



Transitioning existing clients to value pricing

Mark Wickersham FCA

About today's speaker



Mark Wickersham FCA

World's leading expert on implementing value pricing

Wickersham FCA – *public speaker and author of the #1 best-selling book “Effective Pricing for Accountants”* – is known as the most sought-after profit improvement expert in the accounting community.

Connect with Mark on LinkedIn to get free resources.

Go here if you want Mark to train you for free every month, <https://www.wickersham.co.uk/p/free-mentoring>

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CPE Process



In order to receive CPE credit

- Be sure to sign in or scan your badge for this session
- You must stay in the session for the duration of the training
- This session is eligible for **2 hours of CPE**
- CPE certificates are emailed directly to you within 4 weeks of the conference date to the same email address you used to register

A woman with blonde hair in a ponytail, wearing a green jacket with a white fur-lined hood, is shown in profile, looking towards the right. She appears to be in conversation with another person whose back is to the camera. The background is dark and out of focus, suggesting an outdoor setting at night.

**Take a few moments
to **CONNECT** with
your neighbor...
tell them your
biggest problem
with re-pricing
existing clients**

#QBConnect | WiFi: QBConnect Password not required



Transitioning existing clients to value pricing

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The 3 **stages** of the value conversation:

1. **UNCOVER** value
2. **BUILD** value
3. **CAPTURE** value



Strategies for increasing price



Strategy A: Reframing

#1 Express the price different

#2 Change the reference price



Example: Changing the reference price

In this example, we are creating a new reference price by explaining new clients are paying twice as much and the client's fee should go from \$3,000 to \$6,000.

Having created that anchor we then offer a discount for being a great client and then use another piece of price psychology to make the increase seem really tiny.

Example: Changing the reference price

“First, I wanted to **thank you for being such a great client. I really value your business.** I also need to be able to keep my own business running and it’s been a long time since I last changed my fees, so I want to explain my new pricing.

New clients now pay **about twice as much** as you do. And I **should** increase your fee to **\$6,000.**

However, **since you're always so good to work with,** I want to give you a **40% discount.** In Plain English that means **just \$50 per month more** than what you're paying now, and **40% less than new clients are paying.**

As always, you and your business are important to me, so if you have any questions, please email or call me and let's discuss it.”

Strategy A: Reframing

#1 Express the price different

#2 Change the reference price

#3 Offer a choice



What is Menu Pricing?

BRONZE	SILVER	GOLD
Entry package	Full package	Premium package
<ul style="list-style-type: none">• Essential features	<ul style="list-style-type: none">• Essential features• Extra features	<ul style="list-style-type: none">• Essential features• Extra features• Enhanced support

Sometimes this is called **BUNDLING** and sometimes **VERSIONING**.

Company Formation 3-Star Service

...for an investment of £350 plus VAT

Advice... understanding the issues

- A 'jargon-free' explanation of the advantages and disadvantages of incorporation to ensure that trading via a limited company is right for you.

Taxation Planning... minimising your taxation

- An overview of tax planning to ensure that you understand the most tax-efficient ways of withdrawing money from your company.

Company Formation... compliance with statutory rules

- Name check.
- Provision of the original Certificate of Incorporation.
- 4 bound copies of the memorandum and articles of association.
- Personalised combined register and minute book (soft bound) with personalised share certificates (two colour).
- Minutes of the first meeting.
- Completed stock transfer forms.
- All Companies House forms commonly required when starting to trade.
- Guide *GP2 Life of a company – Annual Requirements*.
- Photocopies of all relevant documents filed at Companies House

Taxation Compliance... reducing your worry

- Completion of all tax forms, including dealing with VAT registration.
- Setting up a PAYE scheme.

Company Formation 4-Star Service

...for an investment of £750 plus VAT

Advice... understanding the issues

- A 'jargon-free' explanation of the advantages and disadvantages of incorporation to ensure that trading via a limited company is right for you.

Taxation Planning... minimising your taxation

- An overview of tax planning to ensure that you understand the most tax-efficient ways of withdrawing money from your company.

Company Formation... compliance with statutory rules

- Name check.
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- Guide *GP2 Life of a company – Annual Requirements*.
- Photocopies of all relevant documents filed at Companies House

General Business Advice... getting it right first time (worth £100)

- Review of the required accounting records to ensure you comply with HM Revenue & Customs' requirements.
- Reviews of the required statutory records to ensure you comply with the Companies Act 2006.
- Requirement in respect of notepaper, invoices and nameplates.
- Who else do you need to inform now that you are a limited company?

Succession Planning... helping you retire (worth £100)

- We will advise you on the advantages of a company pension scheme.

Company Formation 5-Star Service

...for an investment of £1,250 plus VAT

General Business Advice... getting it right first time (worth £100)

- Review of the required accounting records to ensure you comply with HM Revenue & Customs' requirements.
- Reviews of the required statutory records to ensure you comply with the Companies Act 2006.
- Requirement in respect of notepaper, invoices and nameplates.
- Who else do you need to inform now that you are a limited company?

Succession Planning... helping you retire (worth £100)

- We will advise you on the advantages of a company pension scheme.
- We will also arrange an hour with an expert in the field of company pension schemes, completely free of charge.

Company Car Taxation Planning... minimising your taxation (worth £350)

- A detailed company car tax planning exercise (for up to 2 vehicles) to ensure that you do not pay a single penny more tax than you need to.
- We will consider the various options for company cars, including a 'partially-refundable contribution' and 'shared-ownership plan'.
- We will look at the alternatives to company cars, including the Fixed Profit Car Scheme.
- If required we will review the various finance options available.

Company Secretarial Work... saving you time (worth £300)

- Writing up and maintaining your company register and share register, including dealing with share transfers – so you know this important job is done properly.
- Dealing with all company secretarial work for 12 months, including preparing minutes of meetings.
- Preparing the annual return and all statutory forms for filing at Companies House, for example appointment and resignation of company directors – so you never have to pay fines or penalties for being late or getting things wrong.
- Completed resolutions in accordance with the Companies Act to dispense with the holding of annual general meetings, the laying of accounts before the company and the appointment of auditors on an annual basis (if required).

iMac

[Overview](#)
[macOS](#)
[Tech Specs](#)



New

Retina 5K Display 3.4GHz Processor 1TB Storage

3.4GHz quad-core 7th-generation Intel Core i5 processor

Turbo Boost up to 3.8GHz

8GB 2400MHz memory, configurable up to 32GB

1TB Fusion Drive¹

Radeon Pro 570 with 4GB video memory

Two Thunderbolt 3 ports

Retina 5K 5120x2880 P3 display

£1,749.00

Includes VAT of approx. £292.00.*

🕒 From £83.95/mo. for up to 24 mo.*

Select



New

Retina 5K Display 3.5GHz Processor 1TB Storage

3.5GHz quad-core 7th-generation Intel Core i5 processor

Turbo Boost up to 4.1GHz

8GB 2400MHz memory, configurable up to 64GB

1TB Fusion Drive¹

Radeon Pro 575 with 4GB video memory

Two Thunderbolt 3 ports

Retina 5K 5120x2880 P3 display

£1,949.00

Includes VAT of approx. £325.00.*

🕒 From £93.55/mo. for up to 24 mo.*

Select



New

Retina 5K Display 3.8GHz Processor 2TB Storage

3.8GHz quad-core 7th-generation Intel Core i5 processor

Turbo Boost up to 4.2GHz

8GB 2400MHz memory, configurable up to 64GB

2TB Fusion Drive¹

Radeon Pro 580 with 8GB video memory

Two Thunderbolt 3 ports

Retina 5K 5120x2880 P3 display

£2,249.00

Includes VAT of approx. £375.00.*

🕒 From £107.95/mo. for up to 24 mo.*

Select



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50% off
QuickBooks
For 3 months

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- Capture & organize receipts
- Maximize tax deductions
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- Run basic reports
- Send estimates
- Track sales & sales tax

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- Capture & organize receipts
- Maximize tax deductions
- Invoice & accept payments
- Run basic reports
- Send estimates
- Track sales & sales tax
- Manage bills
- Multiple users (up to 3)
- Track time

Plus

~~\$60~~

\$30/mo

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- Track income & expenses
- Capture & organize receipts
- Maximize tax deductions
- Invoice & accept payments
- Run advanced reports
- Send estimates
- Track sales & sales tax
- Manage bills
- Multiple users (5+)
- Track time
- Track projects NEW
- Track inventory
- Manage 1099 contractors

Self-Employed

~~\$10~~

\$5/mo

Buy now

- Track income & expenses
- Capture & organize receipts
- Estimate quarterly taxes
- Invoice & accept payments
- Run basic reports
- Track miles

Getting started

Entry	Full	Premium
This is the essential stuff	This is what they really want	The is the best solution for them
Last year's price plus	Last year's price plus	Last year's price plus
0 – 5%	20%	30 – 50%

Strategy B: Framing and communication

#1 You've been listening

#2 I thought I already got that

#3 Advance notice





Dear Prime Member,

Thank you for being a valued member of Amazon Prime. We are writing to you about an upcoming change to your membership.

The price of the annual Prime membership increased from \$99 to \$119 on May 11, 2018. Your renewal on June 10, 2018 will be at \$99. The new price will apply to your renewals starting June 10, 2019.



Linda Qbq Russell Amazon Prime just ensured my brand loyalty. They are holding my Prime price at \$99 for 1 more year before raising it. Yay!

Like · Reply · 20w



**Your system for
increasing price**



Bookkeeping for the year ended 31 December 2019

We've been listening to what our clients tell us and we've made some changes.

Firstly **our clients tell us** they hate the way the bookkeeping profession prices – pricing based on how long the work takes **which means** you have no idea what the cost is until the work is finished. **We actually hate it too. It doesn't seem fair.** So what we now do is give a fixed price right up front **so you can plan and budget.**

Secondly **our clients tell us** they want choice. They don't want a one-size-fits-all solution. Not only that, increasingly **people are telling us** they want us to go beyond processing the transactions and help them run a more successful business. **For example,** many of our clients want us to help them...

So we have **three packages for you**, which we call Entry Bookkeeping, Full Bookkeeping and Premium Bookkeeping. Entry Bookkeeping is **what we currently do for you.** If that is all you need you can keep with that offering. And if you want us to help you in other areas you can choose one of the other two packages.

Bookkeeping for the year ended 31 December 2019

Here are those fixed prices right up front.

Premium service

Insert monthly price + 40%

Highlight who this is for and the key benefit

Full bookkeeping

Insert monthly price + 20%

Highlight who this is for and the key benefit

Entry bookkeeping

Insert monthly price + 5%

Highlight who this is for and the key benefit

Present your solution and options in detail – consider an appendix for the detail.

Responsibilities and scope of work. Explain what is outside the scope of work.

What happens next?

Your power strategies



The 3 **stages** of the value conversation:

1. **UNCOVER** value
2. **BUILD** value
3. **CAPTURE** value



Your power strategies

#1 Survey your clients

#2 Repeat every year

#3 Test, measure and adapt

#4 Face-to-face





- Clients
- Bookkeeping
- Annual financial statements
- Personal tax returns
- Payroll
- Cloud Set Up
- Growth services
- Other services

Bookkeeping - UK

Quote CP000453

CLIENT REPORT INTERNAL REPORT BACK

Your Preferences Your Fixed Price Options

	SELECT	SELECT	SELECT
	Premium bookkeeping	Full bookkeeping	Essential bookkeeping
Your small monthly investment is just...	12 payments of £1,023	12 payments of £887	12 payments of £682
Supply of your paperless expense and receipt processing system	✓	✓	✓
Posting all business bank transactions	✓	✓	✓
Completing the monthly bank reconciliations	✓	✓	✓
Posting purchase invoices, expenses and cash transactions	✓	✓	✓
Credit card transactions and reconciliations	✓	✓	✓



- Clients
- Bookkeeping
- Annual financial statements
- Personal tax returns
- Payroll
- Cloud Set Up
- Growth services
- Other services

Bookkeeping - UK

Quote CP000453

CLIENT REPORT INTERNAL REPORT BACK

Your Preferences Your Fixed Price Options

	SELECT	SELECT	SELECT
	Premium bookkeeping	Full bookkeeping	Essential bookkeeping
Your small monthly investment is just...	12 payments of £764	12 payments of £662	12 payments of £509
Supply of your paperless expense and receipt processing system	✓	✓	✓
Posting all business bank transactions	✓	✓	✓
Completing the monthly bank reconciliations	✓	✓	✓
Posting purchase invoices, expenses and cash transactions	✓	✓	✓
Credit card transactions and reconciliations	✓	✓	✓

What are you going to do next?

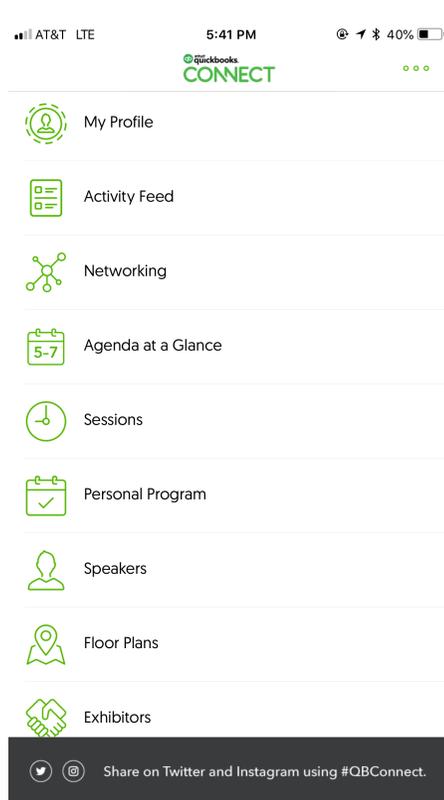
Questions?

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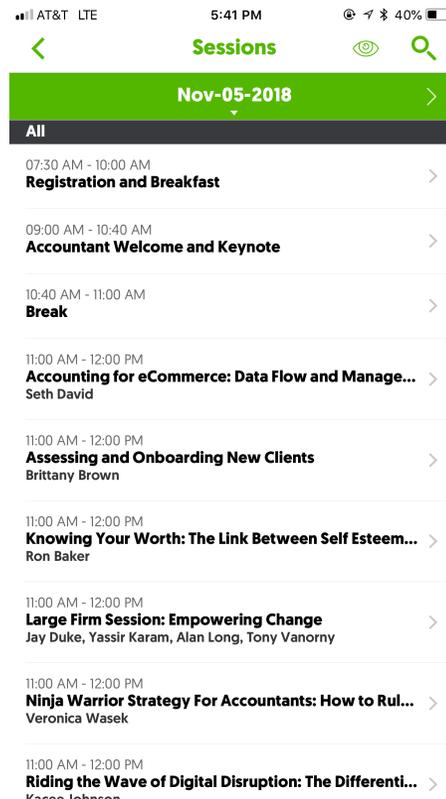


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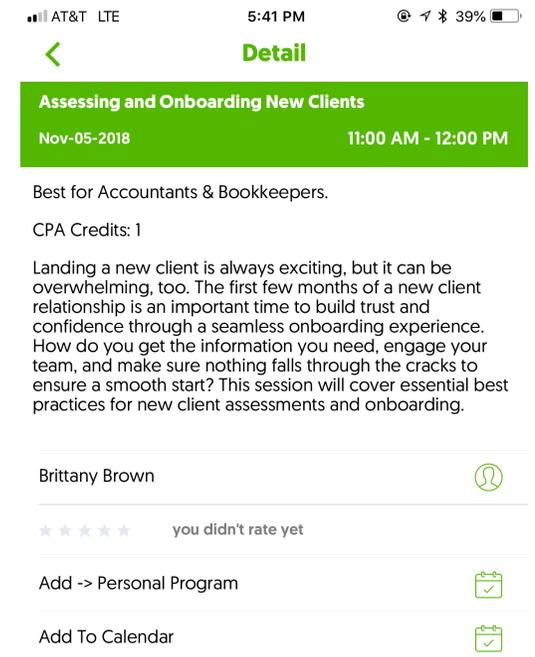
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11:00 am-12:00 pm

Breakout Sessions

Exhibits, Activations and Connections	+
HR Essentials: 5 Steps to a Compliant Workplace	+
Building Compassion: The Role We All Play in Creating Unbiased Businesses • session repeats	+
Freelance Finance: A Toolkit for the Self-Employed • session repeats	+
The Fine Print: Legal Know-How for New Businesses	+
Get Bossy: Develop Next-Generation Leadership Skills	+
No Stone Unturned: New Funding Sources to Fuel Business Growth	+
Marketing Your Business Part 1: Customer Acquisition	+
Digital Savvy: Nurturing Your Online Brand • session repeats	+



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