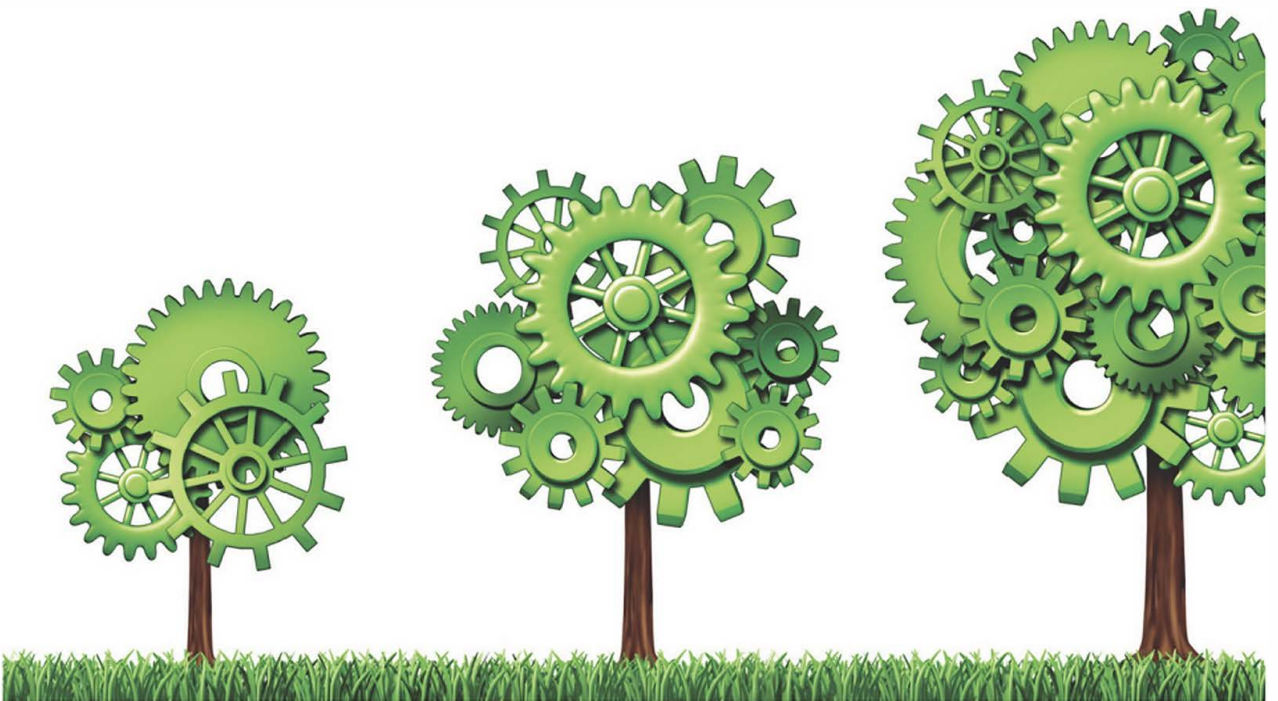


Confidently Increase Your Coaching Fees



Beyond Influence™



BEYONDINFLUENCE.COM

How to Double Your Coaching Fees

Coaching is an investment and is a highly personalized, high-end service. Attempts to make coaching more affordable and hopefully, easier to sell, tend to fail. Beyond Influence is an example. All logic to the contrary, sometimes a service sells more easily when it's expensive. And of course, all of this applies to life coaching, business coaching, executive coaching, and any other type of coaching, as well.

Long story short: Here's a list of 15 reasons your coaching fees are probably too low. I've divided the list between:

- A. Your probable reasons for undercharging
- B. Why that doesn't work for your clients
- C. The reality check. I hope it's helpful!

A. Why You Charge Too Little For Your Coaching

==> [You don't see the value in coaching] This is way more common than you might think. In fact, I didn't see it until I'd been coaching for a while. What changed? I worked with incredible mentor coaches who helped transform my life. Then I watched myself transform my clients' lives. Then my clients started saying things like, "If I weren't paying you \$350, I'd find a way to pay you \$10,000!"

==> [You have a disempowering story about why people won't pay you more] Yes, we have had a slow recovery, but there are millions of people who are employed and doing very well. In fact, many of them are making more money than ever. And coaching continues to be the 2nd fastest growing profession in the world. But those are generalizations. The truth is, people who see for themselves the value in coaching will find the money to pay for it. For example, if you're a career coach who has a great track record helping people get hired, an unemployed person will pull together the money to hire you.

==> [You're trying to sell coaching to people who don't value it] For one person, \$25 per month will be too much to pay for coaching. But for someone else, anything less than \$500 may be too little, because they want the best coach they can afford. Like it or not, people frequently measure how valuable something is by how much it costs. And in the case of coaching, clients actually put more effort into their own results when they pay more, because they want their money's worth. So don't waste time on the 'client' who's interested in coaching with you, but not interested in paying, unless you sense they are that rare person who will knock themselves out even if you coach them for free, and you really want to coach them.

==> [You don't think you're worth it] Okay, let's say you're a new coach and you've seen the credentials and track records of your competition. Pretty intimidating? It may be tempting to compete on price, but will that really satisfy you? A better strategy is to do everything in your power to get results and credentials as quickly as you can, so you can compete, period. Coach a lot of people for free for a set period of time, but be sure

each client knows you want a testimonial from them in exchange. Become a certified coach quickly. Join the ICF. Get in a Mastermind group of other coaches, just like the Beyond Influence Academy.

==> [You're trying to coach too many people] I recently worked with a coach who thought 30-40 clients was a full coaching practice. And to make a good living, he really did need a lot of clients, because he was only charging \$100-200 per month for each. That left him in a chronic state of always needing more clients. Here are great words of wisdom from my mentor coach: *Most successful coaches have fewer than 15 clients...*

==> [You don't know how much money you need to make] Your coaching fees aren't your coaching salary. When you subtract the money it takes to earn money, including your business expenses, taxes, and benefits you'd normally get from a salaried position, it takes a lot more money than you might think, especially if you only have 6 clients. Be sure you do the math.

==> [You want to coach low-income people who could benefit from coaching] Nothing wrong with that, unless you put yourself out of business. Better to charge a fee to most of your clients that's high enough to allow you to offer some scholarships or tithe your time. You can also volunteer your coaching services to an organization that provides coaching for low-income people.

B. Why Charging Low Fees Doesn't Work For Your Coaching Clients:

1. People perceive life and business coaching as a highly-personalized, high-end, investment in themselves. That's what they're looking for and it's usually what they want to buy. When you charge less, you look like a bargain-basement coach (who may deliver bargain-basement results). Coaching isn't a commodity and to many coaches charge commodity prices. One-to-one coaching delivers dramatic results and if the price tag is inconsistent with that, you run the risk of confusing people (and confused people don't buy).

2. When people buy a high-end service, they're saying to themselves, 'I'm worth it!' That feeling is what they want. And when someone decides it's time to get a coach to help them upgrade their life, that feeling is a big part of their resolve. They may actually be disappointed if you don't charge enough to make a statement that from now on, things will be different for them.

3. People want their money's worth, so the more they pay, the more value they'll get. Your high-paying clients will work harder and achieve more. And you'll be less likely to slack off, too. As one of my colleagues told me, every time she signs on a client with her new higher fee, she thinks, 'Wow! Now I have to deliver that much value!' and that's a good thing.

4. Your clients deserve better service from you. I tell my clients that it's my goal to give them exactly what they need. They're all high-achievers, so I'm confident they won't become needy just because I'm extremely supportive. But a coach who's trying to make a living with 30 low-paying clients is spread too thin between serving clients and

constantly needing to market and sell in order to keep the numbers up. That means less attention for each client. And it may mean that you're needy, because you always need more clients. A needy coach is never at her best.

C. The Reality Check:

1. Coaches worldwide average around \$350-\$500 per coaching hour. Even if you choose to discount your fee, you don't need to charge a lot less than that.

Coaching fees vary greatly. Here are some typical coaching fees in the US:

Monthly Investment for Life Coaching: \$250 – \$1,000+

Monthly Investment for Business Coaching: \$350 – \$2,500+

Monthly Investment for Executive Coaching: \$500 – \$5,000+

2. According to Sherpa Coaching, most professional coaches average just six clients per week. That means each client needs to pay a hefty fee in order for the coach to earn a meaningful salary.

3. Even if you have only 5-10 coaching clients, you will need to spend some time and expense on marketing and sales and you need to be paid for your entire week, not just the time you spend coaching.

4. When you add up what it costs to be in business, including business expenses, income tax, retirement investments and, if you live in the US, health insurance premiums and 100% of your Social Security and Medicare payments, you may find that earning a \$100,000 take-home salary from coaching may easily require \$150,000 in annual income.

Well there you have 15 reasons why your coaching fees are probably too low. What are you going to do about it?

==> Well, here's how to double your fees! <==

Of all the decisions coaches need to make, setting fees/pricing is probably one of the hardest...and one of the most important! Pricing not only determines your bottom line, it also impacts whether or not someone becomes a client, AND if they get great results, faster.

While there are many factors that influence pricing, ultimately you are just picking a number. And the good news is, you can change that number when you want to.

There are 3 main ways that coaches typically charge for their services:

- By The Session (e.g., \$125/session)
- By The Month (e.g., \$500/month)
- By The Package (e.g., 6 month package for \$3,000)

I HIGHLY recommend the “By The Package” approach. There are a number of reasons why. Here are the two biggies:

#1 – It makes your income more stable and predictable. You can forecast your revenue and not be worried that all of your clients are going to suddenly complete on the same month.

#2 – Clients who sign up for a 3+ month coaching package are willing to make an investment and a commitment. They take coaching more seriously and therefore get better results. These are the kinds of clients you want to work with.

D. How to Create Your Coaching Package

Step #1: Decide how much individual coaching the client receives (number of months, number of sessions/month and length of sessions). Make your decision based on how much coaching will best support your clients in achieving the results they desire, how much coaching you want to provide and how much coaching will clients sign up for.

Step #2: Determine what additional services, value-adds or perks you want to include in your coaching package. For example: check-in calls, email access, assessments, written coaching session reports, other services such as consulting, facilitation, team off-sites, training, “done-for-you” services such as a Resume Re-Write, Marketing Plan Creation, Customized Eating and Exercise Plan, etc.

Step #3: Price your coaching package. There are many factors to consider when setting your fees, including your target market and niche, your background and experience, your business objectives and what is included in your coaching package.

At some point during your process, people will ask you about your rates. Your impulse reaction will be to tell them your old rates or, if you’re just getting started, a rate that doesn’t feel scary.

Your job is to resist the urge to sell yourself short and tell them your rate is double what it used to be, or twice what you think it should be if you’re just starting out. For a benchmark, look up the average coaching rate in your city or location.

In Denver, the average executive coaching rate is about \$300/hr. When I first started coaching, I felt that \$75/hr was more than I was worth even though people would have easily paid \$150/hr.

I eventually realized I was providing way more value than I was getting paid and that less than \$300/hr is not sustainable for building a full-time executive coaching business. With every other new client I brought on, I simply doubled my rates when I was asked, all the way up to the average Denver coaching rate. Because I had a growing client base, it gave me more confidence in the value I was providing and put less pressure on me to bring in new clients, allowing me to increase my rates 333% in just one year.

The Key is Confidence + Results

It turns out that the single most important factor in raising your coaching rates is your own confidence in the value you provide. If you have done the work, the real work, then you will be better than 80% of “coaches” in the world. You are committed to becoming an expert on helping your target audience achieve their goals and overcome their challenges. Your number one job after landing new clients at your new rate is to follow through on that commitment.

As your client base grows, so will your confidence in your coaching abilities. As your coaching abilities and client base grow, your schedule will begin to fill up. As your schedule fills up, you should continue to raise your rates for new clients. The more successful you are with a targeted group of clients, the more you will be able to expand to new groups of clients as your referrals and reputation allow.

E. Frequently Asked Questions

Question: How do I choose the right fee?

Answer: First, identify your income goals for your coaching business. How many clients do you need to serve and at what rate to achieve your income goals?

If you are a new coach and don't yet feel comfortable or confident in charging your “ideal coaching fee,” choose a lower fee that you do feel good about. Sign up and coach a handful of clients at that lower fee and then raise your rates until you reach your “ideal coaching fee.”

If you are an experienced coach and have a proven track-record of helping your clients achieve results, set your rates so that you achieve your income goals, even if you have to stretch your comfort zone.

Question: Should I have a couple of coaching packages available at different price points?

Answer: Having “higher-priced, medium-priced and lower-priced” options means you'll be able to serve a bigger segment of your target market. Do this by having different WAYS that clients can work with you (vs. having multiple 1-1 coaching packages at different price points). For example you can:

=> Offer group coaching as your “lower-priced” option. This is perfect for price-sensitive clients, people who prefer a group environment and people who want an entry-level way to experience you and your coaching.

=> Offer your 1-1 coaching package as your “medium-priced” option. For most coaches, this is the option that the majority of clients will choose.

=> Offer a VIP Day Coaching Intensive as your “higher-priced” option. When creating your “higher-priced” option don't focus on giving more coaching. Instead focus on what

will enable clients to achieve the desired results quickly. Premium buyers will make a big investment IF you enable them to achieve results quickly.

We hope you enjoyed our “Double Your Coaching Fees” template. If we can help you in any way, please just ask us!

To your success,

John

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