

# **Charge More and Get It**

## **by Marcia Yudkin**

### **Reject the Five Most Common Self-Sabotaging Beliefs Standing in the Way of Higher Earnings**

Marcia Yudkin, the author of *Six Steps to Free Publicity*, *Persuading on Paper* and nine other books, has been successfully self-employed since 1981. She has published articles in hundreds of magazines, including the *New York Times Magazine* and *Business 2.0*, delivered commentaries on National Public Radio, spoken to national business conferences and run her own profitable public seminars. She has trained dozens of people in copywriting and helped them launch a professional practice, in addition to working directly with clients needing help with publicity and marketing.

If you prefer to learn in person, check out her two-day “Marketing for More” seminar in Northampton, Massachusetts, taking place twice each year. Details: <http://www.yudkin.com/seminars.htm>.

And sign up for her Marketing Minute newsletter, bringing you a free, concise (just 180 words!) tip on marketing every Wednesday. Subscribe: <http://www.yudkin.com/marksynd.htm>.

In coaching current and prospective business owners over the last decade, I have often heard and seen in action these five self-defeating beliefs (among others), keeping professionals, entrepreneurs and freelancers from charging what their skills and products might really be worth. Find out how each of them fails to fit reality and consider whether it's time to fling them aside so that you can raise your prices.

1. "My clients can't afford higher rates."
2. "I wouldn't pay more than what I charge now."
3. "What I do is mainly common sense."
4. "No one in my field makes very much money."
5. "I'm just starting out."

### **1. "My clients can't afford higher rates."**

Are you *certain* of that? You can't make a leap from what people say about this to whether or not they can find the money if sufficiently convinced that it's important.

Years ago, someone starting up a new business called me for a consultation and told me he could pay no more than such and such. It turned out that the most convenient place for our meeting was his house, which I could not help noticing had the size and glitziness of a small mansion, with a market value of at least three-quarters of a million dollars. What he named as his paltry budget reflected what he felt advice on this matter was worth, not what he had to spend. By pointing out how much getting his business onto a sound footing was worth to him and how much in wasted expenditures I could save him, I'd have been able to reshape his thinking on what it was reasonable to spend.

Another time a client launching a catchy new product wanted to know what kind of publicity services I could offer her for a couple of hundred dollars. I didn't hear from her again for quite a while, at which time she told me she'd hired a traditional PR firm, paying a retainer and fees of more than a thousand dollars a month. I'd gotten the impression that she didn't have that kind of money to invest, and I was very wrong.

At the other end of the spectrum, more than once I've been startled to learn that a client who paid relatively high rates without complaint was having trouble scraping money together for rent.

In truth, until you confidently raise your rates, it's impossible to know who will go along and who will not. This is particularly so when you do great work and educate clients on the value they receive.

Remember too that when you raise your rates, you can lose some clients and still make higher profits overall from those you retain.

In addition, you can earn more from each customer without raising your rates by selling them additional products and services. In this situation, they're paying you more but don't feel they are.

Finally, if you're in one of those rare situations where clients truly don't have money, consider whether this is the audience you most enjoy serving or whether you think you're only worthy of working with them. In the former case, it's still often possible to find outside entities, such as corporate sponsors, to support your work.

Sometimes what feels like an absolute limit to your earnings only means you have not yet enjoyed a freewheeling, creative brainstorming session!

## **2. “I wouldn't pay more than what I charge now.”**

If you are not a member of your target market, toss this thought about your own preferences out the window this very minute. What *you* consider a reasonable price has nothing to do with how *they* spend money. Even if you are a member of the market you are selling to, it's a fallacy to assume that everyone in that group feels as you do. Chances are, some feel that your current rates are more than they want to pay, some feel you're charging just about right and others feel you're a real steal. You probably don't need to sell to all three of those categories and can do well by aiming at those who'd respect you more if you charged more.

The belief that she couldn't charge more than she herself would pay was a huge barrier for a friend of mine who was a photographer. She had to do a lot of talking to herself about her customers' enthusiasm for her work, her strengths as a photographer and the fact that the few colleagues charging more in her town weren't any better at their work than she was.

She also had to steel herself against customers trying to bargain with her. She reminded herself that when she held firm on her fees, most customers did pay what they'd just objected to. Some people bargain mainly as a habit or a game.

Additionally, she joined a mastermind group of other photographers and picked up a few pointers on subtle ways to increase the average amount a customer spent with her. For instance, photographers offering frames in different sizes along with enlargements of family portraits always sold the most of the next to largest size on display. By adding a larger size frame to those hanging on the wall of her studio, she sold more of the next-to-largest size, previously the largest.

### **3. “What I do is mainly common sense.”**

Well, if you don't value what you do, clients surely won't, either. To deal with this belief, find someone you can trust to tell you the truth and ask them whether or not what you do is common sense. Most of the time, they'll fill your ears with “Are you nuts?!” along with specific reasons why your work has value.

Did you go to school or apprentice in some way to learn what you now know? Think of the story about the plumber who shrewdly replied, when a customer objected to a charge of \$50 for a one-minute repair, “That's \$1 for actually turning the wrench, and \$49 for knowing where to turn it.”

Remember the value of life experience, too. To someone who knows nothing about gardening, the difference between annuals and bulbs is a mystery. To someone who has never sewed a stitch in their life, threading a needle, not to mention creating a hem, is an ordeal. The tremendous success of the “...for Dummies” series of books shows that hardly any area of life, from window treatments to Windows XP, is without people who will pay money to learn about it – or to have someone take care of it for them.

People even pay for common sense! Sometimes people go to experts not for their technical knowledge but primarily for objective, non-involved advice. If the attorney suggests, “Try to settle things with your neighbor before you sue,” the client may go away with a profound attitude change and gratefully pay the attorney's fee.

As I said in response to self-sabotaging beliefs #1 and 2, you shouldn't use your own assumptions to determine in your mind what others are willing and unwilling to pay for. I've seen people pay hundreds of dollars for publicly available information they could compile on their own if they only had the time. I also once got feedback from a purchaser of one of my \$95 reports that the expenditure was worthwhile because while he didn't learn anything new, that very fact gave him the reassurance he needed to launch his project while feeling that he'd covered all the vital bases. Likewise, I've felt that hundreds of dollars on a seminar was worth it for just one exciting new idea mentioned off-handedly amidst a stream of familiar approaches.

### **4. “No one in my field makes very much money.”**

If you believe this, whether you're male or female, take a look at the book, *Secrets of Six-Figure Women*, by Barbara Stanny. While some of the fields in which she interviewed high earners are what you'd expect, she

also found women earning better-than-respectable amounts doing traditionally undervalued work like matchmaker, teacher, artist and event planner.

If you're self-employed, charging more – and getting it – is as much a function of confidence and positioning (how you present your work) as it is of what everyone else doing your sort of work makes. On the confidence issue, it might be that your colleagues agree *en masse* with the assumption that your work has little economic value. Even so, you can break free from that belief and make a clear separation between yourself and those who disparage themselves.

As for positioning, sometimes changing what you call a product or service greatly elevates the amount customers are willing to spend on it. For instance, if you perform verbal surgery on marketing materials so that they sell, you'll make more calling yourself a "marketing consultant" than a "copywriter." Likewise, the very same text can command higher prices as a "manual" or a "seminar" than as an "ebook" or a "booklet."

To separate yourself from colleagues, you can emphasize selectivity (you accept only a certain level or kind of client), specialization (you possess more experience and expert knowledge on one aspect of your industry), results (your superiority consists of a spectacular success rate that you can document) or concrete benefits of your work (results that your colleagues also produce but never explicitly point to).

## **5. "I'm just starting out."**

Show up at the right place and time, perform your work with discipline and panache, don't call attention to your inexperience, and you may be very surprised: Customers are happy as can be. Again and again I have seen beginners in a field who don't accept that you have to start at the bottom and slowly work your way up prosper right from the beginning.

In her book, *How to Survive & Prosper as an Artist*, Caroll Michels tells an eye-opening story about two artists pricing their work. One woman had worked full-time as an artist for 20 years, had exhibited in well-known museums, received prestigious fellowships and grants. She sold her work for \$5,000 to \$7,500 per painting. The second woman had never had an exhibition or sold her work and was leaving a successful career as a real estate agent to paint full-time. She arranged an exhibition at a suburban library near her, and in one afternoon took in \$18,000 for her paintings, with the highest priced at \$6,000.

Now how could the second woman make as much for her work as someone with almost two decades more of experience? Her artistic talent

was no greater than that of the first woman. Rather, she expected to make good money from what she did, and acted accordingly.

Similarly, Peter Bowerman, in his book *The Well-Fed Writer*, describes selling himself as a freelance business writer to Atlanta corporations despite having had no paid experience and no personal contacts. By making cold calls and showing up at appointments with a portfolio of marketing pieces he had created pro bono, he walked out one-third of the time with an assignment. He looked and acted like he could do the work, and much of the time his confidence carried the day.

### **Re-examine your beliefs!**

To charge what you are worth and get it, begin by identifying and confronting your beliefs. List all the reasons why you think you cannot raise your rates, then one by one – perhaps with the help of a more objective friend or coach – take a hard-headed look at each belief.

Once you feel ready to raise your rates, practice stating your higher rates confidently, without the slightest hint of embarrassment, uncertainty or apology. It may take weeks of practice to reach the point where your voice no longer squeaks or trails off in a question when you say, “I charge \$200 an hour.” Make sure also that the accoutrements of your business, such as your car, if you drive to visit clients, your web site, if you market on the Internet, and your decor if customers come to your office, support rather than undermine your new image.

### **Next steps**

Need help with the process described here? The “Marketing for More” seminar in Northampton, Massachusetts, discusses positioning, pricing, adding revenue streams, improving your productivity and battling self-doubts to grow your business.

More information on the seminar: <http://www.yudkin.com/seminars.htm>

If the seminar doesn't fit your schedule, sign up for the “Marketing for More” mentoring program, which offers advice, resources and teleclasses with world-class experts on every aspect of growing your business with less effort.

More info on the mentoring program: <http://www.marketingformore.com>