

QUICK TIPS: TRAINING PRICING

01.

KNOW YOUR COSTS

Understanding your costs is crucial for setting a profitable price. This includes direct costs like instructional design, annual content maintenance, and LMS license fees, etc., as well as indirect costs such as marketing and administrative expenses. By having a clear picture of your total costs, you can ensure that your pricing covers all expenses.

02.

ADJUST FOR CONTENT TYPE & DELIVERY METHOD

Different types of content and delivery methods can have varying costs and perceived values. For example, in-person training might be more expensive to deliver than online courses and customized or advanced content may justify a higher price. Adjust your pricing to reflect these differences and ensure you are providing value to your customers.

03.

OFFER OPTIONS

Make it easy for customers to access your training by offering flexible pricing options. This could include tiered pricing, discounts for bulk purchases, or subscription models. By reducing financial barriers, you can attract a wider audience and increase your overall reach (and revenue!).

04.

DETERMINE MARGIN %

A target range for a profit margin is between 40-60%. Ensure your prices are high enough to meet this goal while remaining competitive and fair to both the customer and the company. Regularly review and adjust your margins based on market conditions and business objectives.

05.

INFORM USING DATA

Leverage data to support your pricing decisions and demonstrate the value of your training. This could include customer feedback, consumption or completion rates, and performance improvements. By presenting data-driven insights, you can justify your pricing to customers and stakeholders and make informed adjustments to your pricing strategy.