



Design Investment Opportunities and Packages: Craft offers that are lucrative, completely aligned with the true value your clients receive from their coaching and easy to say 'yes' to!

In this simple pricing model, we want to get away from thinking about how many dollars you will receive per hour and start thinking about the return on investment that your clients receive when they coach with you. What is it worth to your client to have their challenge solved?

In my first year as a coach, I worked with a woman here in Tucson, who had a small manufacturing business. We worked together for four months, and at the time I was charging \$300/month, so she paid a total of \$1200 for her coaching. The following year, she contacted me to let me know that the coaching we did added \$90K to the bottom line of her business! I was thrilled, and I also thought – wow, I really undercharged her. She got almost a 90 times return on investment.

So, start thinking about what your coaching is worth to a potential client. If you are doing business coaching, calculate what an increase in profitability would be. If you are doing health coaching, what is the cost of a hospitalization if the challenge is not solved? If you are doing relationship coaching, what would it be worth to have a life partner?

Once you have this mindset, then you are ready to design the investment opportunities for your clients. You can let your clients know that what they pay for coaching should be an investment, not an expense. They should be clear that they are willing to do what it takes to create a return on their investment.

With all of this in mind, let's design your pricing.

The three-tier investment model is one of the easiest to design and to remember, which is why it is a natural for getting started with ease. This model sets three different coaching programs with increasing degrees of support and pricing.

One way of differentiating the levels is to use the terms Silver, Gold and Platinum. Some coaches use other names based on their niche. The lowest level program has the lowest level of support and the lowest investment.

The low tier may be for people who are just starting out, and want to get a feel for how coaching can help them, or for those on a maintenance plan, after having been coached and met their significant goals. Make sure that the pricing in the lowest tier is enough for you that you will not feel depleted when delivering the program.

The middle level is what most of your clients will choose. This is your 'bread and butter' program, the one that will help your clients move toward their goals at a steady and consistent pace.

The highest tier is for those who want a truly luxurious experience, where price is not a consideration, or those who want to really invest in themselves and get a high level of support to soar toward their goals.

When given three choices, most people will gravitate to the middle tier. Set the pricing in the middle tier where you want most of your clients to be.

Since you want more clients in the high end programs, make the difference between the lowest and middle pricing a small gap, to encourage them to go up to a program that has more support and is just a little more investment-wise.

For the highest tier, you want to make a large gap in pricing and support between that and the middle tier. This is so that those who really want a more luxurious, first-class experience and those who want to get going quicker, will be drawn to it.

If you are in a place in your business where you want to create income quickly, then raise your program rates to reflect a larger savings for up-front payments. You can do this by making the individual payments for your payment plan larger amounts. This will encourage your clients to pay up front and save.

If you want to smooth out your income on a monthly basis, you still need to charge more for the convenience of a payment plan, but make it a smaller percentage. Or give a smaller up-front savings.

When you present the three tier investment to a potential client, recommend one program; usually the middle one. Then if the client is very price-sensitive, or wants to get to know you better before buying a larger program, you can go down to the less expensive one. Or if the client wants to get moving even faster, then you can offer the more deluxe program.

Here are some examples:

Investment Programs Examples

All coaching programs are 3 months in length, 10% savings for up-front investment. For the payment plans – payments are due at the beginning of each month, and the initial payment is due prior to the Foundation session (which is 1 hour in length and replaces the first session). All individual coaching sessions are 30 minutes long.

Silver \$1200

A “no-frills” package for those with whom you are still establishing trust or those on maintenance mode who have already had a higher package and achieved their goal

Up front savings: \$1080
Payment plan: \$400/month
2 coaching sessions per month

Gold \$1350

For those who are ready to move, devoted to their goal and need consistent accountability

Up front savings: \$1215
Payment plan: \$450/month
3 coaching sessions per month, weekly email support

Platinum \$2000

For those who want the luxury of full support

Up front savings: \$1800
Payment plan: \$700 per month
3 coaching sessions per month, unlimited email support, laser sessions as needed

Now it's your turn. There is a handout below where you can fill in the blanks.

Start with only a bit of a stretch in your pricing, and know that you can increase it as you go along. You may find that as you offer your pricing and start tracking your client results, that you will realize that your clients have received a huge return on investment. Then you can raise your rates for future clients to be more in line with a reasonable return on investment.

I hope you enjoyed creating your investment options. If you would like some more support on this, send an email to info@karencappello.com and we can set up a time to have a complimentary consultation to see if mentor coaching is right for you.