

Module 5– Price Structure and Cost Objections

Regardless of the economic climate, there are people who would consider the services of a nutritional consultant a luxury instead of a necessity. It is our job to help them realize their health should always be their first priority and by investing in your program, they are investing in their most important asset, their health and well-being.

You should have already established what others are charging for the same products and services you are offering. The next step is to establish the value of what you are offering versus what they are offering. You have to add value to your products and services before you can establish your price structure. This is the time to be bold! Why are you better than all the rest?

1. Name the practitioners / businesses in your local market area competing for your ‘ideal’ client.
2. How much are these practitioners / businesses charging for comparable services?
3. What differentiates your products / services from theirs?
4. What is your time worth?
 - A) How much do you need to make per hour?
 - B) How much would you like to make per hour?
 - C) How much will you charge per hour?
 - D) How does this compare to the fee others are charging?
5. Based on your market research, how much are the people in your community willing to pay for the type of products and services you are offering?
6. How will you charge for your services? Hourly, weekly, monthly, etc.

Overcoming Cost Objections

Many people will tell you they cannot afford your services, which may cause you to question your rates. Most new consultants lack the confidence to establish a firm price and stick to it when business is slow. It is important for you see the value in the service you are providing if you expect potential clients to do the same.

Often when there are cost objections, the question of insurance coverage comes up. As we know, unregulated professions are rarely covered by insurance unless the client has an umbrella coverage policy. Do not make excuses for your pricing policy. Instead take the stand that individuals who pay out of their pockets will be serious about improving their health and getting the most out of their visits with you.

If someone persists with a cost objection, walk them through their typical food intake for one day. In most cases, people are spending a significant amount of money on take-out food and coffee, especially if they are working outside of the home. Break it down according to the cost of each item consumed outside of the home. The average person will spend at least \$3.00 on coffees and \$7.00 on lunch, which totals \$50 + dollars per week. Explain to them that your program will help them to reduce these costs, eat healthier, feel better, and achieve their goals. In fact, they should be saving money by utilizing your services!

Action Challenge Five

1. Do your market research to find out who your competitors are, which services they provide, how long they have been in business, how much they charge, how many employees they have and how your products and services differ from theirs. You should be able to complete most of your research by visiting their websites and placing a few inquiry calls.
2. Establish how much you will charge for your services and how you will charge, i.e. hourly, weekly, or monthly. Establish which methods of payments you will accept and whether you will accept online payments. Research merchant accounts and submit applications, if applicable.
3. Create a food intake sheet to complete with clients during the initial consultation. This will often highlight how much clients are spending each day on non-essentials. You must be prepared to use this as leverage in the case of cost objections.