HILO VIVO
CONSULTING



WORKBOOK

Pricing Guide for Small Businesses

The Art of Charging Well (Without Feeling Bad)

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Introduction

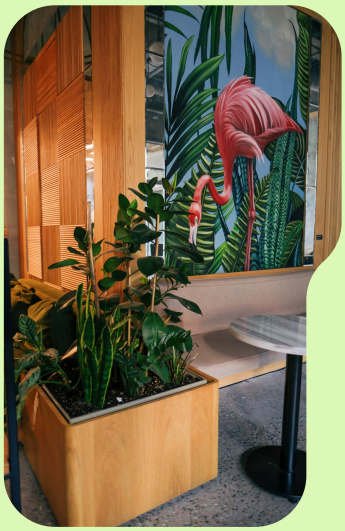
The starting point for setting prices with purpose



Putting a price on what we do is one of the biggest fears entrepreneurs have.

What if it's too expensive?
What if nobody buys from me?
What if I miss out on opportunities by charging too little?

In this guide, we help you find the sweet spot that lets you make a living from your business, attract the right customers, and grow with confidence.



Understand your costs

Your numbers come before your prices

Before you think about profit, you need to be clear on the real costs of what you offer.
Think in three layers:

Direct costs: materials, ingredients, specific tools.

Indirect costs: rent, electricity, transportation, marketing, your computer or phone.

Your time: how many hours does it take you to deliver that product or service? How much is one hour of your time worth?

Perceived value changes everything

What your customer sees, feels, and believes... changes the price

Price doesn't depend only on what it costs to make something, but on what it means to the customer.

You don't sell flowers. You sell emotions.
You don't sell consulting. You sell clarity and confidence.

The better you communicate that value, the more willing your customer will be to pay.
And you convey that value through:
Your presentation (brand, social media, photos)
Your story (why do you do what you do?)
Your personal touch, professionalism, or exclusivity



Methods for setting prices

There's no single path: find yours

There are several possible paths. Here's a summary of the most common ones:

- **Cost-plus pricing:** you add up all your costs and add a profit percentage (for example, 30%).
- **Market-based pricing:** you compare yourself with your direct competitors.
- **Value-based pricing:** if you solve an important problem, you can charge more, even if your costs are low.

You can also use techniques like:

- **Psychological pricing:** €9.90 sounds like less than €10.
- **Bundles:** you group several products or services together and give them a special value.
- **Tiered pricing:** a basic version, a mid-level one, and a premium one.



Price elasticity

How your customers react to a price change

Not all products or services react the same way to a price change. Price elasticity is a tool that helps you predict what will happen if you raise or lower your price:

If your price goes up 10%... do your sales drop by more than 10%? → Elastic product.
If your sales barely change... → Inelastic product.

Examples:
A flower for a last-minute gift: not very elastic (people buy it anyway).
A service competing on price in a marketplace: very elastic (a small difference can cost you sales).

Why does it matter?

Because if your product isn't very elastic, you can raise prices with less risk. And if it's very elastic, you need to be very careful about how you justify that price (value, urgency, exclusivity...).

Tip: try small changes and watch how your customers react. Not everything comes down to gut feeling: you can measure it!



Common pricing mistakes

Getting your prices wrong can cost you

If you undercharge, you can end up exhausted, with no energy left to improve.

If you charge well, you can reinvest, delegate, improve your product... and enjoy it more.

Copying other people's prices without knowing their numbers

It seems easy to look at what your competitors charge and match it... but you don't know whether they're making money, whether they have other income, or whether they're just getting by. Your numbers are unique. Your prices should be too.

Lowering your prices "just in case"

The fear of not selling can push you to lower your prices before you've even tried. But if you don't value yourself from the start, it'll be harder to raise prices later... and harder for others to see your value.

Not charging for your time, or thinking "that doesn't count"

Your time is one of your most valuable resources. If you give it away, you're making your business unsustainable, even if your materials are covered.

Changing prices with no strategy or notice

Changing prices every week breeds distrust. Customers need clarity. Change is fine, but it has to make sense, be consistent... and be communicated.

Never raising prices, even when your costs go up

Everything goes up: materials, transportation, rent, your experience. If your prices stay the same year after year, your profitability quietly shrinks.

Real-life cases

Putting what you've learned into practice: from fear to confidence

Example 1: Florist

She charges €25 for a centerpiece.
Flower costs: €10.
Time: 1 hour.
What about the design? The travel?
What about the value of that gift at an important event?

→ She raised it to €35, explained the value on her website and didn't lose a single client.



Example 2: Freelance designer

He offered logos for €50, but spent 10 hours on meetings, sketches, and revisions.
Once he understood the value he created for the client's brand, he started offering packages from €250.

→ Fewer clients, but more income, and above all: more motivation and respect for his time.



Your ideal customer and your ideal price

**You're not selling to everyone.
And that's not just normal:
it's necessary.**



In the Value Proposition guide, you learned how to define what you offer, who it's for, and why it's special. Well, your price is a key part of that proposition.

A low price can contradict your message. A consistent price reinforces it and attracts the kind of customer who truly values what you do.

What kind of customer do you want?
If you sell something made with care, attention, design, or impact...
do you really want to compete with people who do it fast and cheap?
Your price is a filter: it attracts or repels, depending on what you communicate.

Remember:
Your ideal price isn't the lowest one.
It's the one that resonates with your ideal customer.
And the one that supports the business model you want to build (as we saw in the Business Plan guide).

Loyalty rewards, bundles, and discounts without losing value

Offer more without selling yourself short

It's not about giving your work away; it's about creating offers that make sense.

- Bundles can add more value without lowering the individual price.
- Loyalty rewards thank customers for sticking with you.
- Strategic discounts should be temporary, clear, and communicated with purpose.

Avoid:

❌ Never-ending promotions
❌ Discounts with no end date
❌ Lowering prices without saying why



Conclusion

Your price tells your story, too

Your price isn't just a number. It's a **message**. It says something about you, your brand, and what you want to build.

If you don't charge what your work is worth, it's hard for others to value it. And if you don't allow yourself to grow, improve, or rest, your business won't be sustainable.

Charging well isn't selfish. It's responsible.



Checklist to review your current pricing

Is your price aligned with your business?

- [ ] Am I clear on all my costs (direct and indirect)?
- [ ] Do I know how much time I spend producing or delivering this product or service?
- [ ] Am I charging for my time or for the value I provide?
- [ ] Do I know my direct competitors' prices?
- [ ] Have I asked my customers what they value most about what I offer?
- [ ] Do I feel my price reflects the real value of what I deliver?
- [ ] Am I attracting the kind of customer I want?
- [ ] Do I have enough margin to run promotions without losing money?
- [ ] Do I know how much I'd need to sell each month to cover all my costs and make a profit?
- [ ] Does my price let me grow and reinvest in my business?



Congratulations on making it this far!

Taking the time to review your prices with intention isn't always easy: it takes courage, honesty, and a lot of clarity.
It means looking squarely at what you're worth, at what you give... and at what you need for your business to be sustainable.
By going through this process, you've done much more than calculate a number:
You've learned to put a value on your work,
to understand your customer better,
and to make decisions that bring you closer to the kind of business (and life) you want to build.
Charging well isn't a selfish act.
It's a way to take care of your energy, your time... and your impact.
Congratulations on asking yourself the hard questions
and on making it all the way to the end.
This is just the beginning of a more mindful, more solid, and more aligned journey.
See you at the next step.

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