got into so many good conversations about funnels and ads, so that's coming up for you next week. I so appreciate you listening to On Your Terms. As you're listening, tag me on Instagram at Sam Vander Wielen. I'll see you there. See you next week.

Sam Vander Wielen: [00:39:12] Thanks so much for listening to the On Your Terms podcast. Make sure to follow on Apple Podcasts, Spotify, or wherever you like to listen to podcasts. You can also check out all of our podcast episodes, show notes, links, and more at samvanderwielen.com/podcast. You can learn more about legally protecting your business and take my free legal workshop, Five Steps to Legally Protect and Grow Your Online Business at samvanderwielen.com. And to stay connected and follow along, follow me on Instagram at Sam Vander Wielen, and send me a DM to say hi.

Sam Vander Wielen: [00:39:51] Just remember that although I am an attorney, I am not your attorney, and I am not offering you legal advice in today's episode. This episode and all of my episodes are informational and educational only. It is not a substitute for seeking out your own advice from your own lawyer. And please keep in mind that I can't offer you legal advice, I don't ever offer any legal services, but I think I offer some pretty good information.