

If a customer complains about your prices, it could mean you haven't shown enough value for the price you're asking.

BY MITCHE GRAF

Your time is *money*

YOUR PRICES SPEAK VOLUMES ABOUT THE VALUE OF YOUR PRODUCTS



If you establish your prices as the lowest in your market, your studio will probably never be associated with high quality and good service. When customers believe something about your business, changing their perceptions is an uphill battle.

Say you walk into a car dealership and see a new BMW selling for the price of a Yugo or a Ford Escort. Your first thought is *what's wrong with that car*. Conversely, if the dealer advertised a Taurus for the price of a new Mercedes Benz, there wouldn't be any takers.

Several years ago, I decided to sell my riding lawn mower. It had seen better days, but it still cut grass just fine. To avoid the hassle of haggling over the price, I advertised it in the local paper for \$50. A week went by without a single call. By the third week, I figured it out. Who would take the time to look at \$50 riding mower? I raised the price to \$200, and *Bam!* The calls came flooding in, and I soon sold it for the asking price.

People expect to pay more for good

quality and great service. Do you want them to think of your studio as an intimate little bistro where they'd readily pay \$100 for an excellent meal, or as a drive-through where \$2.95 will get them the works? Think about where you want to be positioned in the future. There's always plenty of business when you're priced at the bottom of the pile—if you are, it's *you* who's paying, and at a very high price!

Clients aren't paying us for the cost of our time or their portraits, they pay for the value of our time, the value of their portraits of what they bring to their life. We broadcast that value in every detail, from the images on the walls to our professional manner, and right down to the way we dress.

Referrals from clients who like you have tremendous value. Showing that your time is in great demand (even during seasonal slowdowns) also reaps rewards. The greater the demand, the more limited your time becomes, thus boosting its perceived value, which your pricing needs to reflect.

I'm not saying you need to raise your prices through the roof tomorrow. But do be acutely aware of your current position in the market, and define a course of action to get you where you want to be in the future. *Today*, start making the changes that will lead to success. ■

See Mitche Graf at Imaging USA 2006 in Austin, Texas during the pre-convention business programming. His session, a business model elective, is titled "Sure-fire Promotions for Professional Photographers."

Thursday, January 19, 7 p.m. to 10 p.m. For more information on PPA's conference and expo, call 800-786-6277 or visit www.imagingusa.org.

