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GROW FASTER!**



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The Ultimate Small Business Community

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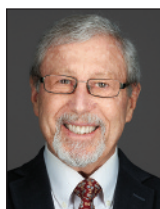
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**Small Business
Resource Association**



THE SBRA COMMUNITY

THE PRICE IS RIGHT — OR IS IT?



By Gary Seibert, CEO,
Small Business Resource Association

Have you ever asked yourself, if my prices were a little higher, could I make a little more money? Or, if my prices were a little lower, would I get more customers? However, if my prices were a little higher, I may no longer be competitive and if they are lower, I might be looked at as being cheap or not of value. We all have these thoughts from time to time and they are good thoughts to have. Careful consideration should be given to your pricing structure, what you charge for your products and services, as it could make or break your success.

A good example of the importance of pricing structure relates to a restaurant that opened several years ago in our community. The restaurant was part of a successful chain of units that operated in another state. They opened with the same menu offerings and price structure as in their other locations. The owners spent a tremendous amount of money fitting out the facility and creating a really unique atmosphere. Opening week was a tremendous success as hundreds of people lined up to get a taste of the new restaurant in town. Several months later there were no more lines, reservations were not needed and the revenue they generated no longer supported their investment. Worse yet, their reputation grew as being over-priced with a menu that did not cater to the local palate. What was a super successful business model in one market was a bust in another. They did not do their research to determine what menu items the locals desired and what price point would drive repeat business. Their product was excellent but just not right for this market.

Here is a 6-step plan that should help you as you take a deep dive into your pricing strategy. Whether you are a new business or you have been around for years, it is always wise to review from time-to-time what you are selling and at what price. It does make a difference.

6 STEP PLAN

- 1. Evaluate Your Cost — it really is important to know exactly what each product you sell costs.**
 - a. Materials, labor, packaging, marketing, overhead
- 2. Determine Desired Profit — is your net revenue sufficient after covering your expenses?**
 - a. Wholesale—selling to a dealer, not the end user—lower margins but higher volume
 - b. Retail—selling to the end user—higher margins but lower volume
- 3. Understanding Your Customers — what you are selling and who you are selling it to?**
 - a. Demographics—age group, financial status, distance from your store, quantity
 - b. Need/want of product—is there true demand or is this your product an impulse item?
 - c. Acceptance—do your customers understand your product and like it?
- 4. Know Your Competition — They know who you are, do you know who they are?**
 - a. Do they sell similar products or services?
 - b. Is their quality less, equal to or greater than yours?
 - c. What type of service to they provide to their customers?
 - d. What are their price points?
 - e. What is their reputation?
 - f. Where are they located?
 - g. How long have they been in business?
- 5. Choose a Pricing Strategy**
 - a. Will you launch a new product with a special offer?
 - b. Will you offer discounts?
 - c. Do you offer volume discounts?
 - d. Do you have a loss leader to get customers in the door?
 - e. Will you have off season discounts for specific products or services?
 - f. Will you have advertised discount coupons?
 - g. Will you offer regular specials like ½ price coffee before 7am, or a BOGO?
- 6. Monitor your costs and adjust your pricing when absolutely necessary**
 - a. Be careful not to change your prices too often. Customers do not like change.
 - b. Try to set price so that changes only happen once a year and at the same time.
 - c. It is ok to let your customers know in advance that you are making a pricing adjustment but make sure it's based on a well thought out plan.



Remember, too low of a price may lead customers to believe your product or service is cheap and has no value. Too high of a price may price you out of the market unless everything you sell is high quality and your brand and reputation justifies it. Pick your target customer and build your products and services around them and price accordingly. If the PRICE IS RIGHT—YOU WIN.

SBRA Business Spotlight

French Creek Aesthetics

An effective skin care routine can help prevent acne, treat wrinkles and help keeping the skin looking at its best. At French Creek Aesthetics (FCA) the main focus is on the individuals' specific skin care needs. FCA provides unique and individually tailored skin and medi-spa services. They also emphasize the importance of having an adequate in-home skin care regimen. The professional staff at FCA is comprised of a physician, a physician assistant and two aestheticians. Gary Herring, MD and Lisa Taxin Porter, PA have extensive experience with injectables. Xeomin is used for wrinkle reduction and fillers include Versa, Belotero and Revasse. These injectables have no downtime and improve the look of moderate to severe frown lines, facial wrinkles and folds. Kelley Profeto, Anita Vasko are skilled and experienced aestheticians offering therapeutic facials, chemical feels and more. Take some time to treat yourself, you deserve it!



Located at 45 S. Pine St.
Elverson, PA 19520

Phone: 610-901-3915

www.frenchcreekaesthetics.com

JUST HOW SECURE IS YOUR HOME OR BUSINESS?



By Jim Long, Security Service Company, SBRA Member

According to the US Dept. of Justice, there has been an average of 2.5 million burglaries a year over the past 10 years and the National Fire Prevention Association estimates a home, industry or forest fire starts every 23 seconds. Both fire and intrusion cost businesses and individuals, multiple of millions of dollars in damage as well as the countless loss of life. What are you doing to protect your home or business?

Security Service Company, home based in Fleetwood Pa., has been providing security, monitoring, alarm and reporting services since 1973. Back in the old days, based on merely a handshake, the owners of the company focused primarily on home security and fire alert systems. Fortunately, some of those customers either worked in local businesses or owned one, and gradually, the commercial end of the business started to grow. During that time all installations were hardwired and an installation was much more time-consuming and costly. However, as technology improved wireless systems replaced the old technology and enabling faster and easier installations and many newer and better features that gave the user a much better end product. The transition to wireless and other powerful technologies, industry-wide, has made security much more powerful and effective. Question—How old is your system?

Today, the use of digital communication allows security systems to do so much more than before. Because of this, the demand for commercial fire alarm systems, intrusion



alarms, access control and video cameras have grown dramatically and, in many situations, have become a necessity for liability and insurability requirements.

Many security companies outsource their Monitoring Station to another source including critical inbound and outbound communications. Security Service Company invested in building their own Monitoring Station which allows them to have a much closer and personal relationship with their clients and its office and personnel are Five Diamond Certified by the Security Monitoring Association.

It is extremely important to review your home and business security at least once a year to make sure that what you have purchased is performing 100%. Low or dead batteries, bad connections, broken cameras and other impairments may put you, your family and employees at risk. You have your HVAC system inspected once or twice a year, when was the last time you had your security system checked?

Security Service Company is a locally owned and operated family business. Call SSC anytime 24/7/365 at 800-232-2500 or visit: www.SSCsince73.com



SBRA Monthly Member Shout Out

Members Helping Each Other Grow



Berkshireinvestmentgroup.com



Dumpsterdudez.com



BlueInkNotaryPA.com



Solve-it-sol.com



Studio413.net



Giantroboprinting.com

SBRA EVENTS - BE BETTER. GROW FASTER.

TUNE-UP Tuesdays

information. sharing. motivating.



Free to the public. Get more details and register at <https://www.sbrassociation.com/#EVENTS>

- Tuesday, March 1st – 9:30-10:30 a.m. SBRA Workshop

Virtually on Zoom, presented by Tyler Parmer of Primerica

- Tuesday, March 15th - 9:30-10:30 a.m. SBRA Workshop

“Changes in Customer Expectation: How to Draw New Business in a Post COVID World” virtually on Zoom, presented by Lauren Ziegler of Speedpro Innovations

120 MINGLE NETWORKING

- Wednesday, March 2nd – SCPA Chapter Mingle at the Hive in Elizabethtown.
- Wednesday, March 30th – B2 Bistro in West Reading

Register: <https://www.sbrassociation.com/#EVENTS>

- Learn How the SBRA Can Help Your Business Grow – Membership Benefits Update via Zoom: Wednesday, March 30th, 9:00-9:30 a.m.

Register: <https://www.sbrassociation.com/#EVENTS>



NEW SBRA MEMBERS

- El Maestro For All Seasons, LLC
- Beat Back Alzheimer's
- Blue Ink Notary
- Optimist CDL Coaching
- Irresistible Teams