



zebulon
Grow Your Zest For Life

The Good, Bad, and Ugly of Outfitter Pricing



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Zebulon Booth





Stage 1 – Pricing Strategies

- ▶ High level – Four Good, Bad, Ugly Strategies
- ▶ Learn the pricing trap many outfitter fall into & recognize warning signs before falling in too

Stage 2 – Put The Good To Work

- ▶ Charge more – Customers love it
- ▶ Add thousands to your bottom line for little to no effort ***Work Smarter, Play Harder, and Make More Money***

Stay engaged



To stay engaged...



- ▶ Take notes.
- ▶ Speak up when asked.
- ▶ Stay with me to the end – Traditional ‘Groover Gab’ style discussion.



Stage 1 - Let's jump into it

Good, Bad, & Ugly Pricing Strategies

4 Pricing Strategies



Competitive

Cost Plus

Needs Based

Value



- ▶ Most adopted
- ▶ Price relative to others
- ▶ Easy – Not much work
- ▶ It's human nature

Good, Bad, or Ugly?

Ugly – Neglects biz basics

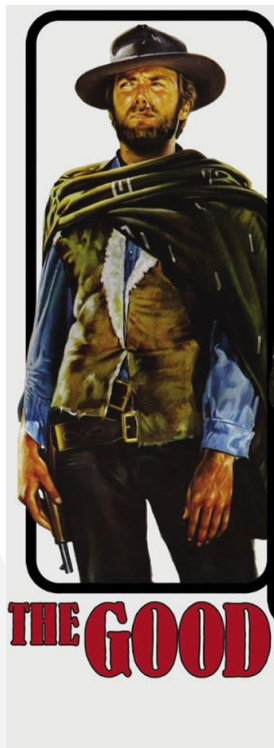
Bad – Stagnant pricing



- ▶ Widely adopted
- ▶ Been around & familiar
- ▶ Moderate work
- ▶ Direct & variable costs

Good, Bad, or Ugly?

- ▶ Incomplete
- ▶ Dated



- ▶ Beyond profit and loss
- ▶ Built around the employee, owner, and biz needs
- ▶ Sets a target_\$\$ amount – Not a % of income

Good, Bad, or Ugly?

- ▶ Zebulon original





- ▶ Based on customer's *perceived value*
- ▶ Learn what they want at their core:
Hardest to adopt
- ▶ Goes against human nature
- ▶ Generates BIG \$\$\$
- ▶ Happier customers & employees

“We must stop thinking like outfitters and start thinking like our customers” - Zeb

Stage 2 – Pricing Your Experiences

Put needs and value-based pricing to work

Kick the **bad & ugly habits**



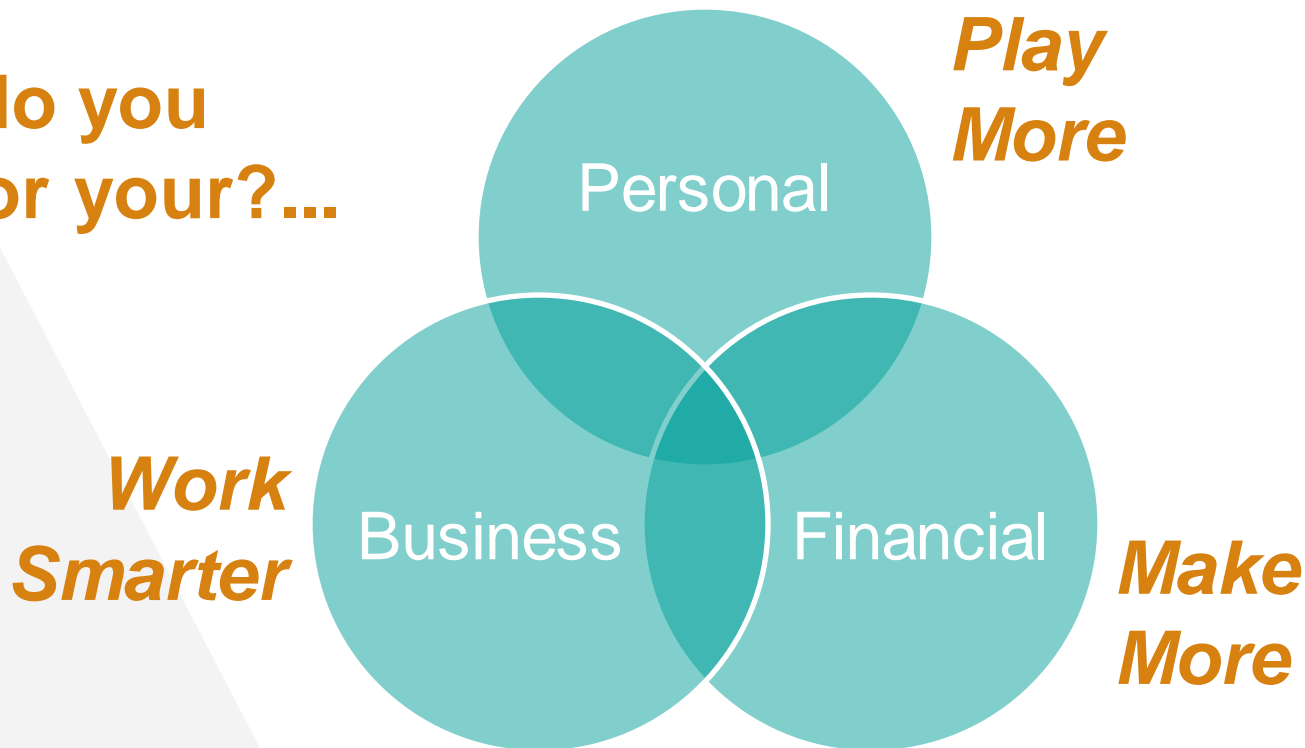
Our industry is blind to the problem and willfully addicted to Competitive and Cost-Plus Pricing.

Like any bad habit, you must be made aware of the problem before you can kick it.





**What do you
want for your?...**

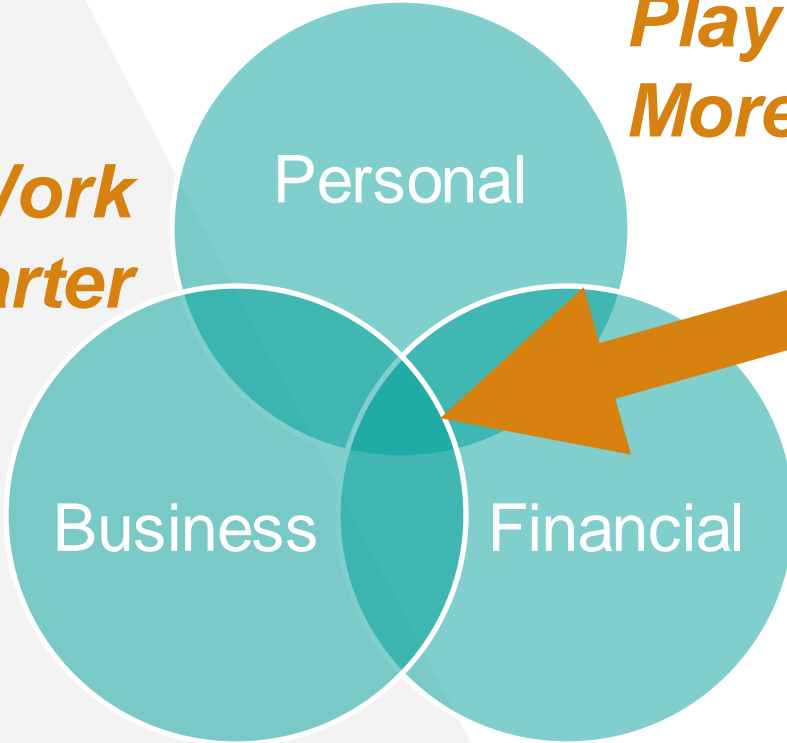


Needs Based Pricing



Work Smarter

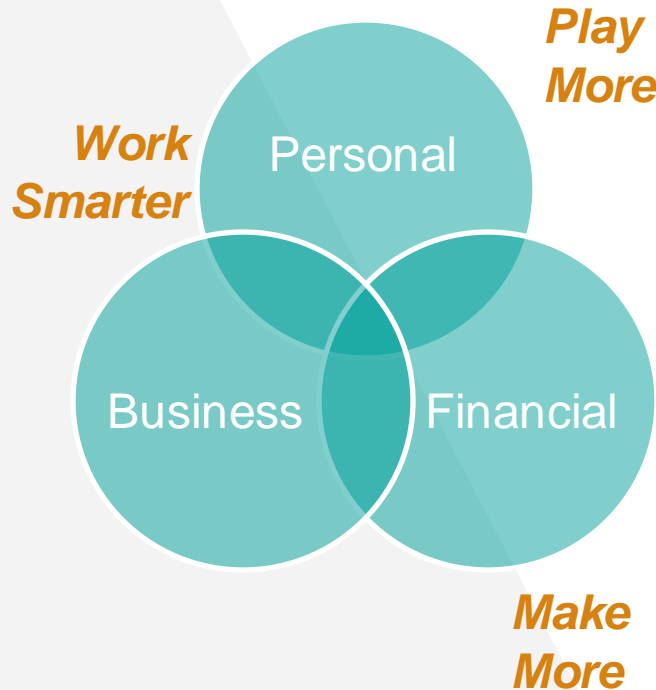
Play More



Make More



Needs Based Pricing



	<u>Current</u>	<u>Needed</u>
Revenue	1,354,211	1,625,000
Employee Wages	744,816	850,000
Non-Wage Expenses	453,257	500,000
Owner Pay	100,000	175,000
Net Profit	56,138	100,000
# Customers	13,000	13,000
\$ Avg Customer Spend	104	125
# Customers - 10% Drop	13,000	11,700
\$ Avg Customer Spend	104	139



- ▶ **Pros:**
 - ▶ Address inflation-recession concerns
 - ▶ Pay guides, employees, and yourself more
 - ▶ You have purpose behind your prices
- ▶ **Cons:**
 - ▶ No wiggle room for loss
 - ▶ You're leaving money on the table



“You must stop thinking like outfitters and start thinking like your customers”

- Zeb

“Just because you wouldn’t pay the big bucks to go on your experience, doesn’t mean your customers wont ”

- Zeb

Value Based Pricing



- ▶ Customer centric strategy
- ▶ Know your Target Audience
- ▶ Know your Ideal Customer Profile
 - ▶ Drivers, questions, and outcomes
- ▶ Share with everyone in your business
 - ▶ Teach everyone on your team
 - ▶ Gain efficiencies – Save money
 - ▶ Happy, happy, happy!

Value Based Pricing



Marathons "Cool"
Disney Junkie
Adventure
Memorable Teenagers
Family Midwest four
of Golf Safe Fun Guarantee
Returning National Active
Vacations Devices
Pay-More Hunt
Cautious

Value Based Pricing



Find a Personal Trainer / Kansas City / Stephanie Peterson



Well House



	Per Person	Family
Low	139	556
Upper	250	1,000
1.3x	325	1,300

Value Based Pricing



	<u>Current</u>	<u>Needed</u>	<u>ICP 80%</u>	<u>ICP 100%</u>
Revenue	1,354,211	1,625,000	1,705,600	2,132,000
Employee Wages	744,816	850,000	850,000	850,000
Non-Wage Expenses	453,257	500,000	500,000	500,000
Owner Pay	100,000	175,000	175,000	175,000
Net Profit	56,138	100,000	180,600	607,000
# Customers	13,000	11,700	10,400	13,000
% Drop		10%	20%	0%
\$ Avg Customer Spend	104	139	164	164

Value Based Pricing



	<u>Current</u>	<u>Needed</u>	<u>ICP Min</u>	<u>ICP 100%</u>
Revenue	1,354,211	1,625,000	1,625,000	3,168,750
Employee Wages	744,816	850,000	850,000	850,000
Non-Wage Expenses	453,257	500,000	500,000	500,000
Owner Pay	100,000	175,000	175,000	175,000
Net Profit	56,138	100,000	100,000	1,643,750
# Customers	13,000	11,700	5,000	9,750
% Drop		10%	62%	25%
\$ Avg Customer Spend	104	139	325	325

Value Based Pricing



	2019	2020	2021	2022	
# Pax	10,656	10,602	14,718	10,500	<- Same volume
Revenue	827,393	792,914	1,233,961	1,036,629	<- \$200k more
Avg Spend	78	75	84	99	<- 33% higer!

Sold 1/2 biz

	2017	2018	2019	2020	2021	2022
Revenue	1,541,114	1,240,112	926,079	853,493	1,318,416	1,107,627
# Pax	17,177	12,858	9,321	8,191	11,595	8,770
	90	96	99	104	114	126

5.0 ★★★★★

# Rafts	Row Labels	Count of Paying Clients	\$ Per PAX
	1	112	
	1	1	\$ 442
	2	19	\$ 221
	3	19	\$ 147
	4	36	\$ 111





- ▶ Yeah, but...
 - ▶ What about my guides' tips?
 - ▶ I'll lose customers to my competition.

“Riches are in the Niches”





- ▶ Common questions...
 - ▶ Does everyone have to pay the same rate?
 - ▶ I don't do this for the money... Why should I charge higher than my needs?

Value Based Pricing

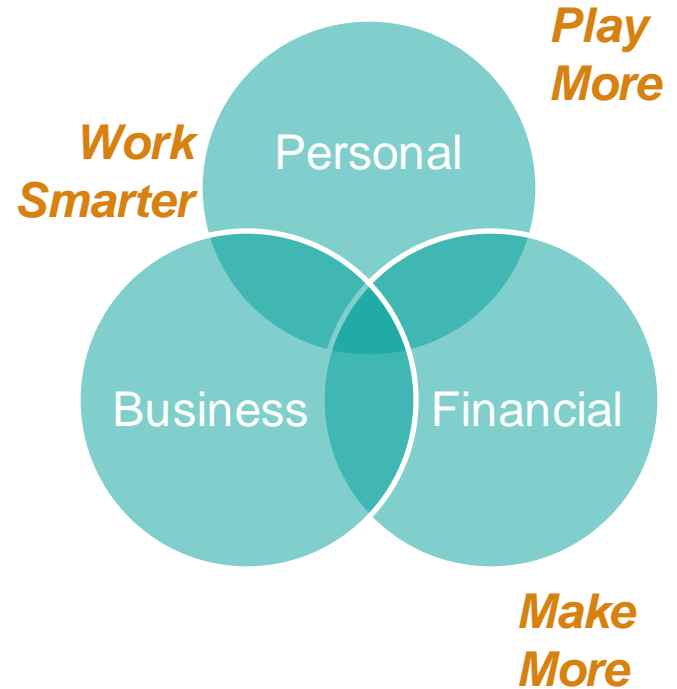


“You must stop thinking like outfitters and start thinking like your customers”

Take-aways



1. Ditch competitive & cost-plus pricing
2. Start with the end in mind – Your needs
3. Get to know your Target Audience
4. Sell, get outside, and have fun!



THANKS!

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Join the FB Group:





- ▶ Stop thinking like outfitters...
 - ▶ Customers value you differently.
 - ▶ Niche: The smaller the better.
 - ▶ Today's customers don't know what yesterday's customer paid.
 - ▶ Key: unique differentiator, referrals, SEO, search rankings, website, reviews.