

NATS National Conference - Chicago 2022

**Pricing for Generosity:  
Sustainable Pricing  
that Brings  
Peace & Impact**

*with*

**Michelle Markwart Deveaux**

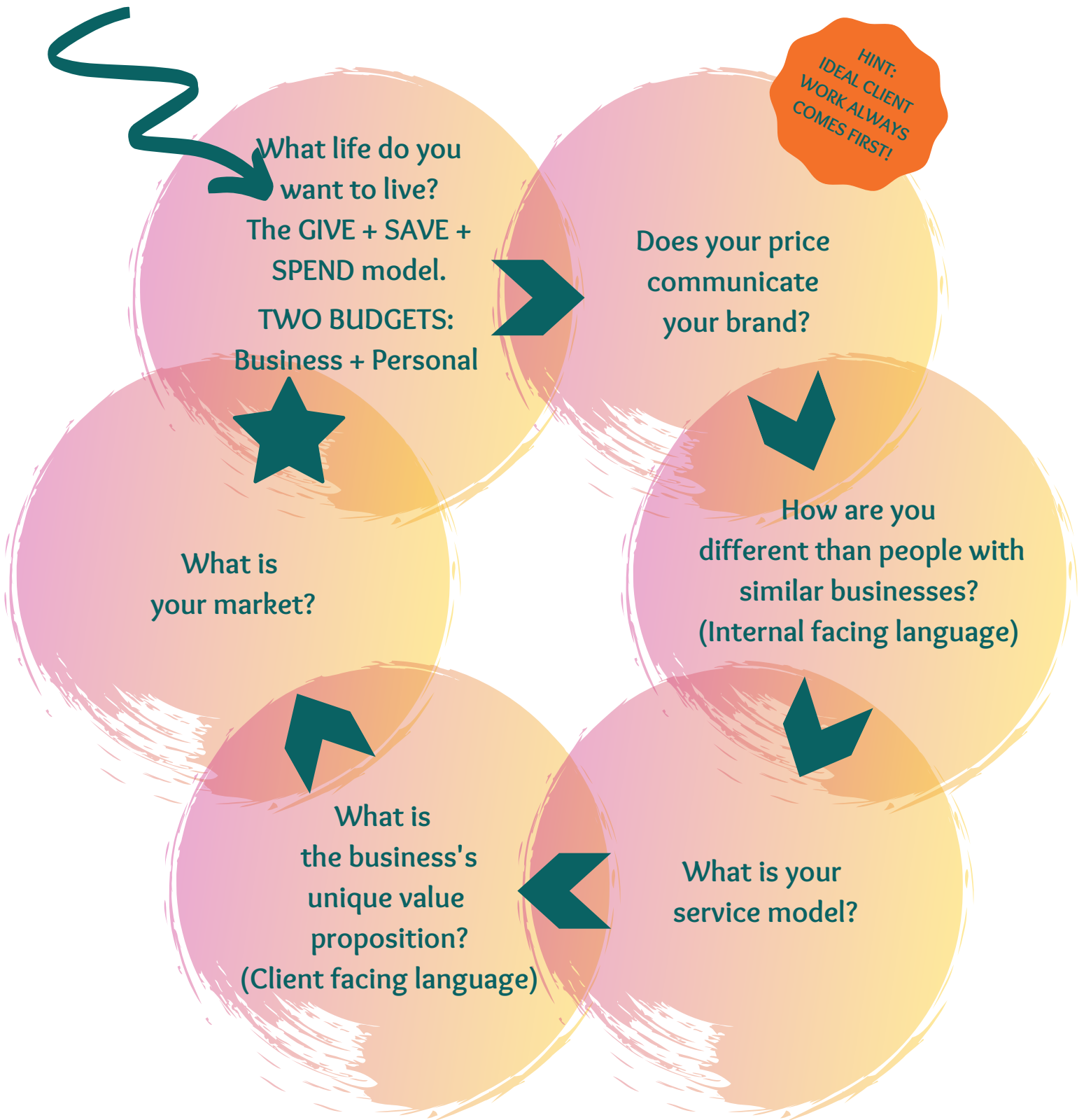


**FaithCultureKiss Studios, llc**

Home of the SpeakEasy Cooperative  
hey@faithculturekiss.com  
thespeakeasycooperative.com



# Love + Data = Pricing



# HOW MUCH IS "ENOUGH"?

HOW MUCH DO YOU WANT TO GIVE TO OTHERS?

HOW MUCH DO YOU WANT TO SAVE?

HOW MUCH DO YOU WANT TO SPEND?  
WHAT LIFESTYLE DO YOU WANT TO HAVE?

ANYTHING ELSE YOU CAN THINK OF?



# HOW MUCH DO YOU WANT TO MAKE?

Take in consideration your salary/owner's draw- see next page

## WHAT EXPENSES ARE IN YOUR STUDIO?

Your salary/owner's draw (Not a true expense, unless you're an SCORP or official employee, but need to know it for your revenue goals)

Location (Rent/mortgage/utilities/etc)

Insurances (Health, Liability, Errors & Omissions)

Softwares and System Tools

Marketing

Music

Subscriptions

Cell Phone/Landline

Travel (Hotels, Airfare, Lyft, etc)

Professional Development

Office Supplies

Postage

Business Coaching

Professional Development

Continuing Education

Independent Contractors (Assistants, Pianists, Bookkeepers, etc)

Bank and Merchant Fees

Debt payments (business credit card debt and/or business loans)

Filing Fees

Networking Events

Sound Equipment

Piano(s)

Studio Set-Up

Teaching Aids

Taxes

BIG PLANS!

Other...



# HOW MUCH DO YOU WANT TO MAKE?

What expenses do you have, personally?:  
This is your owner's draw/salary

Philanthropy  
Savings  
Retirement  
Rent or Mortgage + associated fees  
Taxes  
Utilities - garbage, heat, water, sewer, electricity  
Insurances (Health, Liability, Errors & Omissions)  
Health and Wellness (spa day, therapists, massage, etc)  
Softwares and System Tools  
Household maintenance  
Entertainment  
Grocery  
Cell Phone/Landline  
Travel (Hotels, Airfare, Lyft, etc)  
Eating Out  
Car, Gas, Maintenance  
Clothing and shoes  
Kid/partner/spouse/etc Clothing and shoes  
Independent Contractors (Housekeeping, Lawn Care, Pool Care, Dog walker)  
Bank and Merchant Fees  
Debts (personal credit card debt and/or personal loans)  
Subscription entertainment - Netflix, Magazines, Apple Music, etc.  
Pet care  
Beauty/Sassy and being gorgeous and fabulous - however YOU define it!  
BIG PLANS!  
Other...

**Give + Save + Spend =  
Earn**



# DOES YOUR PRICE COMMUNICATE YOUR BRAND?

Do you serve from a "necessity brand" or  
"luxury brand" perspective?

What indicators show that you have a  
good pricing scheme and offer for your IC?

What price adjustments do you need to address to have  
the prices communicate the brand?



# HOW ARE YOU DIFFERENT?

Internal facing language - what makes you, you?

WHAT DO YOU BRING TO THE TABLE IN  
TERMS OF EXPERIENCE, PERSONALITY,  
CORE VALUES, AND STRENGTHS?

HINT:  
THINK OUTSIDE  
THE BOX!

HOW DOES THIS ADD VALUE  
TO YOUR CLIENTS EXPERIENCE?



# WHAT IS YOUR SERVICE MODEL?

WITH WHAT FEE STRUCTURE DO YOU WANT TO USE TO SERVE YOUR CLIENTS?

ARE YOU HIGH TOUCH OR LOW TOUCH?  
WHAT DOES THAT LOOK LIKE IN YOUR BUSINESS?

Do you want to only talk with your clients when you're in voice lessons/sessions?  
How do you handle the day to day questions that may come in?

ARE YOU PRICING PER SERVICE? PER PACKAGE? PER YEAR? ETC... WHY?





# WHAT IS YOUR UNIQUE VALUE PROPOSITION?

client facing language - your one line pitch

Who are you?

What is your promise/  
What results do I get?

What is your process to bring me those results?

My name is \_\_\_\_\_, and I own \_\_\_\_\_.

I/we work with \_\_\_\_\_ [and...] to achieve

\_\_\_\_\_, \_\_\_\_\_, and

\_\_\_\_\_, so that you can \_\_\_\_\_,

\_\_\_\_\_ and \_\_\_\_\_ while feeling

\_\_\_\_\_.



# WHAT IS YOUR MARKET?

Gather your ideal client information

What impact do you hope to have?

How expansive do you imagine your market to be?

What kind of brands are your market used to?  
What does your market desire and/or need?

What do your colleagues charge?  
(FOR INFO ONLY)



# THE FORMULA

In order to figure out your baseline pricing needs, follow this formula:

1. Decide how many contact hours (CH) you want a week. In other one-to-one service industries, full time is 20 contact hours. \_\_\_\_\_
  - a. For now, do not worry if you only see folx for 30 or 45 minutes. Use hours since that is what you have in the day.
2. Decide how many weeks a year you want to work. (WOW) \_\_\_\_\_
3. Multiply hours by weeks. This number is your total contact hours (TCH) a year. \_\_\_\_\_
4. Take your desired yearly revenue (YR) , and divide it by your total contact hours (TCH). This is what each billable hour needs to bring you in revenue. (BHR) \_\_\_\_\_
5. Use your BHR, and use your own good sense and impact goals of bringing love and generosity to your community to determine your Pricing for Generosity (PFG) rate.
6. Remember: Your yearly revenue (YR) is determined by your business and personal budgets.
7. Remember: This is your touchstone number - you can go above and below with multiple offers/mix n match, etc.

$$\text{CH} \times \text{WOW} = \text{TCH}$$

The diagram illustrates the relationship between variables in the pricing formula. It starts with the equation  $\text{CH} \times \text{WOW} = \text{TCH}$  in orange text. A curved arrow points from this equation to the equation  $\frac{\text{YR}}{\text{TCH}} = \text{HR}$ , where YR and HR are in red and TCH is in black. A second curved arrow points from HR to the equation  $\text{BHR} + \text{Love} = \text{PFG}$  in pink text.

$$\text{BHR} + \text{Love} = \text{PFG}$$



# PRICING RULES OF THUMB:

- We should never be able to afford ourselves
- When experimenting - Start with a number that seems comfortable. Then raise it by 20%.
- Raise your rates every year once you find your sweet spot.
- You may need to do a significant rate raise your first time out. You can boil the frog or rip the band-aid. Neither is wrong - it depends on your situation.
- BHRs are for YOUR information. Do not confuse figuring out your BHR as a "per lesson" price point for subscription, packages, and tuition models. Remember the Love!
- BHR can be met in a variety of ways (Group Classes, Choirs, Online courses)
- Admin time needs to be accounted for whether clients see you for an hour or a minute. 30 minute or 45 minute sessions should not be 1/2 and 3/4 of the cost.
  - 30 minutes = 60-65% of PFG
  - 45 minutes = 80-85% of PFG
  - For example: if you determine your PFG rate to be \$100/hr, your 30-minute sesh would be \$65 and your 45-minute sesh would be \$85
- It's not your business what is happening in other people's pocketbooks.
- People respond to money talk from their own money stories. It is not your responsibility to accommodate their money story.
- If you choose to employ the pricing psychology of "savings", be sure your "discounted" rate is what you need to make, and inflate your "regular" rate. (This is a whole other conversation, which I would be delighted to have with you at the booth or in SECO!)



# NOTES

A large, empty rectangular area with a light blue-to-teal gradient background, intended for taking notes.



# NOTES

A large, empty rectangular area with a light blue-to-teal gradient background, intended for taking notes.

