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10 Reasons to Charge More

Ironically, the greatest price resistance lies squarely between the ears of the company owner.

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It is not a secret that most plumbers underprice. Ironically, the greatest price resistance lies squarely between the ears of the company owner. Here are ten reasons why you should charge more.

1. You Probably Are Not Charging Enough

As noted above, most plumbers underprice. In fact, it is the most common business problem in the industry. Fortunately, it is the easiest to correct. Figure out what you

need to charge to earn a targeted net profit. Or, just charge more. Bump your prices and see what happens. More than likely, few will even notice.

2. Consumers Call You Because They Cannot Fix It Themselves

You get calls because people have plumbing problems they cannot solve on their own. They are willing to pay you to solve them, just as they are willing to pay their doctors so they can get prescriptions written and just as they are willing to pay their attorneys so they can get legal documents drawn up. People do not like paying for those services any more than they like paying for yours, but they pay because there is no acceptable alternative.

3. Consumers Unwilling to Pay Your Prices Are Not Your Customers

Some consumers will settle for a paralegal, rather than a licensed attorney. These are not the attorney's clients. Some will ask a pharmacist for over-the-counter medications, rather than see a physician. These are not the physician's patients. Some will find a low-priced handyman to make plumbing repairs. These are not your customers. Everyone is not your customer. Worry about the people who are and who are willing to pay for your services, not those too cheap.

4. You Can Pay Better

Charge more and you can pay better. Pay better and attract better people who will stay with you longer. Pay better benefits and you will increase attraction of your company to potential and current employees.

5. You Can Buy Better Stuff

Want a better jetter? Want a better sewer camera? Want better tools? Are there any tools that you think your business cannot afford? Your customers will pay for them, but only if you charge enough.

6. You Can Advertise More

When you charge more, you can afford to advertise more. When you advertise more, your brand becomes more familiar to people and feels safer, helping to justify your higher prices. People will pay a premium for peace of mind. Plus, with greater advertising, you will have more business.

7. You Can Deliver Better Service

Low price plumbers deliver low price service. They squeeze the service down to reduce costs in an attempt to remain profitable with low prices. This is the wrong way to do it. Figure out the service you would like to deliver and charge enough to be able to afford to deliver it.

8. You Can Look Better

Fully wrapped trucks, uniform services, company brochures, and professional brand strategies cost money. Charge more and you can afford to pay for them. Plus, consumers cannot evaluate your service until they consume it, so they use appearance as a proxy to anticipate the quality of work they will receive from you. Charge more and look better. Look better and you are worth more.

9. You Can Invest in Outside Training

It is not enough to train solely with internal people. Periodically, you should bring in some of the industry's top outside trainers. They will boost sales and morale, but they are expensive. Unless you charge enough, you might hesitate to make the investment.

You should also send people out for additional training. There are even schools that will help you rapidly accelerate the technical proficiency of an apprentice. Of course, these are expensive too.

Do not forget yourself. You should get training as well. Make sure you attend the Service World Expo and other industry shows. Charge enough to invest in yourself.

10. You Deserve More

You protect the health of the nation. You keep water flowing, showers hot, and toilets flushing. You are essential and indispensable. You work in a great profession and deserve a life of prosperity and abundance. Charge enough to enjoy it!

Anyone who charges enough should join the Service Roundtable. It's only \$50 a month and includes pricing calculators and other tools to help you charge what you need and get paid what you are worth. Join now at www.ServiceRoundtable.com.

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