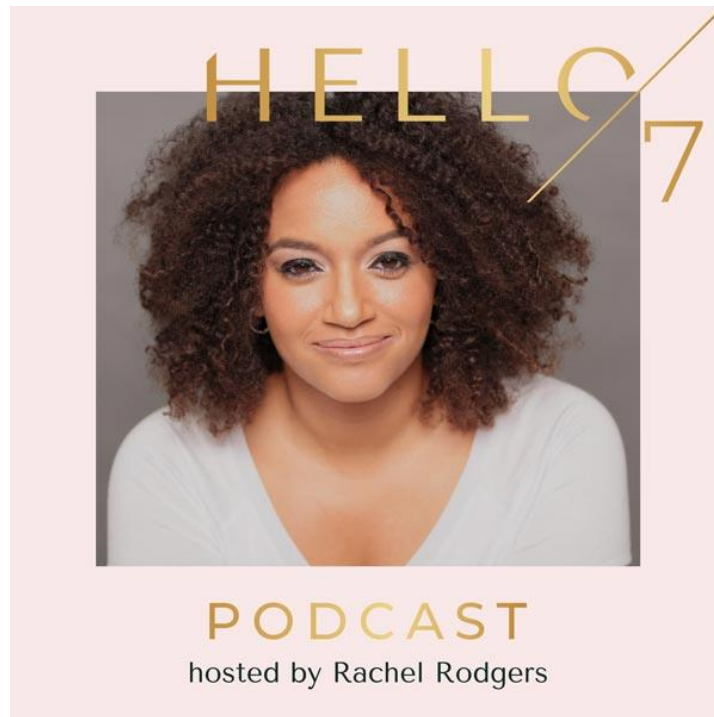


## Re-Release 13: (Ep. 17) How to Price Your Services to Avoid Burnout and Leave a Legacy



### Full Episode Transcript

With Your Host

**Rachel Rodgers**

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## Re-Release 13: (Ep. 17) How to Price Your Services to Avoid Burnout and Leave a Legacy

There are so many women entrepreneurs selling themselves short and really not pricing their services the right way, not pricing their services in a sustainable way. And what do you think that leads to? That leads to burnout, being overworked, and being underpaid and not being able to do the things that you want for your family, for your children, to advance your work, to leave a legacy. None of that can happen if you're just getting by.

Welcome to the *Hello Seven Podcast*. I'm your host, Rachel Rodgers, wife, mother of four children, a lover of Beyoncé, coffee drinker, and afro-wearer, and I just happen to be the CEO of a seven-figure business. I am on a mission to help every woman I meet become a millionaire. If you want to make more money, you are in the right place. Let's get it going.

You need money. I think you already know that, right? That's who you listen to this podcast. But here's the reality; there are so many women entrepreneurs selling themselves short and really not pricing their services the right way, not pricing their services in a sustainable way.

And what do you think that leads to? That leads to burnout, being overworked, and being underpaid and not being able to do the things that you want for your family, for your children, to advance your work, to leave a legacy. None of that can happen if you're just getting by.

And the reason why I'm able to have all of these projects going simultaneously and show up and deliver is because I have an incredible team; both at home and in my business. And that team costs money. They don't work for free, unfortunately. So I have to pay them every single week. And the way that I pay them is by pricing my services in a way that allows me to actually deliver the service at a high level.

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Just think about it. Let's say you currently deliver legal services in your law firm and you're charging, let's say, \$500 to draft a contract because you're undervaluing your time, you're undervaluing your skills, your expertise, and that's why you charge \$500. When in reality, it takes having someone actually respond to inquiries when clients are interested in working with you, having that person schedule a time for you to talk to that potential client, having maybe a 30-minute consultation with them in which you are not paid, and then actually spending the time and the energy and using your incredible expertise and education and experience to draft them a contract and then actually getting on the phone with that client again to explain what's in the contract, to discuss any remaining issues, and then to deliver the contract.

All of that effort is worth more than \$500, friends. And so when you charge \$500, you don't allow for actually being able to afford the admin assistant who is going to help you with scheduling and all of the administrative parts of serving that client. You can't afford to send that client a gift saying, "Welcome to the family." You can't afford a babysitter to watch your children while you work on their contract. You can't afford the software you need or some of the other general business expenses. You probably can't afford to pay taxes.

I think we need to worry a lot less about people saying shitty things about us because we charge a high price and I think we need to worry a lot more about our actual bank accounts. We need to worry a lot more about the fact that we don't have health insurance because we can't afford it; real talk.

We need to worry more about the fact that we're going into debt and that we're headed toward bankruptcy because we are too afraid to charge our clients what we should actually be charging them or we're too afraid to walk

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into our boss's office and ask for a raise that is commensurate with our actual value.

So we, as women, need to demand our money and get a lot more focused on what we are charging. Your prices are too low and that's going to be true for the 90% of you that are listening right now, your prices are too low and you probably need to raise them. And you probably needed to raise them two years ago, so you're way behind now.

And I think just stop worrying about what other people think. Who cares what your peers think? Who cares if people respond and say, "Her stuff is too expensive?" Well then, it's not for you. I have absolutely no shame about my prices and, in fact, I think they're quite competitive, honestly. And if you think I'm expensive, you're damn right I am, because I get results. I fucking deliver.

Not only do I deliver results, but I deliver an incredible experience. You know why I can deliver an incredible experience? Because I charge for it, okay. How could I host an amazing mastermind retreat for my clients, something that is going to wow them, that is going to help them step into this next level of their life, that is going to create transformation? I can't create that experience with \$5.

I can't create that experience on a super tight budget. I have to have the funds available to actually serve that client, and so you really need to be thinking about your profit margins, you need to be thinking about the actual costs of delivering those services, okay. You've got software, you've got taxes, you've got a team to pay. You've got stickers and business cards and workbooks to print.

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You've got expenses. Your services are not free, okay, and they're not free-99 either, and that's basically what a lot of y'all are charging, let's just be real. So yes, I came to kick your ass a little bit today. And it's for your own good because, listen, this is one of the biggest things getting in the way of you making more money is just yourself, it's you, it's your mindset.

It's you thinking that your services are valued way less than they should be, that's what the problem is. And so you need to be able to make a case. Now, you can't just price your services at \$100,000 and not say why you're worth \$100,000. You need to be able to justify it.

That means you have to, number one, believe it. That means you have to really take stock and think about your performance, your experience, what you have delivered on, what you are capable of, the amount of education that you have spent; not just traditional education.

But if you're somebody that immerses yourself by listening to podcasts every day and reading different books and going to different events and you're constantly learning about your craft, that is also continued education. And that also needs to be built into your business model and your pricing.

So when you are going to charge a premium price because, hello, why do you want to be low-budget? So if you want to charge a premium price, all you have to do is really be able to explain it. You just have to be able to help your customer, or whoever is going to be paying, understand that value, understand why you are worth that much, understand what they're getting. You're demonstrating value.

And this is – that's really about the sales. That's the sales piece of it. I have seen a lot of women entrepreneurs undercharge because they're scared they're going to have to demonstrate their value to the customer.

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Let me help you understand something; no matter how low your prices are, you are going to have to demonstrate value. If you want me to part with this here dollar, you're going to have to explain to me what I'm getting for this here dollar. It needs to be clear to me what I get in exchange for my dollar.

It doesn't matter if it's a dollar, if it's \$500, if it's \$10,000, I need to understand what I'm getting in exchange, otherwise I'm not parting with a single bit of my money. You are an entrepreneur, and honestly, even if you're not an entrepreneur, no matter who you are, you have to be able to demonstrate your value. You've got to be able to sell yourself and really explain to people what they're getting when they get with you, okay?

So you're not skipping that by charging less. And all you're doing is adding a whole lot more stress. You're still going to have to demonstrate value. You're still going to have to show your client why you are worth it and why they should hire you. So you might as well charge what you're actually worth. You might as well charge what your services actually cost to deliver, plus some profit on top of that, otherwise you're going to go broke.

You're going to be heading towards bankruptcy, you will not last as an entrepreneur very long. So get over your pricing bullshit, like literally, devote yourself. There's a great book called *The Abundance Code*. That's a great place to start. Read that book. I'll link to it in the show notes. That's a good place to start. Another book that I highly recommend is *The Big Leap* by Gay Hendricks. I'll link to that in the show notes as well.

Work on your mindset because if your mindset continues to allow you to undercharge, you're going to go out of business. I have seen it happen. I've been in business for almost 10 years now and over these 10 years, I've seen a lot of entrepreneurs come and go. And a big part of it is demonstrating value, pricing, not pricing the right way, and therefore not

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being able to run a business based on what you're pricing. I mean, this is basic math, guys.

If it costs me, you know, \$500 to make the widget but then I charge \$600, guess what, that's not enough of a profit for me to live off of. That's not enough to pay taxes. That's just not enough. It's not enough to get me out of bed in the morning, frankly.

Your prices should be something that get you excited and allow you to deliver at the best level, because here's the other thing; when you undercharge, you actually do a disservice to your clients because you cannot show up as your best self. And I speak from experience, guys. So if you're feeling convicted right now, just know that I undercharged for a very long time and there are some that would say I'm undercharging right now.

But I've been there, so I completely understand where that's coming from. And it's coming from fear. And you have to have to have to have to get over it because I can tell you for sure, you know, I drafted contracts. Were they solid contracts? Did I deliver? Yes, I did good work.

Could my work have been better if I wouldn't have been up all night getting the contract done because I couldn't afford to hire help in my house so I had to wait until my kids went to sleep and then work at night? Probably. Could I have provided a better experience for my clients where I had someone actually picking up the phone to talk to them when they called? Yes, I could have had I charged accordingly.

So just think about the way that your client gets robbed of your best effort and your best work when you undercharge. The other way that your client gets robbed is that when you undervalue your service, it causes them to undervalue your service. So if you make it seem like trademarks are cheap,

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you can register your trademark for nothing, guess what, they're not going to value that trademark. They're not going to value that intellectual property the way that they should.

We are examples to other women entrepreneurs that are looking at us, that are following us, and if we undercharge, they're going to think that they need to undercharge too. And if we show our clients that our services are not that valuable by undercharging, guess what, they are not going to pay attention.

If you don't pay, you don't pay attention. And that goes for also underpaying. Just think about it. Something that I got on sale, and maybe it didn't have the perfect fit or whatever, I didn't have a great experience purchasing it because I was rummaging through the sale rack, but I purchased it, it's going to wind up on the floor of my closet, right?

But then I also have beautiful items. I went to the Alice and Olivia store when I was in New York a couple of weeks ago and bought some really beautiful pieces. And I didn't buy a single piece that was priced at less than like \$400.

So I bought this beautiful silk blazer. I don't even remember what I paid. I probably blocked it out because it was expensive as hell. And I had an incredible experience. First of all, I was offered water, I had my daughter with me, she had a spot to sit and be comfortable. She had magazines to look through. She was having fun. The sales associate kept bringing me different things to try on. She understood my size. She understood my body and brought me things that were appropriate and I had a beautiful experience and spent plenty of money in that store.



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And I cherish those pieces. They have a special place in my closet and I never throw them on the floor. In fact, I just took them with me on a trip to Miami and I packaged them just so. You should have seen the way that I packed my favorite things. You treat it with care when you pay more and you don't treat it with care when you don't.

So that is what your clients are going to do as well. So do you want to be the Chanel or do you want to be like the Target grab and go bag? And there's a time and a place for both. But what I'm saying to you is that as a woman entrepreneur and service provider, don't go bargain basement route.

When you are a small business, when you have a small team, it should be a premium experience that you're providing. You're not doing mass market. You're not Target. You're not General Mills. You're not Old Navy. So offer a premium service because it is premium. It's custom. It's one to one. You get to talk to me and you get to talk to my team.

We provide a certain experience. We send flowers on your birthday. That's what you can do. That's the experience that you can provide when you charge the right way and when you stop worrying about other people saying, "Oh, her prices are too high." Who cares? Mind your business is what I have to say to anyone who has commentary about my pricing. That isn't my ideal client.

And in fact, if my ideal client thinks my prices are too high, then automatically they're not my ideal client because my ideal client understands the value that I provide, they understand the transformation that is going to happen from purchasing my services, and therefore they don't think it's expensive. They think it's a smart investment and maybe if

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they're not ready to make that investment now, that doesn't make my services expensive. That makes them not ready.

So I hope that's clear. So let's talk about some of the keys to understanding pricing. Now, I know this conversation is probably bringing up all of your shit because pricing brings up all of our shit. That's what it does. That's why I recommended those two books, *The Abundance Code* and *The Big Leap*. Those are two great ways to start to get your mindset right.

In my mastermind, we actually have a therapist on the team, and a huge part of her role is to just help our clients start to stop thinking in scarcity and start thinking abundantly, to start to believe in their self-value, their self-worth, to start to believe that they can have millions of dollars and that that is okay, that that is not a bad thing.

Because here is the reality. All the ideas about money, both good and bad that you grew up with come into play when you're choosing your prices for your various products and services. So if you're like me and came from a family that was fairly poor at certain times, or if you came from a working-class family where your family always said things like, "Working is so hard. Got to work hard for the man, got to work hard for every dollar," all of that is programming around money.

And so when you have leveraged offers, when you become a business owner, when it becomes easier and easier to make money, it can really fuck with your brain and you start doing things to sabotage yourself, and underpricing is one of them.

So here are a couple principles I want you to keep in mind as you think about pricing your services. One, it's important to recognize pricing isn't about you. So don't make it about you personally. It's not about what you

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think of yourself. It's not about whatever you're battling in your mind. It's about the value that you are providing. So it's not about you.

The price does not make a statement about your personal self-worth. Your price is also not about time. Forget about how much time something takes or doesn't take. This is especially important when it comes to products because once you create the product, it will take up almost none of your time, and that doesn't mean you should give it away for free.

So again, pricing is not about you and it's not about time. Let go of hourly billing because you're getting screwed if you're doing hourly billing, I got to tell you, most likely because you're charging for time instead of charging for value. And here's the biggest issue that I have with hourly billing, and I used to do it for a very short time and then I said hell no, and I was running a law practice, not doing hourly billing, and here's why.

If I draft a contract, let's say in the first couple of years in my law practice and it takes me five hours, and I'm charging \$200 an hour, so now I've made \$1000 off of that contract. Now, fast forward to year seven running my law practice. I've become more efficient. I'm faster. I'm better. So now I can draft that same contract in two hours, but my hourly rate has gone up to \$300 an hour.

So now I've made \$600 off of a contract that I would have made \$1000 off of when I was less efficient. You see how that doesn't make sense? When I get bigger and better and faster, I don't charge less. So that is one of the fundamental flaws of hourly billing, and hourly billing, again, the focus is on time rather than value.

If something takes me five minutes, sometimes I have had coaching sessions with clients where they get off the coaching session, and this is a

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regular occurrence, friends. They get off the coaching call, they go implement what I told them to do, and they literally make \$20,000 in the next five days. This has happened multiple times.

So what was that hour and a half that they spent on the phone with me worth? They made \$20,000 from that hour and a half. And it might not have been the whole call. It might have been 10 minutes of the call where I gave them specific targeted advice that turned into \$20,000 in revenue in the five days following that call. But of course, they're going to continue to use that strategy and what I taught them to make money beyond that.

So what is my time worth? So when people say to me, "Oh, you charge \$1500 for a VIP day?" Yes, I do, and guess what, the price is going up. Because when people leave my VIP days, they leave and they make hundreds of thousands of dollars. So this ain't about time. It is not about time. It's about value.

So I want to tell you one more story about pricing before we part today. I think I'm almost done kicking your ass if you're wondering. So I want to tell you a story about pricing my Made in France retreat when I used to do it years ago. I had folks say to me that I charge way too much for my Made retreat, and that was a retreat where I would take clients to a chateau in France and they would create a digital product during the course of the week.

So they would leave the retreat not only having had an incredible experience, but with an intellectual property asset that was going to make them a lot of money over the course of time. So that was my Made in France retreat. So I had people say to me, "Such and such only charges \$3000 for a weeklong retreat, why is yours so much more?"

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And that is true. Such and such, another such and such, plenty of people were charging \$3000 for weeklong retreats. And if you look around at those business retreats, you'll find that almost all of them are available for \$5000 or less for a weeklong business retreat. You will also find that none of them give you the opportunity to create a product with an experienced team who have created digital products that have generated over a million dollars in sales.

The value of my retreat was very different than the value of other retreats because you're leaving my retreat with a very valuable piece of intellectual property. That's going to make you, if history serves, at least \$20,000 in your initial launch and then a lot more than that over the course of time.

Even the most lazy entrepreneur who leaves my retreat is probably going to make at least \$50,000 a year as long as you are selling the product. And then of course, there are going to be those folks who are going to make a lot more than that. And there was other value that I was providing as well, a professionally shot and edited promotional video, a photo shoot, a weeklong stay at a freaking chateau, a community of super successful women to engage with and learn from.

So what I've just done is demonstrate the value to show that Made is worth \$10,000 and that is what it used to be priced at. That is all you have to do when you price a product. Demonstrate the value. And this is why I often won't price a product until after I've written the sales page. After I've written the sales page or come up with all of my marketing materials, then I'll review it and say okay, now I really understand the value.

Once you see it all laid out in one place, you're able to really see the value and that always leads me to raising my price. Whatever I thought my price was going to be, after I review the finished product, I'm like, "Oh hell no, it's

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more now." So again, you know, I had lots of people saying, "Oh, your \$10,000 weeklong retreat is insane, that's way too expensive. Everybody else was charging less than \$5,000," but I had no problem filling that retreat. Sold it out twice.

So there you go. People don't necessarily always want the bargain basement experience. A lot of people want the premium experience. They want the high level. I want the Chanel bag and not the Target bag, so price yourself accordingly.

So when it comes to your pricing, if you are considering reevaluating your prices, which I hope you are, if you want to price a new product or service, here are some things to think about. Ask yourself, what is the value that my client will receive from this product or service? What will my client be able to accomplish with this product or service? How much money, effort, and time will be saved or earned with this product or service?

This is what your prices should be rooted in. Value is how you deliver your customers from their before to their after, which is something you should be 100% clear on because that is the nature of your service. It's your job to demonstrate value. That is what you have to do in a business.

And because so many women entrepreneurs, as a general rule tend to severely underprice their products and services, I'm going to say this, and I'm not joking. When in doubt, double your price, literally. Whatever your prices are right now, go ahead and just double them because you are probably undercharging to the point that you probably need to double them and you're probably still not going to have your services high enough. You'll probably need to raise your prices beyond that again in the future.

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The other thing you want to consider when it comes to pricing your products or services is how does this product or service fit into my overall business model? You want to think about what your other services cost and how the price of this product or this service will demonstrate value in comparison to your other offers. Think about your pricing hierarchy in your business and make sure that it makes sense.

So that means that if you've got a mastermind experience that is a yearlong, and then you've also got a digital product, the digital product should obviously be less expensive than the mastermind yearlong experience. That's the easy part. But if your mastermind experience is \$20,000 and your digital product is \$500, that doesn't make a lot of sense.

So even if you've got a digital product package, there's still a lot of expertise that's being shared there so you really want it to be consistent with what you're charging for your other services. So if you're going to charge \$20,000 for your mastermind, then your product, which is sharing maybe the one-on-one version of that high-level mastermind experience, then should be at least \$2000, I would think.

That way it's commensurate. It makes sense. Don't sell a bunch of digital products for \$300 and then also sell a really high-end experience. That can be confusing for your clients. So if you're going to go premium, you got to go premium across the board, all the way. I hope that's making sense.

Okay guys, so let's wrap this up with your homework. Again, I want to give you three questions for you to ask yourself about each of the products or services that you're currently offering in your business. Number one, ask yourself what is the value that my client will receive from this product or service? What will my client be able to accomplish after engaging with this



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product or service? How much money, effort, and time will be saved or earned?

Those are the three questions to ask yourself. Then what I want you to do is look at all of your prices for your various services and I want you to really consider doubling all of them. Go out there and get your money, sister. And also, let me address one thing before we wrap up because I know that this is one of the first things that people say. "But the people I really want to serve can't afford that."

First of all, get out of people's pockets. Don't be down with OPP. Don't be in other people's pockets. Don't worry about what you think your ideal clients can afford. And I feel like this always tends to go towards Black women, women of color, women in general, but especially Black women and women of color.

We always think, "Oh, if my target market is Black women or if my target market is women of color, they can't afford me." Wrong. Do not believe the hype. There are lots of wealthy black women, there are lots of middle-class black women. There are lots of black women that are willing to hustle for what they want and they will find a way to make it happen.

So don't make assumptions about what your ideal client can afford or what's possible for them, and then don't dumb down their experience as a result. Do better. Worry about your own pockets. Don't worry about your ideal clients' pockets. The value of your service does not go down, it does not become diminished because a particular person can or cannot afford it.

So you really have to price your services based on your business model, what it takes to deliver, the kind of experience you want to create, ask yourself those three questions, and that's what's going to lead you to the

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right pricing. Don't make assumptions about what your ideal client can afford.

It's actually very patriarchal to say like, "I need to price my services low because poor little such and such can't afford it." Ew, gross. Don't do that. Don't be that person. Price your services in accordance with what they should be priced at and deliver a service that is of high value, that makes your client feel well taken care of, that delivers on the promise. Be more focused on that than saving your client money.

Thanks for listening. Now, before you go it's an incredibly exciting time here at Hello Seven, that's because my new book, *We Should All Be Millionaires: A Woman's Guide to Earning More, Building Wealth, and Gaining Economic Power* is on bookshelves now. You can pick it up from Amazon, Target, Barnes and Noble, or your favorite Black owned independent bookstore.

When you buy, you'll be getting my playbook on how to make million dollar decisions, how to increase your income right now, no matter what your current profession and no matter what's going on in the economy. And why earning more money as a woman is not selfish or greedy, but in fact a revolutionary act that brings the economy into balance and creates a better world for all. Go to [helloseven.co/book](https://helloseven.co/book) for more information and links. Go get the book now.