



FEBRUARY 2021

Is It Time To Update Your Retail Pricing?

With the new year, it's time to evaluate whether your current retail price is still profitable or if it's time to review and update to ensure your practice is competitive and hitting your goals.

WHAT TO CONSIDER WHEN SETTING RETAIL PRICING

FREQUENCY

Avoid large price increases to your patients by raising your retail price by a small amount each year. This will also help your practice avoid any profit losses from increased cost of goods.



RESEARCH YOUR MARKET

Take a look at the demographics of your community and the type of patients your practice serves.

Questions to consider:

- What is your practice's competitive advantage over others in the area, is it premium high end lenses and frames?
- Is your practice located in an area with more budget conscious patients?

Select products that fit your patients' needs to then help you price your product appropriately.



INCLUDE YOUR COST OF GOODS

COVID-19 has had an impact in raw material costs, but is your office considering the increase in PPE into your retail price?

Calculate your cost of goods:

Total material cost
+ Total labor costs
+ Additional costs and overhead

Cost of Goods

Remember to include building costs such as rent and electricity in your overhead costs.



PRODUCT SELECTION

Time to remove any low volume product and update your selection to newer and improved lens designs.

Why should you update:

- Easier for the patient and the dispenser
- Access to vendor rebate programs by using just a few lens designs.
- Avoid profit loss on products that haven't been increased in years.

By using just a few select lenses, you can also create easy to follow package pricing. Learn more on the reverse side.



Coming Up

Can't Miss Education

Virtual ABO Prep

Part 1: All Knowledge Except Prism

February 10, 2021

12:30pm - 4:00pm CST

Cost: \$20

Part 2: The In's and Out's of Prism

February 11, 2021

9:00am - 12:30 PM CST

Cost: \$20

How To Get Patient's Buy in on New Technology

February 12, 2021

11:00 - 11:30 AM CST

Patient REFOCUS Filling Your Schedule March-May!

February 26, 2021

11:00 - 11:30 AM CST

Register today for any course at www.ecpadvantage.com.

SETTING YOUR RETAIL PRICE

Use the formula below to help you set up your retail price. A general recommendation is to have a mark up of 2.5 to 3.5 times your cost. It is also recommended to round your retail price to the nearest dollar amount.

Retail Price Formula: COST X MARK UP = RETAIL PRICE

Need help setting your retail pricing?

Your Walman Optical Account Manager and Account Coordinator are here to analyze your current retail price and build a strategy that makes sure you are profitable while remaining competitive.

PACKAGE PRICING

Overwhelming patients with technical detail and add-ons can lead to indecision. Present your eyewear as a package of features, not as a series of choices of material or design. Research indicates that if the patient has 3 choices, they will choose the “middle” option 85% of the time.

How to Build A Package

Best

List your “best” or highest tier option first.

Feature:

- Top customized lens
- Premium non-glare
- 1.67 or 1.74 material

Better

Majority of patients will choose this option.

Feature:

- Digital lens technology
- Premium non-glare
- Polycarbonate or Trivex material

Good

For the value-conscious patients.

Feature:

- Digital lens technology
- Non-glare
- Polycarbonate material

You can create a few different package offerings to simplify the sales process for your patients. For example, you can have a single vision, progressive and second pair package such as computer and sunwear. Additionally, make sure to have a private pay versus managed care to simply explain the benefits of a managed care plan.

RESOURCES AVAILABLE FROM WALMAN OPTICAL

1 Price Tool

Access your pricing plus narrow it down to just to the lenses your practice uses. With the Price Tool, your practice can choose to add a multiplier to the price list and have the price tool calculate your lens retail price.

2 Retail Price Survey Results

Based on survey results, we’ve compiled national and regional trends in pricing for practices across the nation! Use this as a guide for your region.

3 Lens Mats for Package Pricing

Pre-made editable templates to help you get your package pricing presentable to your patients.

Log in to your Walman Optical account to access the Price Tool and Retail Price Survey Results under the Resources tab at www.walmanoptical.com