



Profitable Pricing & WINNING ESTIMATES



**For Residential
Cleaning Services**

Introduction

In this guide you'll discover how to get your pricing strategy right, learn how to create estimates which turn prospects in to paying clients, and see how to increase your profits with a few simple tips, tweaks and techniques!

Pricing is one of the biggest challenges cleaning business owner's face (& costly mistakes are common), but once you have the right formula it doesn't have to be a guessing game anymore – we'll show you how!

Pricing Calculator & Estimate Generator

This guide is designed to be used alongside the Cleaning Business Estimate Calculator, which allows you to create accurate estimates quickly and easily.

The calculator allows you to quickly create an estimate while you are walking through a prospective client's home, or over the phone, and will help you avoid costly mistakes.

If a potential client sees that you have taken the time to walk through their home and are able to create a personalized estimate for them you'll instantly gain trust, credibility, and be seen as a professional (rather than a cheap cleaner).

This allows you to charge more and gives you an advantage over your competition.

Help & Support

If you have any questions about using the calculator or need help please email info@trustedcleaner.com.au.

We'd also love to hear from you if you have any suggestions to improve the calculator and make it even more useful.

Getting Started

Over the next 6 steps you'll discover how to:

Step 1: Create a cleaning checklist

Step 2: Know EXACTLY how long it takes to clean each room / area

Step 3: Calculate a profitable hourly rate

Step 4: Create winning estimates

Step 5: Send a professional proposal

Step 6: Make more money! By increasing your rates, adding extra services and getting more prospective clients to say YES

Steps 1 to 3 cover the basics – the things you need to know to be able to create an accurate estimate (& more importantly run your business effectively).

Step 4 shows you how to use the information from Step 1-3 to create accurate and profitable estimates, and then Step 5 shows you how to turn this in to a professional customer winning proposal.

Finally Step 6 shows you how you really can increase the profitability of your cleaning business using some simple tips, techniques and tricks.

Invest Time Now BUT Save Time & Make More Money Later

You will need to invest some time to go through steps 1-3, but once you've done it once – it's done (apart from a few ongoing tweaks).

Spending a bit of time now to complete these steps will pay for itself very quickly.

Once you get to Step 4 and start using the calculator to create estimates for potential customers you'll see just how quick, easy and hassle free it is.

Using this calculator will save you money (because you'll avoid costly mistakes) and make you money (because potential customers will be more likely to say YES!)

Charge by the Job – Not Per Hour

You must know your hourly rate (see Step 3 to learn how to calculate it) but that doesn't mean you should charge by the hour.

In most cases it's better to give an estimate on the total cost to complete a cleaning job. This means if you get the job done quicker, by working efficiently, you don't have to stay until the end of your hour to get the full rate, and means you can add-on extras in a package without the customer trying to get you to just do another 'hour'.

Let's jump straight in to Step 1...

Step 1: Creating Your Cleaning Checklist

Before you can calculate how long it is going to take to clean a house (which we'll show you how to calculate in Step 2), you need to know what you are going to clean when you are there!

The best way to do this is to create a cleaning checklist.

Benefits of a Cleaning Checklist

This cleaning checklist has a number of uses:

- Helps to maintain consistency and standards (it's often the little things that cause a client to cancel). Your staff / you can work through the checklist and 'tick' tasks as complete as they / you go to ensure nothing is missed
- Makes training new staff easier – they simply have to work through your checklist
- Something to leave for your client as a physical record that you have been there, completed a thorough clean. This demonstrates you are a professional company who takes pride in your work

Research Competitors

Every cleaning company provides a slightly different service, with different tasks included as standard. Start by researching what tasks other companies in your area are including to give you an idea of what other companies are doing in your local area.

Different Checklists for Different Services

Start by creating a checklist for regular / maintenance cleaning, and then tweak this to create new checklists for other services you provide e.g. spring cleaning or move in/out cleans.

Get a Professionally Designed Cleaning Checklist...

We've included a professional designed cleaning checklist in our Cleaning Business Forms pack.

This pack contains 14 tried & tested, easy to edit forms, agreements, proposals, and checklists...

Find out more here...

If you don't have the cleaning business forms pack (see above) you can create your own. To help you get started we've included some of the common cleaning tasks below.

We recommend adding a copy of your checklist to your website, and giving every customer a copy along with their estimate. This helps the customer know exactly what is included, and helps you if there is an issue in the future.

Regular Cleaning Tasks

Below is an example of the tasks you may include in a regular / maintenance cleaning program...

All areas of the house

- Dust surfaces
- Dust and hand wipe furniture tops
- Dust baseboards, chair rails, blinds, and door panels
- Dust ceiling fans (within reach)
- Vacuum carpets
- Vacuum and damp mop floors
- Empty all bins
- Dust blinds, window sills, and lock ledges
- Dust furniture
- Dust picture frames
- Dust lamps and lamp shades
- Dust and clean mirrors

Bathrooms

- Dust surfaces
- Dust blinds, window sills, and lock ledges
- Dust cabinets, door panels, and baseboards
- Clean and disinfect surfaces
- Clean, disinfect, and shine showers and tubs
- Clean and disinfect toilets inside and out
- Clean and disinfect door knobs and switch plates
- Shine fixtures
- Vacuum and damp mop floors
- Empty bins

Kitchen

- Dust surfaces
- Dust blinds, window sills, and lock ledges
- Dust chair rails, cabinets, door panels, and baseboards
- Dust top of refrigerator
- Clean and disinfect counter tops
- Clean and disinfect door knobs and switch plates
- Clean and disinfect sink
- Clean and disinfect microwave inside and out
- Clean, disinfect, and shine outside of oven and top of range
- Clean, disinfect, and shine outside of dishwasher
- Clean, disinfect, and shine outside of refrigerator
- Clean and disinfect kitchen table
- Vacuum and damp mop floors
- Empty rubbish

Bedrooms

- Dust surfaces
- Dust and hand wipe furniture tops
- Dust furniture
- Dust baseboards, chair rails, blinds, and door panels
- Dust blinds, window sills, and lock ledges
- Vacuum carpets
- Vacuum and damp mop floors (non-carpet)
- Change Sheets (upon request)
- Make beds (upon request)
- Empty rubbish

Spring / Deep Cleaning Tasks (additional cost)

Everything included in the regular cleaning plus:

- Damp wipe baseboards and window sills
- Damp wipe door panels and frames
- Vacuum upholstered furniture
- Remove cobwebs
- Damp Wipe kitchen and bathroom cabinets fronts

Move In / Move Cleaning (additional Cost)

Everything included in the regular cleaning plus:

- Damp wipe baseboards and window sills
- Damp wipe door panels and frames
- Vacuum upholstered furniture
- Remove cobwebs
- Damp wipe kitchen and bathroom cabinets

Now you've created your cleaning checklist
it's time for Step 2...

Step 2: Know EXACTLY how long it takes to clean a home (using your checklist)

In order to create an accurate estimate you need to know how long it takes to clean each room / area in a home.

If you are just getting started begin by timing as you clean your own home. Print out a copy of the checklist you created in Step 1. Work methodically room by room using a stopwatch to record the time it takes to clean. Keep a record of these timings.

Make sure you include & record everything – including stairs, hallways & any additional tasks you complete (e.g. changing linen or cleaning the oven).

Then offer to clean the homes of a few of your friends (you can offer them a discounted hourly rate) & again record the timings.

Your Default / Average Timings

Once you have used your checklist (you may decide to tweak it a bit) to clean a few houses you'll be able to work out your average timings.

These average timings, known as 'default timings' in the cleaning business calculator, are the timings you will use to create your estimates in the future.

You can update these default timings at any time and you can adjust them for each estimate you complete.

ACTION REQUIRED:

Enter these default timings in to your cleaning business calculator at <https://www.trustedcleaner.com.au/calculator/>

Different Prices & Timings for Regular, One-Off, First-Time & Spring Cleaning

Your default timings are probably going to be based on a regular cleaning schedule, but other types of cleaning will take more or less time, and therefore should be charged out for a higher or lower price.

When creating estimates you need to consider the time it takes to do a more thorough spring / deep clean, initial / first time clean, or a one-off clean.

Because of this the cleaning calculator allows you to add a 'multiplier' to automatically calculate the estimate for each type of cleaning required.

Example

Let's look at an example:

- You created an estimate for a customer using your default timings
- The cleaning calculator gives you a price of \$81.55 and tells you it will take 2hrs 33mins to clean.
- However the client wants a spring clean which will take longer than a regular clean – so you need to charge more.
- To do this you can adjust the 'Spring / Deep Clean' multiplier in the calculator to say 1.2 (this means you'll multiply the regular cleaning price & timings by a factor of 1.2)
- The estimate will update give you the adjust to give you the correct cost and timings for a spring clean – which in this case is \$96.37 & 3 hr 1 min'

These multiplier figures can be added to the default timings on your calculator so when you create an estimate it automatically gives you the rate for every different type of cleaning service you provide.

First Clean – Charge More?

Remember that first time cleanings will take longer because you / your staff will not know the layout of the home, and more work may be required to get the home back up to a suitable standard if it hasn't been professionally cleaned in a while.

You'll get an understanding of the condition of the home, and therefore how long the first clean is going to take, by asking the right questions when you talk to the client, and by doing an in-home inspection.

In some cases you may want to charge a little more for the initial clean, and then revert to charging your normal rate after this.

Cleaning Frequency

In addition, your rates will vary depending on frequency of cleaning. The rule of thumb is that the more times you come in to clean a house, the lower the cost per visit.

Now you've know how long it takes to clean each area of a house, and have added these 'default timings' to your calculator it's time to move on to Step 3...

Step 3: Calculate Your Hourly Rate

It is essential you know what your hourly rate is both for yourself and any cleaners you are working with on an employee or sub-contractor basis.

Your hourly rate is a key component (probably the most important) when calculating the cost of a cleaning service. If you are just starting out you'll have to use some estimates at first, but pretty soon you'll be able to replace these estimates with actual figures.

Remember your business hourly needs to include all the costs of servicing that particular client (variable costs) and a % of the costs of running your business (fixed costs)

Cleaning Labour:

If it's you doing the cleaning you can enter the hourly rate you'd like to receive. If you are using sub-contractors or employing staff you'll need to add their hourly rate here. For this example let's say your sub-contracted cleaners charge you \$20 per hour

Example: \$20 p/hour

Payroll Taxes and Super Contributions

If you are doing the work yourself and/or using sub-contractors so this section won't really apply. When you start employing cleaners you'll need to allow for this.

Example: \$0

Supplies

This amount to allow here depends on the type of cleaning you do. The figure should include both the cleaning supplies you use for each job and a % of the cost of equipment (to allow for a replacement vacuum cleaner for example)

If you don't have any trading history start with a figure of around 5% and adjust as you go.

\$1 p/hour

Overhead

This is the cost of running your business and includes marketing, admin, insurance, business supplies (e.g. pens, paper) and other day-to-day expenses.

Your overhead will vary depending on the way you run your business – e.g. if you have your own office your overhead will be much higher, likewise if you spend a lot of money on advertising. However if you run your cleaning business from home and work on referrals, repeat business and low cost advertising your overhead should be relatively low.

A figure of 30% has been used for this calculation.

\$6 p/hour

Profit

This is only required if you are using employees or sub-contractors to do the cleaning for you. The profit is what you get to keep after paying your staff, and all your expenses – so it's important you don't forget this section if you want to make money!

A figure of 30% has been used for this calculation.

\$6 p/hour

Total

Add together the cost of your labour, supplies, overhead and profit to create your hourly rate. **In this example the hourly rate would be \$33 p/hour**

Next Research Competitors

Now you have calculated your hourly rate it's time to do some competitor research. Your goal here is simply to see if you are in the right ballpark.

In general you'll probably want to aim for average to above-average pricing when getting started, and once you have more experience aim for premium pricing.

Profitable Pricing & Winning Estimates for Residential Cleaning Services

Don't worry if you see lower rates – there will always be cheaper competitors out there, but there will always be plenty people willing to pay more for a quality, reliable and professional service.

Also remember many of your competitors haven't calculated their pricing properly, so there's a good chance they'll be out of business within the next few months so you can scoop up their customer base!

ACTION REQUIRED:

Enter your hourly rate in the default timings sector of your cleaning business calculator at

<https://www.trustedcleaner.com.au/calculator/>

Now on to Step 4 & it's time to create an estimate...

Step 4: Creating Your Estimates

Congratulations – by completing Step 1, 2 & 3 you now have everything you need to create accurate estimates.

You've created your cleaning checklist, know how long it takes to clean each room, and have calculated your hourly rate.

It may seem like a lot of work to get this far, but this work will save you lots of time, make you money, and help you avoid costly mistakes.

Create estimates using the 'Cleaning Business Calculator.'

Once you've entered your default timings in to the calculator, creating an estimate is very quick and easy.

Using the calculator you'll be able to walk in to a potential client's home, or talk to them on the phone, and be able to create an accurate estimate on the spot – something most of your competitors simply won't be able to do (or if they do – it won't be a very accurate one)!

Creating an estimate used to involve lots of guess work, time and hassle, but now you have access to the calculator and have completed Steps 1-3 it's quick and easy.

Creating a new estimate using the calculator is very simple.

1. After you login using the link below you'll see a button which says 'add estimate'.
2. The default timings you added in Step 2 show automatically in the new estimate.
3. Simply tweak these timings as required, enter your clients information, and the estimate amount will be automatically generated at the bottom of the screen.

Help & Support

We've created a short video to walk you through the process which you can access from the Cleaning Business Calculator login page below.

ACTION REQUIRED:

Create your first estimate at:

<https://www.trustedcleaner.com.au/calculator/>

Other Things to Consider When Creating an Estimate:

Adding Extras and Allowing for Pets, Unloading Time etc.

Because every customer's requirements will be different, and no 2 houses are exactly the same, you need to be able to quickly create an estimate which includes the exact services your clients request, and which takes in to account their house.

Because of this the cleaning calculator allows you to add extra time for pets, additional loading / unloading time, and additional services like changing linen, cleaning inside the oven or windows.

Once you know much extra time, on average, it takes to complete these additional tasks you can add the timings to the 'default timings' section of your calculator, or you can simply add them to an estimate each time you create it.

Location

When creating your estimates make sure you consider the location of the client's house.

Factor in your transportation cost and value of your time which could have been spent cleaning another residence (there is a section in the calculator to add "Unloading/Packing time")

Another reason to consider the location is that there may be room to adjust your pricing strategy depending on the neighborhood. You can probably quote a higher price for a house in a nice neighborhood than you can in a university dorm.

Should you give estimates over the phone?

At first it is much better to visit the customer in their home if possible. Otherwise you are going to be relying on the information the homeowner is providing – when people describe the condition of their home they are often 'optimistic'!

Visiting the customer in their home gives you an opportunity to get to know the customer, and allow them to see you are a reliable and trusted professional who takes pride in the work you do. It also gives you an opportunity to answer any questions they have, and get a true understanding of the job requirements (including any access issues etc).

If a potential customer doesn't want you to come over and do an estimate it is likely they are price shopping or not serious – which means they are a customer you don't want any way!

Once you get more experienced you can provide estimates over the phone, as long as you let the customer know that you can't confirm the estimate until the first time you come and clean and view the home.

Almost there – time to send a professional proposal to your potential client in Step 5!

Step 5: Send a Professional Proposal

Now you've created an estimate for a prospective client you should add this information to a proposal and send it to your client.

At first you'll probably be providing your estimates verbally to the client in their home, after completing an in-home walk through. However even if you provide a verbal estimate in-home or over the phone, you should still follow-up with an email confirming the cost, and what's included in that cost.

If you really want to stand out from the crowd, you should send the client a short, simple but professional looking proposal.

This follow-up helps to position you as a reliable, trustworthy and professional cleaning company, creates another 'touch' point with the clients, and makes sure there is no confusion or mis-communication about what is provided.

The quickest and easiest way to do this is to create a template:

- Email
- Proposal
- Customer Agreement

Takes 2 Minutes to Create & Send a Professional Proposal

Once you've created the 1st proposal you can simply tweak it every time after that and it shouldn't take more than a couple of minutes to create each time.

Simply add the cost of the estimate in the pricing section, adjust any of the included tasks & add any additional tasks or services you agreed to provided, save and send to your client.

Include a Copy of Your Customer Agreement

A customer agreement can be a separate document or contained within the proposal but should set out your policies and procedures including payment and cancellation terms, limited liability, and guarantee.

Get a Tried & Tested Professional Looking Proposal & Customer Agreement...

In our cleaning business forms pack you'll find a comprehensive proposal which you can simply edit with your company information and send to your clients.

We've also included a customer agreement with a full set of terms and conditions.

This business forms pack was designed to save to time and money & contains 14 tried & rested, easy to edit forms, agreements, proposals, and checklists...

Find out more here...

On to the final step, and time to make more money..!

Step 6: Make more money!

Increase your rates, add extra services & get more prospective clients to say YES

Now you've completed Steps 1-5 you have covered the basics, and should be able to create accurate pricing estimates quickly and easily, and send proposals which turn enquiries in to customers.

Now for the exciting part – it's time to make more money!

In this step we'll show you how to:

- Convert more enquiries and estimates in to customers
- Increase customer satisfaction and get more referrals
- Increase the amount of money your customer spends with you each month
- Increase the length of time they stay using your services

A Word of Warning: Lower Prices = Lower Quality Clients

Raise Your Prices to Get Better Clients!

It is tempting at first to take on every client who comes your way, but you'll soon learn some clients are not worth the hassle.

Usually the clients who question prices, price shop, or negotiate a discount tend to be the same clients who will cause you problems in the future.

It's very difficult to increase your price in the future as people will expect to pay a low price forever.

When you raise your prices you:

- Position yourself as a professional
- Attract clients whose top priority is a hassle-free quality cleaning service (working professionals who understand the value of your time and skills)

Always, Always Follow-Up On Your Estimates

The cleaning business calculator allows you to create an accurate estimate on the spot, but you should also follow-up with email confirming the estimate & describing your services, and ideally a proposal (see Step 5).

However even if you do this bit right you'll often find that the client may not be ready (or willing) to go ahead immediately. This happens for a number of reasons, perhaps they want to get a few estimates and compare them, or maybe they need to talk to their partner.

At this point most cleaning companies stop. They send the estimate and that's it.

However your potential customer is probably busy and may simply not had the time to call someone to get started, or sit down to make a decision.

If you've gone to the trouble of creating an estimate – it is well worth following up. In-fact it's where you'll win most work!

Always make a call a couple of days after sending your estimate to make sure it's been received and answer any questions a prospective customer may have.

Then call again in another week to check-in and see if they have made a decision yet. If not ask them what is stopping them going ahead, and see if you can help. Ask them if they mind if you call again in another two weeks.

There's a good chance the client has simply forgotten to do anything, or hasn't had the chance and simply needs a prompt – your call could very well be that prompt. That means you get the job rather than one of your competitors.

Offer a Discount for Up-Front Payments / Commitment

If a customer is willing to pay for multiple cleans upfront or if they agree to a long-term contract, i.e. two cleaning visits a month for six months, then you can offer a discount. This will help with cash flow, staffing, and business planning.

The Little Things Matter – It's Cheaper to Keep an Existing Customer, Than Find a New One

It's usually the little things that cause you to lose a customer or create a life-long client. The companies who focus on the little things – win!

Finding a new customer requires marketing, which can be expensive – but keeping a customer is very cheap! Not only that but a happy customer will tell their friends, family and work colleagues about your services and help create a steady stream of referrals

Bad Little Things

These are the things that really annoy customers, and can quickly add-up. Often a customer won't report them and will simply cancel when they've had enough. This is why having a cleaning checklist you / your staff use, and a good quality control process are both really important.

- Aim for consistency – one sloppy service can be enough to lose a client
- Get to know your clients and what they like (and make sure it's noted down and remembered next time)
- Return phone calls quickly
- Deal with complaints – don't sweep them under the carpet!
- Make sure your team members are clean, bright, happy and polite
- Be friendly and take an interest in your client
- Don't complain or let them know how tired you are

Good Little Things

These are the little touches, like a card on the client's birthday, a handwritten note left after a clean or a little gift left occasionally. It could even be a little extra service (e.g. putting the linen away) or a simply a phone call to get their feedback and check they are happy with your services.

These little touches don't cost much at all, yet they can make a big difference – they show your customer you care about them.

Coupons for First Time Customers

To encourage a new customer to choose you over your competitors you can offer a small discount or coupon. This could be a coupon for \$15 off their first clean (the initial clean is often more expensive than regular maintenance cleaning & this helps to offset this additional cost and provide an incentive for the customer) or the coupon could provide an additional service for free, for example receive a free oven clean when you book your initial clean.

Don't be tempted to offer a massive discount to get new customers because you run the risk of attracting price shoppers, who are only interested in the discounted clean and have no intention on continuing in the long-term.

Package Your Services (& Make Sure You Promote Them)

You can make more money by creating special offer packages which bundle a number of your services together. Use these packages to 'upsell' new customers, or increase the value of your existing customers.

These could be ongoing packages, or limited time offers which relate to a particular time of year or type of client for example.

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Here are a few recent examples:

- A deluxe spring cleaning package which includes a regular spring clean, oven clean and window clean for \$xx .
- A new mums cleaning package – an initial deep clean and 4 weekly cleans, with linen service for \$xx.

Remember it's easier to sell more services to an existing customer, than it is to convince a new customer to give you a try. Your existing customers already know, like and trust you, and would most likely welcome you recommending additional services to improve their home. However your customers may simply not be aware of the additional services you provide.

When you finish a clean leave behind a flyer promoting your special offers, and additional services, and make sure you / your cleaners mention them

Gift Vouchers Work

Gift vouchers are a great way to attract new clients – it will often be an existing client who is purchasing a voucher for their friend, so make sure you mention them to your customers and promote them on your website.

Make Money by Referring Other Services to Your Clients

As a cleaner you earn your customers trust, and because of the trust / rapport you have built they will often listen to your advice and recommendations.

You can help your customer by giving them recommendations for other complimentary / related businesses (for example carpet cleaning, pest control & exterior cleaning services).

Create a referral agreement with other complimentary businesses and ask them to agree to pay you a fee each time you refer them a new customer. This can also work the other way around and be a low-cost way to attract new customers.

Just make sure you research and 'vet' each business you work with carefully because otherwise it could come back to you.

Have a Minimum Charge:

It's probably not worth travelling for 20 minutes, unpacking, cleaning for an hour, re-packing and then driving to the next job.

Usually you'll want this minimum charge to be at least 2 hours' worth of billable cleaning time.

Getting Paid

Payments should always be made on the day or before – ideally before.

Chasing payments is a time consuming process, and often it is the same few customers who cause problems. Make life easier for you, and your customer by accepting credit card payments.

Take payment the day before you / your time is booked to clean, to give you time to contact the client incase their payment declines (which usually happens for genuine reasons).

By doing this the client doesn't have to worry about having to find cash, and your team don't have to carry money or change with them.

Some clients may still want to pay cash, however you can add a surcharge for this or encourage them to pre-pay a few months at a time so you don't have to collect the cash on each visit.

Congratulations, you have now completed all 6 steps!

Hopefully by now you'll have a profitable pricing strategy, can to create accurate estimates & winning proposals, & know how to increase your profits using some simple tips and tricks.

We hope you have found this guide, and the Cleaning Business Calculator useful. We are always looking for ways to improve the products we provide, so please contact us if you have any suggestions or comments – we'd love to hear from you!

Email Address: info@trustedcleaner.com.au