

PERFECTING YOUR PRICING HANDBOOK



REVIEW, REFOCUS, RESET
READY TO BOSS UP CONFERENCE

aka ... Figuring out what to charge for your classes.

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WORKSHOP WORKSHEETS

Let's dive into the next part of our formula on much it costs to hold a class and what to charge our students.

PHYSICAL COSTS

This includes rent, utilities, and any physical location costs. This is more challenging to put into a table as instructors with a physical location will track this differently than instructors who rent occasional space.

If you have a physical location:

Monthly rent: _____ Average number of classes per month: _____

Divide monthly rent by number of classes to have a rent cost per class. _____

Annual utility cost: _____ Average number of classes per year: _____

Divide annual utility costs by number of classes to have a utility cost per class. This is done on an annual basis as utility costs fluctuate with the seasons and an annual average is easier to calculate.

If you rent occasional space:

Hourly rent: _____ Average number of class hours per month: _____

Multiply hourly rent by # of class hours per month and then divide by the number of classes per month to determine the average rental rate per class. _____

If you train on location only:

Average drive distance per class: _____ Average number of classes per month: _____

Multiply distance by 2 (round-trip) and then multiple by the number of classes per month. Next multiple that number by .56. This will give you your mileage reimbursement rate. _____

YOU NEED TO GET PAID TOO

How much to you pay yourself? Do you pay yourself per class or by the hour?

Write that amount down here: _____ class/hour

WHAT IS YOUR AVERAGE CLASS SIZE?

How many students do you have in each of your classes? Do you have a minimum? What is the average that you have?

If you are mobile – do you plan your charges per person or for a minimum number? I.e. I charge a base rate to travel to a class that includes the first 4 participants. So the charge is the same if there are 2 or 4 in the class. I then charge per person for each additional participant.

Whew! That was a lot of work! But knowing your numbers will help you to perfect your pricing so that all expenses are covered by each class.

LET'S START TO CREATE OUR FORMULA

What is your supply cost per student? This will vary depending upon the course.

	BLS	CPR AED	First Aid CPR AED	
<i>Individual Supplies</i>				
Adult lung				
Child lung				
Infant lung				
1 way valve				
Barrier sheet				
AED Training pads				
Gloves				
Square gauze				
Roller gauze				
Shipping or other expenses				
<i>Total</i>				

These totals are your total supply cost for each student for each class.

So now let's create a formula!

	<i>Quantity</i>	<i>Cost</i>	<i>Total</i>
<i>Instructor time</i>	Number of hours	Hourly wage	Quantity x wage
<i>Supplies</i>	Average or min # of students per class	Supply cost per student	Quantity x cost
<i>Book or ebook</i>	Average or min # of students per class	Book or ebook cost	Quantity x cost
<i>Card</i>	Average or min # of students per class	Card cost	Quantity x cost
<i>Travel/rent</i>		Travels or portion of rent	Quantity x cost
<i>Total</i>			Total of above items
<i>Total per student</i>			Divide the total by the number of students to get a rough per student cost.

This gives us a rough cost per student. You will use this formula for each class that you offer. But is not our final student course charge!

WHAT DO YOUR COLLEAGUES OR COMPETITORS CHARGE?

Write down what they charge:

SO, WHAT IS OUR FINAL FORMULA?

Hourly rate * number of hours per class = total rate

Individual supply cost * number of learners = total supply cost

Averaged supply cost * number of learners = total averaged supply cost

Book/ebook/course link cost * number of learners = total book/link cost

eCard/digital card cost * number of learners = total card cost

Travel/rent/utilities cost * number of learners = total travel/location cost

Add those up.

This is the cost per class. Round this number up to the nearest whole number.

Divide by the number of learners or your average class size number. This is your cost per student.

Feel free to adjust this to meet Market Value.

ARE THERE OTHER WAYS TO CALCULATE COURSE CHARGES?

Um, yes! This is not the only method. There are others. This is the method that I have created and used in my business for over 12 years.

No matter what method you use, you want to account for all of your expenses to provide a course. This includes supplies, course materials, shipping expenses, swag, travel, rent/utilities, tolls, postage, market value, and probably things I may have forgotten. You may want to include a re-investment fee or percentage for equipment upgrades and replacement.

Questions? Please let me know how I can help you to Perfect your Pricing.