

PV+ PRICING

Thanks Rob

Rob Totoonchie helped me think better about system pricing.



(Rob guest taught this section in my NABCEP CE 2021 class.)

How detailed?

Flat cost per watt



Exhaustive site survey

Account for every material item

Job-specific labor estimate

Assign a portion of overhead

Keeping it simple

Train new sales reps quickly.

Prepare quotes quickly.

Pad the price and be willing to negotiate.

Accounting for details

Be confident that you won't lose money on the job.

Give a competitive price.

Give the *right* price for the job.

Maybe... refuse to negotiate on price.

What level of transparency

How much detail will you share with interested prospects?

Black box  Radical transparency

Black box

Don't risk competitors learning your costs.

Avoid line-item haggling.

Have more freedom to adjust pricing.

Pad the price, for a higher commission and profit.

...Lower the price if necessary to close.

Radical transparency

Share the process and assumptions behind your price.

Verify with the prospect that it's the right price.

Build trust.

Get more referral sales.

Enjoy selling more?

Equipment markups

Will you mark up equipment?

Sales commission structure

Commission as a percent of the price?

Or as a flat commission per job?

Adders

Specific base-cost increases for additional complications.

Examples:

Driving time

Roof pitch

Roof height

Mount count

Roof type

Wire-run length

Customer education

Array count

Trenching

EMT painting

Wire-run location (attic vs. outside)

Looking back

It's hard to improve our pricing without studying past jobs.

Key performance metrics

Core numbers (or visuals) that give you quick insight.

What are the biggest opportunities...

To improve processes.

To increase profit.

How you're doing this month.

How you're doing over time.

Metric examples

Labor hours per module

Profit per...

labor hour

module

crew

module by roof type

system-size range

Include a service fee?

...For post-install communication and performance verification.

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