2020 IEC Pricing Survey Results

Table of Contents

Here is a look at what we will cover in the pages ahead. Each section can be consumed independently, so feel free to skip ahead to what matters most to you.

Introduction

Establishing an effective pricing model is one of the most important tasks that an independent college consultant will face. With countless questions and few resources to turn to, consultants oftentimes struggle with pricing as they get their businesses off the ground.

CollegePlannerPro is dedicated to providing business tools and resources for independent consultants at every stage of their business. To help shed light on the topic of pricing strategy and logistics, we compiled a survey for those IECs who were interested in providing anonymous insights into their pricing model and policies. With over 300 responses, you'll get a unique look at rich historical data surrounding how much independent college consultants charged clients, how they structured their services, how they collected payment for services, and how these trends changed from year to year.

The information contained in this survey is presented for informational and historical purposes only and is not meant to encourage readers to set prices in restraint of trade or in violation of any laws.

Survey Participants

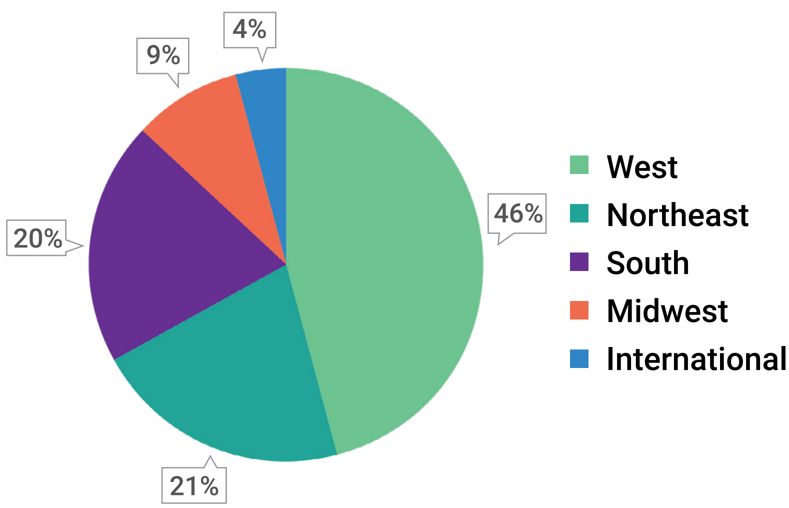
We will first take a closer look at the demographics of the survey participants

Demographics of Survey Participants

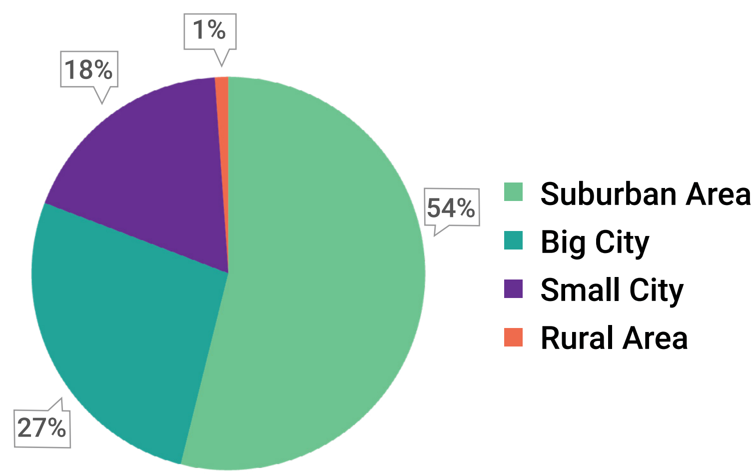
This survey was promoted to, but not limited to, CollegePlannerPro members. We had over 300 individual responses to the survey. Each survey participant self-identified as an IEC; however, the size, location, and logistics of each practice varied. This information should be used to help contextualize the survey data. We will start by presenting the demographic breakdown of the participants on the whole. We will also break down additional data points into specific demographic subsets where we found it valuable.

We asked participants for the region, region type, and the general location of their students. As you can see in the graphs below, responses covered all regions and region types; however, **the majority of responses came from practices located in suburban areas, in the western region, and those serving students within close proximity.**

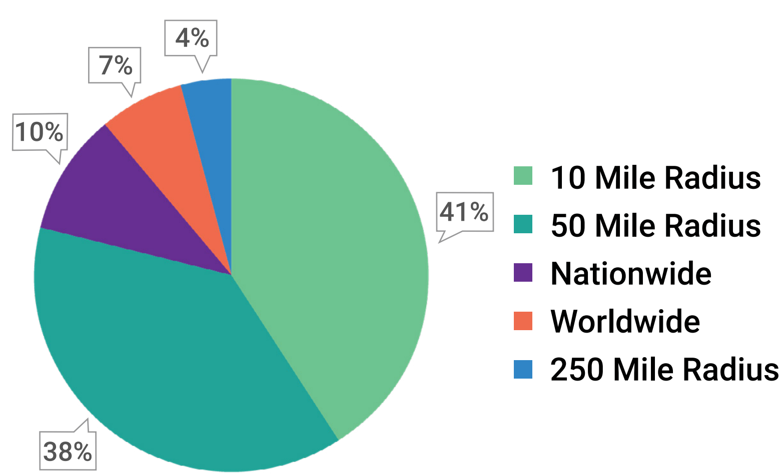
REGION



REGION TYPE

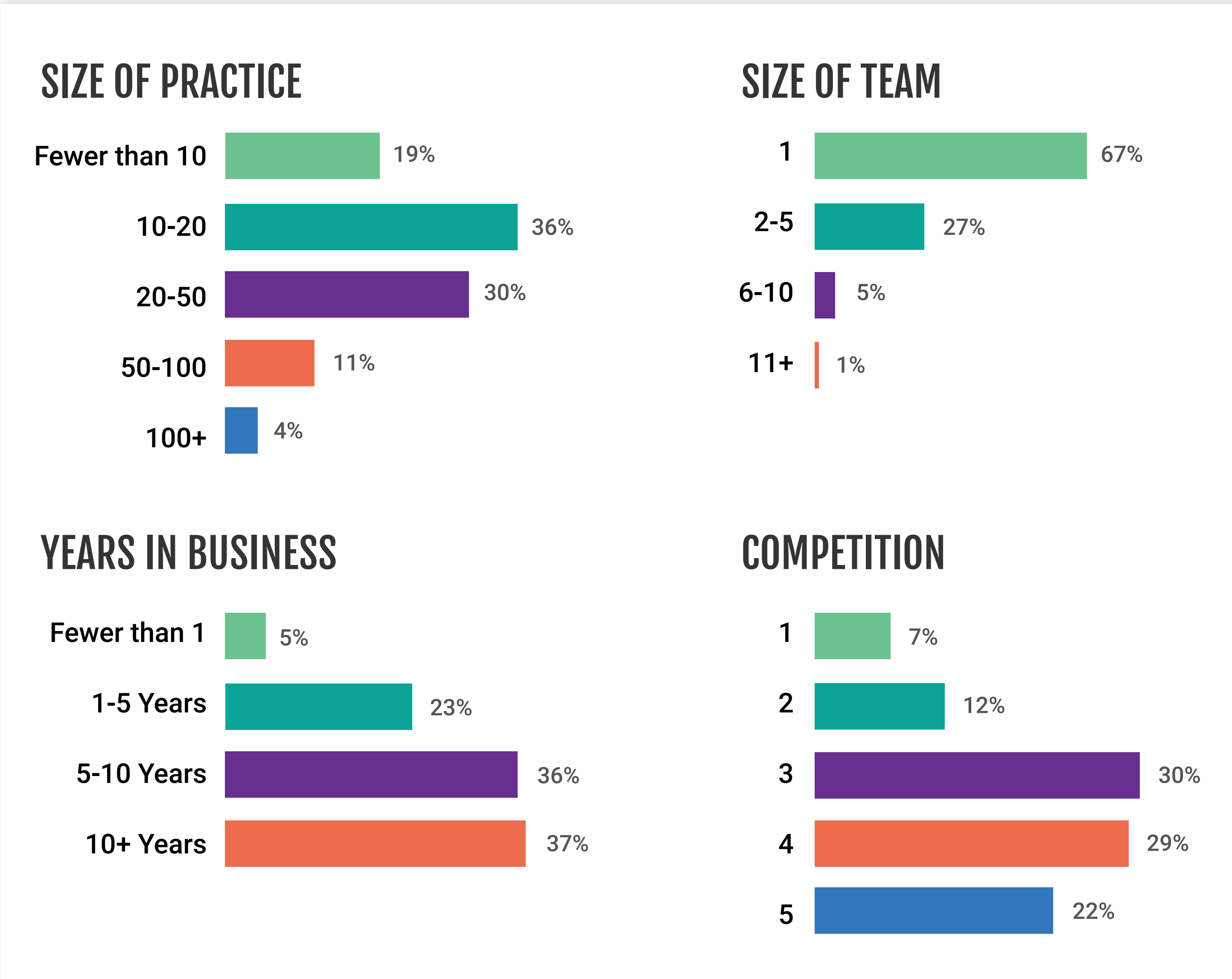


SERVICE AREA



In addition to location and service area, we asked about the number of students per year, the number of consultants on the team, and the number of years the practice has been in business. **We saw a majority of responses from single-person practices, working with 10-20 students per year, with a fairly even distribution of experience.**

Finally, we asked survey participants to rate the presence of direct competition on a scale from 1 (no competition) to 5 (saturated market). Responses visualized below.

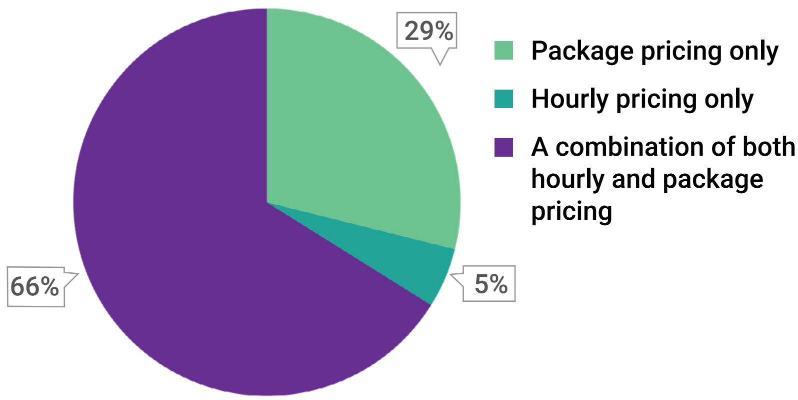


WHAT CHANGED?

The demographics of this year's survey participants remained largely unchanged compared to last year's group. The small changes we did see include a slight increase in the overall size of the practice and the experience reported by the participants.

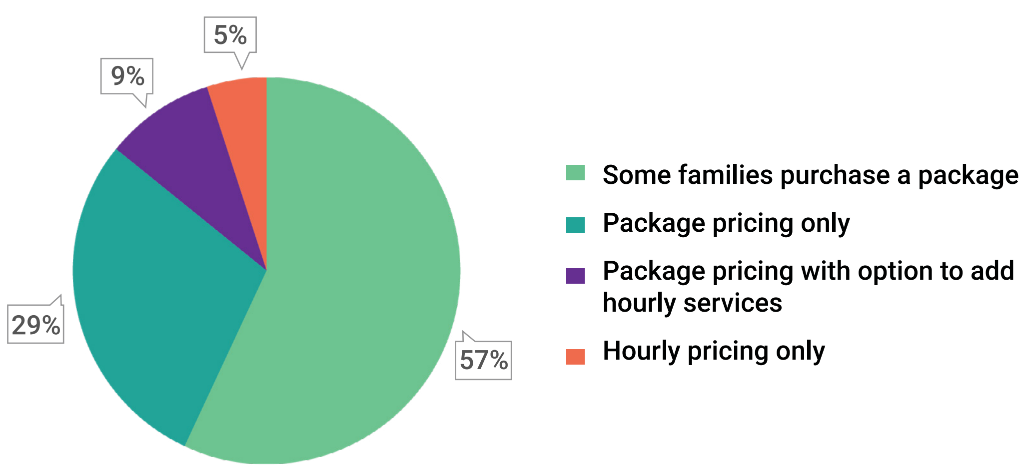
Pricing Options Breakdown

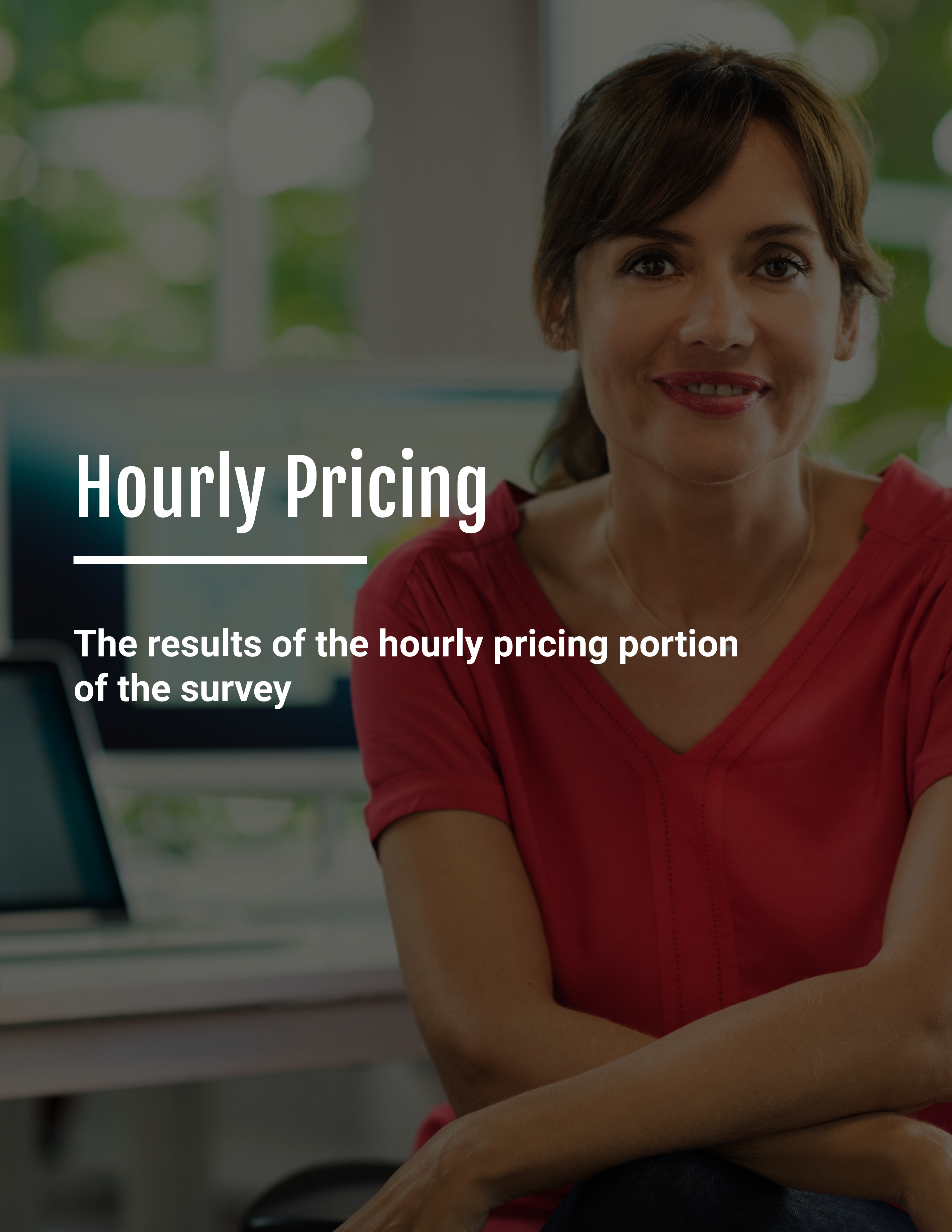
Now that we have covered the demographics of the group, we will break down pricing by the two main models offered by independent consultants: package pricing and hourly pricing. In order to allow for a deeper dive into the different pricing models, we split the group and gathered separate information where necessary. We asked consultants which pricing model they offered their clients. Responses visualized below:



The majority of responses stated that they offered both packaged programs and services provided on an hourly basis, providing options and flexibility to families.

For those who responded that they offered both pricing models, we asked a follow-up question about how they distinguished between the two models. The majority of this group (87%) split the models completely, with some families paying by the hour and others purchasing a package. The other group, making up 13% of responses, gave families who purchased packages the option of adding on hourly services. We have included the overall breakdown of all the pricing models reported below.



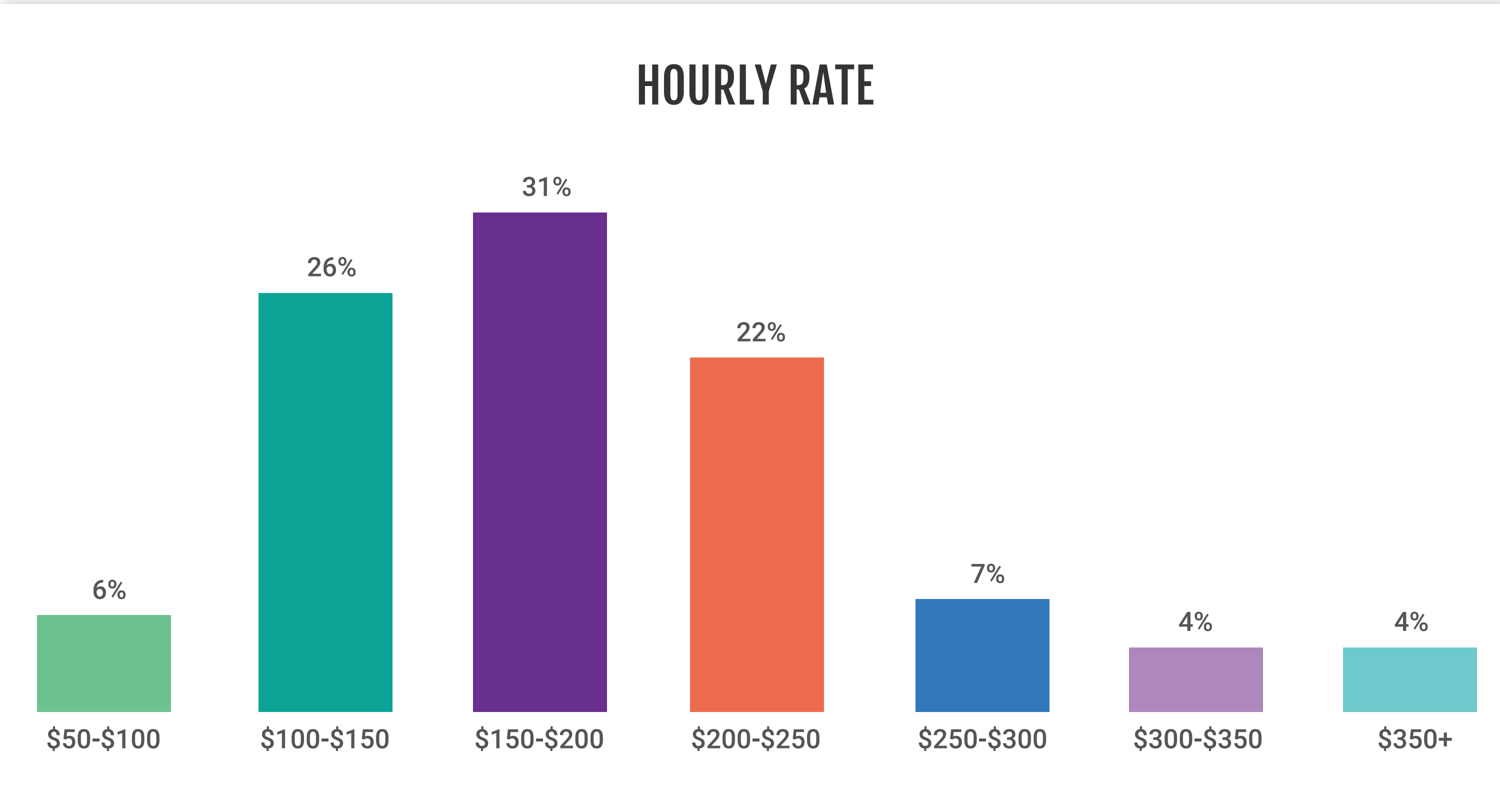


Hourly Pricing

The results of the hourly pricing portion of the survey

Hourly Pricing

Survey participants who indicated that they offered an hourly pricing option, either exclusively or in combination with package options, were then asked a series of questions related to their hourly prices. Results are presented as a percentage of the total responses.



Furthermore, we broke down the reported hourly fees by region and number of years in business.

Region	Estimated Hourly Fee*
International	$215
Northeast	$215
West	$184
Midwest	$175
South	$162

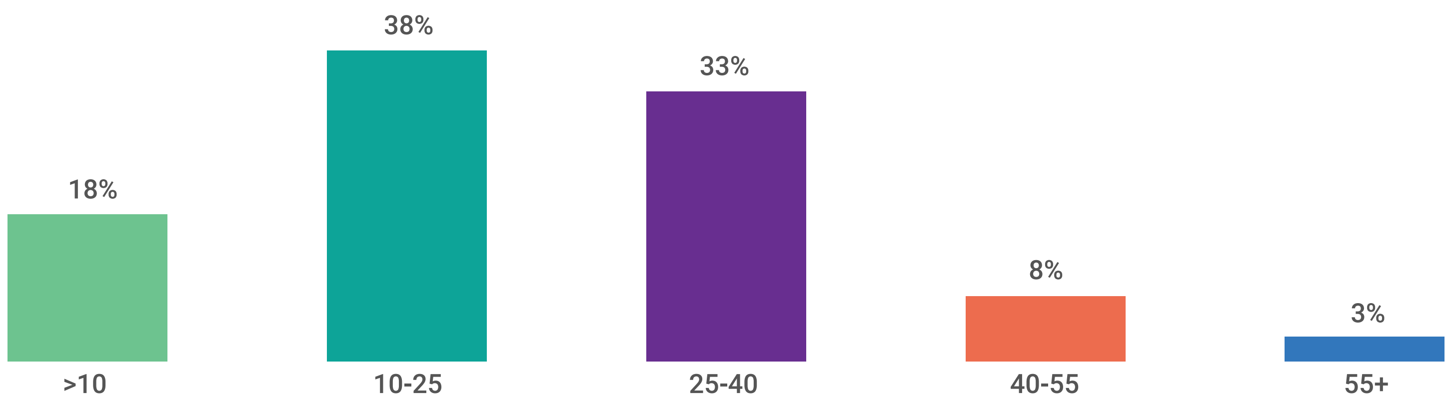
Years in Business	Estimated Hourly Fee*
Fewer than 1	$172
1-5 years	$150
5-10 years	$176
10+ years	$221

**Estimated average was derived by taking the midpoint of each range reported (e.g. $125 for a range of $100-$150) within each subset.*

Survey participants were asked how many hours, on average, they worked with families when charging by the hour. 71% reported working between 10 and 40 hours per client, with the average likely falling at the midpoint of that range.

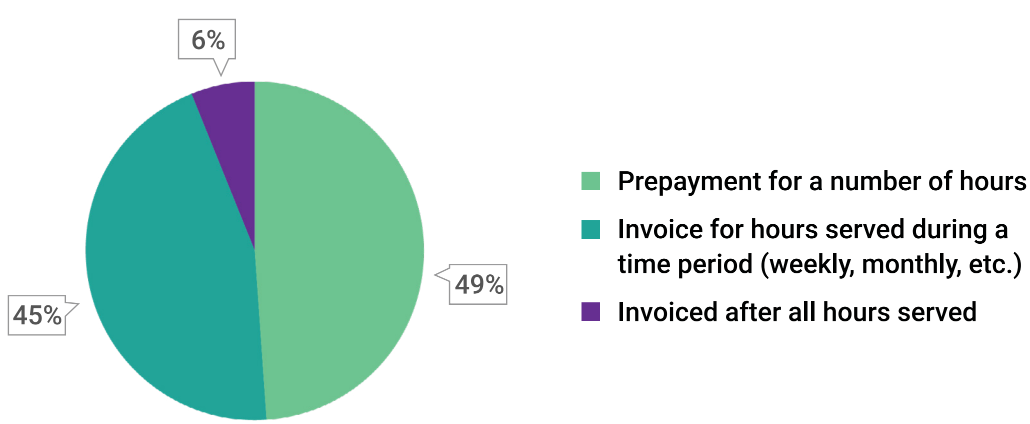
The responses indicated that larger practices and larger teams were charging more per hour.

AVERAGE HOURS WORKED PER CLIENT



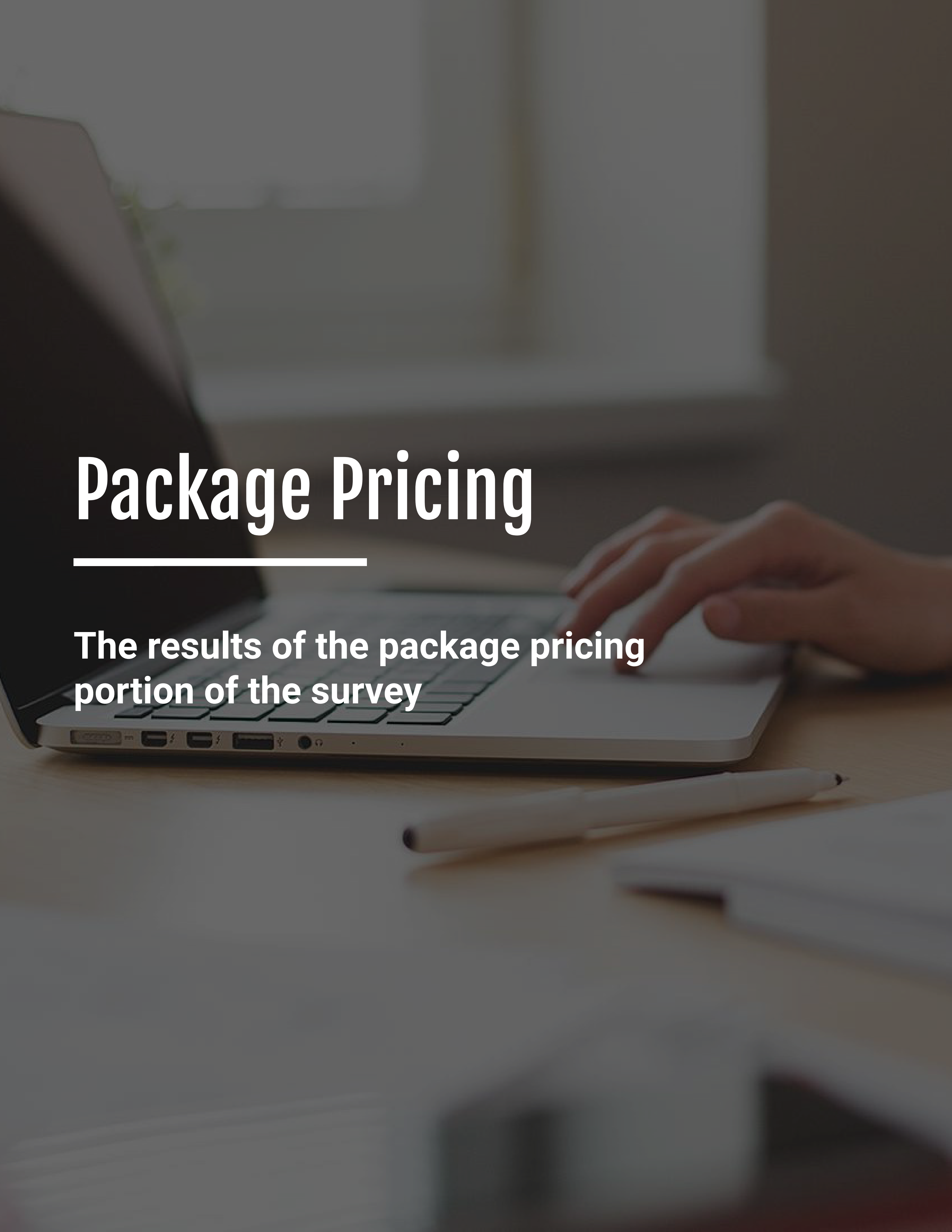
Finally, when evaluating hourly pricing, we asked participants how they collected payment for services rendered. There was a fairly even split between those who accepted a prepayment prior to working the hours vs. those who invoiced for hours served over a given time period. A small parentage (6%) of responses indicated that they collected payment after all hours were worked.

TIMING OF PAYMENT



WHAT CHANGED?

From year to year, we saw an increase in the hourly price ranges reported, with higher representation at the higher tier price ranges. Overall, hourly prices increased 15%, with the largest increases seen in the northeast region (25% increase) followed by the western region (13% increase).



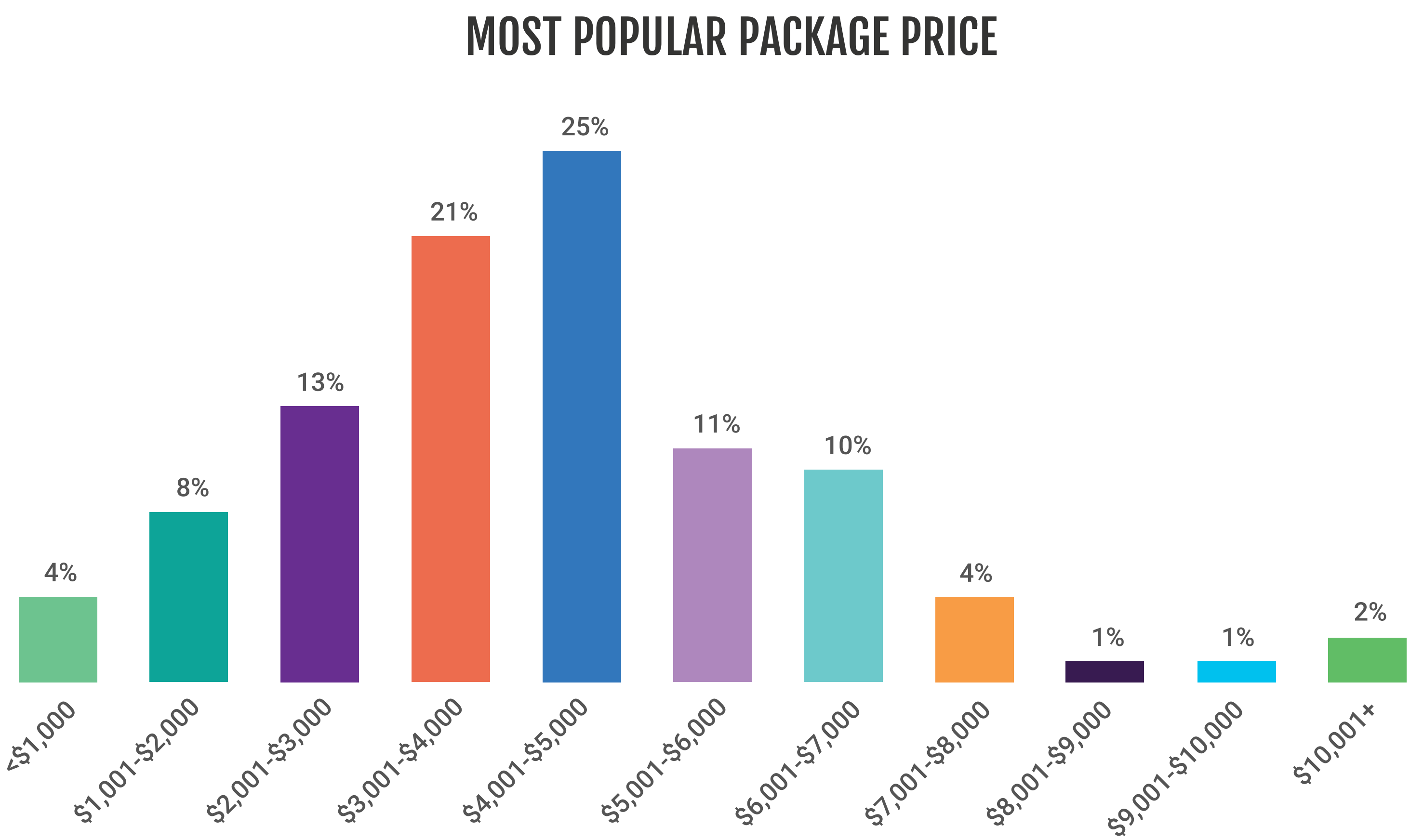
Package Pricing

The results of the package pricing portion of the survey

Package Pricing

Survey participants who indicated that they offered a package pricing option, either exclusively or in combination with hourly options, were asked a series of questions related to their package prices. Participants reported the price of their most popular package offered to families. Results were placed within ranges and are presented below as a percentage of the total responses. We also asked for the price of the lowest package option offered and the highest package option offered.

The average low package price was $2,763 and the average high package price was $5,750.

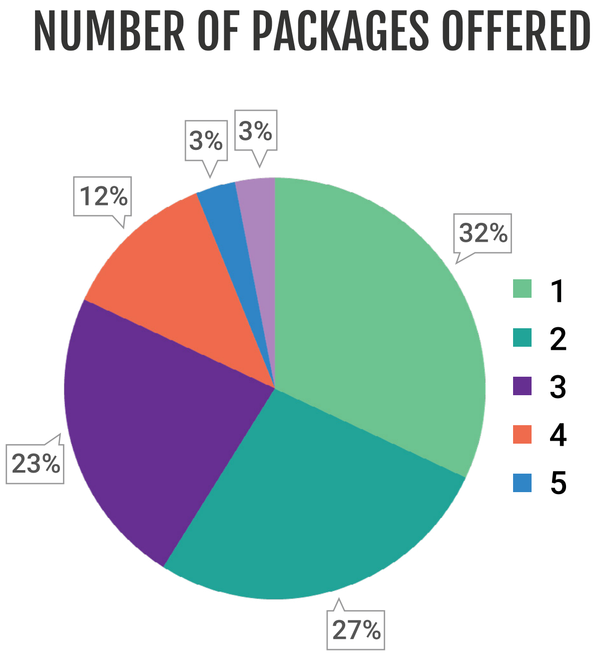


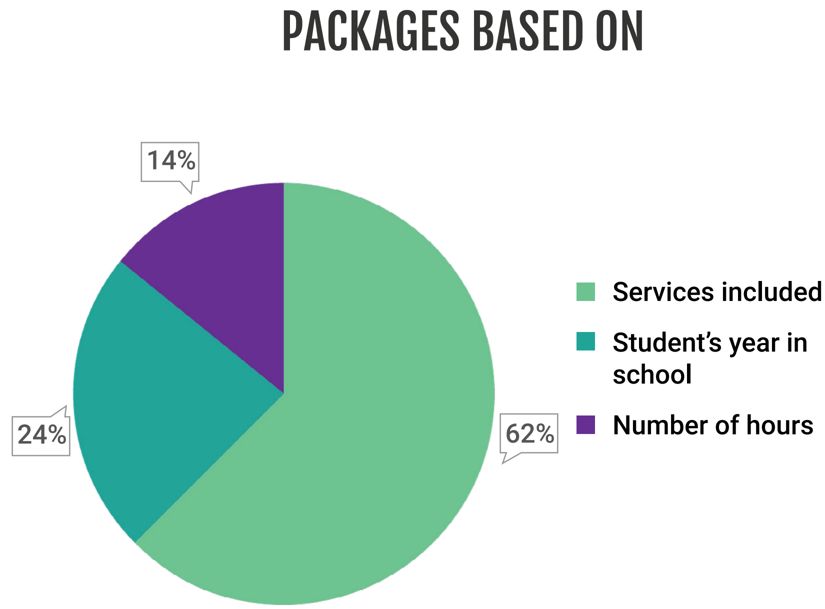
Furthermore, we broke down the most popular package price by region and number of years in business.

Region	Price
International	$6,036
Northeast	$5,485
West	$4,526
Midwest	$4,487
South	$4,044

Years in Business	Price
Fewer than 1	$3,371
1-5 years	$3,721
5-10 years	$4,674
10+ years	$5,488

We gained more information about the number of packages offered to clients and what criteria these packages were based on.





When asked about how package payments were collected, **the majority (73%) of participant responses indicated that they exclusively accepted payments in installments.** 14% require a prepayment in full, while 12% offered both prepayment and installment payment options for families.

The majority of responses (75%) indicated that they did not offer refunds or the transfer of unused hours for purchased packages.

WHAT CHANGED?

In 2020, the average popular package price reported was $4,688, a 18% increase from 2019. The highest package price increases were reported internationally (24% increase) and in the northeast region (19%). Number of package offerings and the types of packages offered remained consistent year to year.

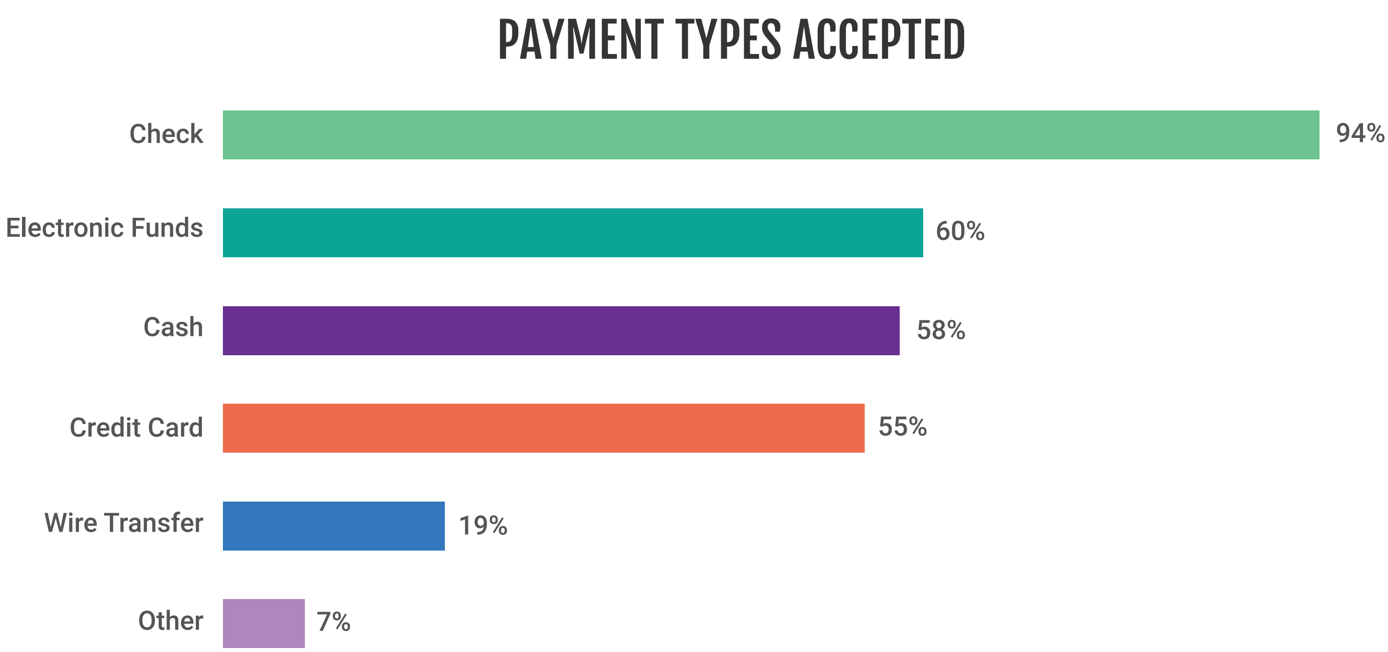
Pricing Strategy

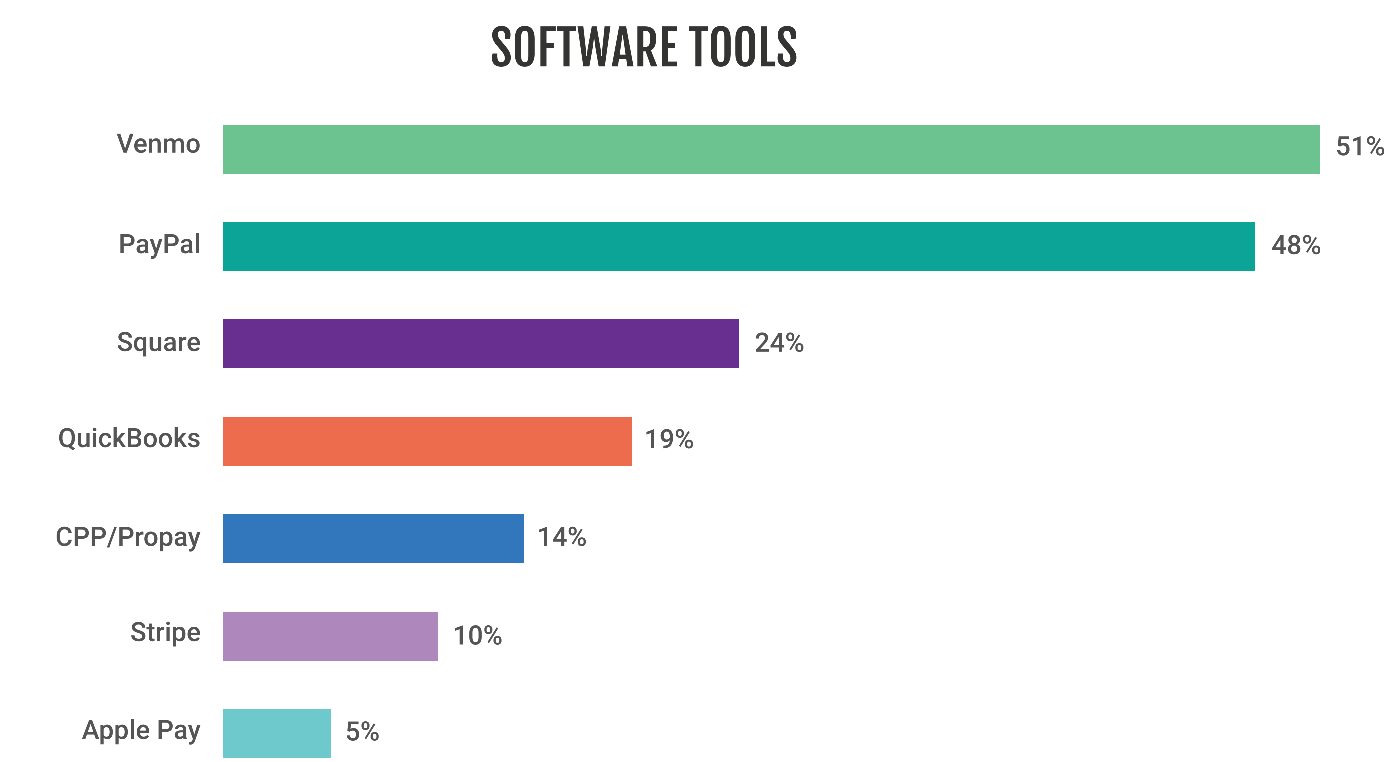
The results of the pricing strategy portion of the survey

Pricing Strategy

We asked all survey participants to weigh in on more general topics surrounding their practice's past pricing strategy. We gained information about the types of payment collected, sales and marketing strategies around price, and their general feelings about their pricing.

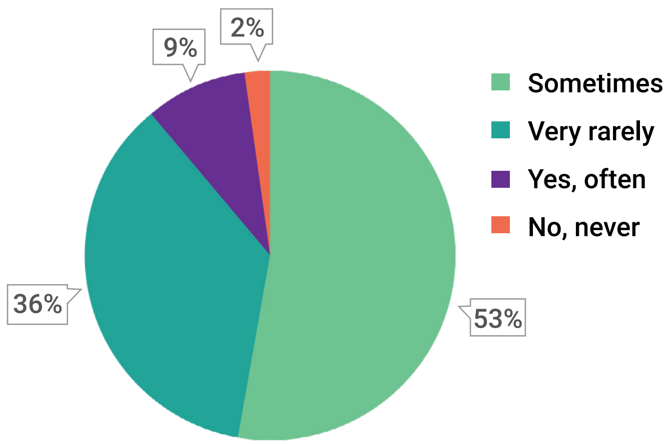
In the graphs, numbers are presented as a percentage of all responses.



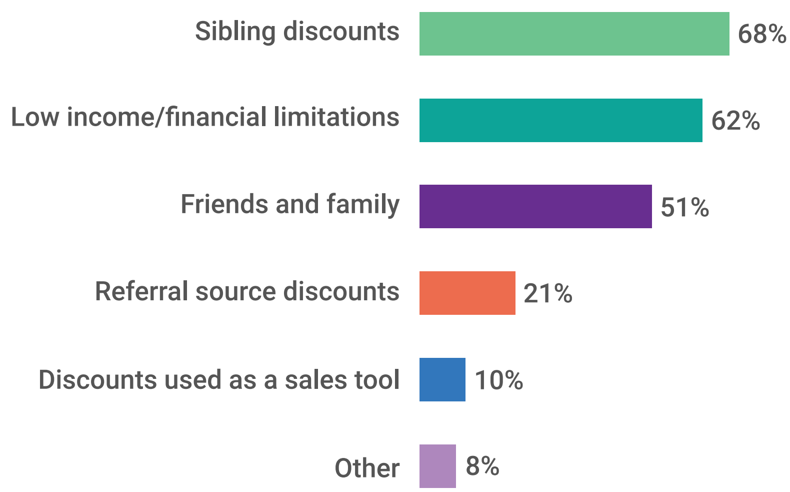


Survey participants weighed in on their past experiences offering discounts including how often they offered discounts and to whom they offered these discounts. All questions were presented in a multiple choice, "check all that apply" format.

DO YOU OFFER DISCOUNTS?



WHAT DISCOUNTS DO YOU OFFER?



Other Noteworthy Points on Pricing Strategy

- 85% of survey participants reported that they raised their prices over time, with another 5% stating that while they have not raised their prices, they plan to.
- 83% of survey participants did not publicize their rates.
- 53% of survey participants reported that an initial consultation was the only time they did not bill for, while 36% reported that they did not bill for a small percentage of their time spent working for a family.

The above numbers on pricing strategy stayed very consistent, within a percentage point or two, from 2020 to 2019.

CollegePlannerPro

Learn More

CollegePlannerPro has helped hundreds of IECs grow their practices by streamlining business operations, communication, and organization, allowing consultants to focus on what matters most—their students.

Interested in learning more?

Schedule a Demo