



# Raise your Rates

IN 5 MINUTES



## Why are we here?

In the next five minutes, I'd like to help you accomplish one thing:  
raising your rates by 10-15%.

You may be one of those rare business mavens who raises your rates like clockwork every nine to twelve months. Or you may be scratching your head, trying to remember the last time.

Regardless, I don't want to overwhelm you with too much information. This short cheatsheet has a narrow focus so that you can use it immediately to get results.

So why do people undersell themselves?

Since I first started consulting and selling creative services in 2009, I have worked with dozens of freelancers, creatives, and consultants. Some have raised their rates, attracted better clients, and built profitable businesses they love.

Others have gotten stuck in a chronic cycle of feast or famine. They live paycheck to paycheck. Over time their clients' boring projects, shoestring budgets, and unrealistic expectations replace their passion with complacency. The jaded veterans say, "That's just the way freelancing is."

What differentiates the former group from the latter? Why are some people able to thrive while others barely scrape by?

The creatives and consultants who earn what they're worth address these five areas:

**MIND-  
SET**

**METH-  
ODO-  
LOGY**

**MESS-  
AGING**

**MARK-  
ETING**

**MOTI-  
VATION**

We don't have time here to explore each area, so let's quickly go through three Mindset secrets before we get to your action steps.

## SECRET 1

### **Someone who does lower quality work than you is currently charging more than you.**

We creatives often have a blind spot when it comes to business and why people make the purchasing decisions they do. We believe that clients pay for quality.

We set competitive rates that lean to the low side, and reassure ourselves: "Surely, people will be able to see that I'm good at what I do. And if they hire me at \$50 an hour instead of someone else at \$100 an hour, they'll get twice work as much for the same price."

It's hard for us to understand why somebody would pay more for something when there's no appreciable difference in quality. Maybe the quality even is worse!

What we miss is that competitors who charge more aren't selling based in price. They are selling sizzle, flash, swagger. Except on rare occasions, they're charging more for the packaging, not necessarily a superior product, process, or platform.

I have quadrupled my rates and have successfully grown my business year over year, yet I've watched people with more experience and more expertise flounder.

Sure, skill matters. And the quality of the “hard” product matters. But they account for maybe 10% of what the client is buying. 90% of the project’s worth (or lack thereof) comes with the experience, the packaging, the swagger.

It’s true: the only thing standing between you and making more money is a little swagger.

Now, I can already hear some of your objections:

*“Yeah, swagger is well and good for people with natural sales ability, but that won’t work for me. I’m not good at sales.”*

“I’d love to sell swagger. But my clients can barely afford a Hyundai, let alone a Porsche.”

“Swagger is nice for creative shops in larger markets, but in the small city where I live, the client pool is limited. I have to take what I can get.”

That brings us to..

## SECRET 2

### **Each time I raise my rates, I attract better clients.**

Pricing is branding. Some people prefer to buy a premium product.

If you charge a premium, people will believe you’re really good. Low rates broadcast a different message altogether:

*“He’s inexpensive, so he must not be that good.”*

“He must lack experience.”

“He must not have much confidence.”

Are you scared to raise your rates? Or are you afraid that you’ll chase your clients away? Maybe you think you’re not worth it, and you believe that you must gain more experience or put in a certain number of hours before you can justify charging more.

If you remember nothing else, remember this: you probably won’t get better clients until you raise your rates.

I heard a business consultant say once that we always get paid what we’re worth. If your prices are low, then perhaps you need to reevaluate your beliefs about yourself, your work, and the value you bring to the table—that is, what you’re saying about yourself and your work with your prices.

If you don’t prove your worth to your clients and draw a line in the sand with higher rates, why would they voluntarily pay you more? Clients don’t generally throw money at you unless you ask politely first.

Respect for your work and worth must start with you.

A certain skillset might have gotten you into business. But master the 5 M’s above, and you can confidently charge double, triple, or ten times what you do while keeping your clients happy.

## SECRET 3

### I have never actually lost a client after raising my rates.

Why? Because as I mentioned above, my clients aren't just paying for a service or product: they're paying for an experience.

My clients stay because I give them no reason to leave and because that experience isn't something they can simply go find elsewhere. What's a little extra money here and there if I'm helping them solve their problems and meet their goals?

You probably won't lose a client after raising your rates, but even if you do, think about the upside. Let's say that your current rate is \$50 an hour. You raise your rates to \$65 an hour, and one client leaves soon after.

A fourth of your billable hours go with her. You would have billed 100 hours next month, but now you'll only bill 80, assuming that you can't find a new client right away. Where does that leave you? Check out the math:

$$100 \text{ hours} \times \$50/\text{hour} = \$5000$$

$$80 \text{ hours} \times \$65/\text{hour} = \$5200$$

Even if you inadvertently fire the bottom 20% of your clients by raising your rates, you'll be better off. In fact, you could resell your newly freed-up "inventory" of availability to existing clients, or better yet, spend those hours working on your business instead of in it.

But enough Mindset and strategy for now. I've got an email template that you can use to raise your rates today. A lot of people don't raise their rates for very simple reasons: They forget. Or they don't know how. Or they're not sure how to frame the conversation.

Use this step-by-step process to follow through with raising your rates today.

**1. Think it over.** When was the last time you raised your rates? Have you ever raised your rates? Go back and look at some old invoices if you must. (Just don't get sidetracked.) Write down an approximate date when you've got one.

**2. Write down your current rate.**

**3. Write down what you want your new rate to be**--most likely a 10-15% increase.

**4. Think of several newsworthy things that have happened in your business.** For example, maybe you rebooted your blog, redesigned your website, or bought some new camera equipment.

**5. Write down a few more details about the news or the benefit to the client.** For example, more camera equipment might mean you've added new offerings or capabilities.

**6. Make a list of your current clients.**

**7. Do a quick Google source and find something helpful for each one:** for example, a new blog post, a nifty product or service, or a recent white paper or report relevant to that client's industry.

**8. Plug your specific details in to the template below which follows this simple format:** a) greeting, b) small piece of news, c) price change, d) brief explanation of price change, e) invitation to discuss, f) resource, and g) closing.

- a) **Greeting** ————— • Hi [Client's first name],
- b) **News** ————— • I think I've already told you about rebranding my consultancy: Bright Newt is now Wunderbar. I sold the Bright Newt brand name and website, along with my mobile app portfolio, back in April.
- More details/ benefits** ————— • My new logo will be ready in two weeks, and I'm excited about some other new pieces of the brand on the horizon.
- c) **Price change** ————— • I want to alert you to another change that affects [name of client's company]: I'm raising my hourly rate by 10% from \$150 to \$165.
- d) **Brief explanation** ————— • Not a significant difference I know, but when I went back and looked at my invoicing records, I realized that I haven't raised my rates in 2.5 years. It was time!
- e) **Invitation** ————— • Let me know if you have any questions or concerns. I'm happy to get on the phone and discuss this week.
- f) **Resource** ————— • Also, I wanted share something helpful I found. When you have a moment, check out this [valuable resource].

Sincerely,  
Your Name

You've probably already realized that you'll need to keep working on your business before you see a full transformation. Raising your rates is only the beginning. The bigger goal is building a profitable business that you love and using it to fund your desired lifestyle.



So the next step is working through the

## Earn What You're Worth Guide.

[CLICK HERE TO GET STARTED](#)

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