



Pricing Association Education with Dr. Michael Carr-Tatonetti

Leading Learning Podcast
Transcript for Episode 475

Celisa Steele: [00:00:03] If you want to grow the reach, revenue, and impact of your learning business, you're in the right place. I'm Celisa Steele.

Jeff Cobb: [00:00:10] I'm Jeff Cobb, and this is the Leading Learning Podcast.

Jeff Cobb: [00:00:16] Pricing is one of the most powerful levers a learning business has for revenue. Yet many organizations still rely on tradition, guesswork, or incremental adjustments when setting prices.

Celisa Steele: [00:00:27] Our guest in this episode, number 475, is Dr. Michael Carr-Tatonetti, founder and CEO of Pricing for Associations and author of the book *Pricing for Associations*. Michael specializes in helping associations develop pricing strategies grounded in data, value perception, and long-term sustainability.

Jeff Cobb: [00:00:47] In our conversation, Michael shares his approach to value-based pricing and explains how associations can use data, value analysis, and testing to make better pricing decisions.

Celisa Steele: [00:00:58] You and Michael also talk about whether and how to bundle learning offerings with membership or create subscription-style offerings.

Jeff Cobb: [00:01:05] Yes, and Michael and I get into opportunities and risk—from protecting pricing power to making sure education's contribution to the organization's revenue and mission remains visible.

Celisa Steele: [00:01:17] If you want practical insight into pricing strategy, subscriptions, and how education fits into a sustainable association business model, then stick around for this conversation with Dr. Michael Carr-Tatonetti.

Jeff Cobb: [00:01:35] You've been on the Leading Learning Podcast before, and we will most definitely link to that in the show notes and encourage folks to go listen to that. But, for those who may not have listened to that episode or have listened to it recently, tell us a bit about your general perspective on pricing, your approach to pricing. When you're working with these organizations, what's front of mind for you? What are you bringing to the table?

This transcript accompanies the episode of the Leading Learning Podcast available at www.leadinglearning.com/episode475.

Dr. Michael Carr-Tatonetti: [00:01:58] For me, I usually say, instead of throwing spaghetti at the wall of what's always been done, take a separate look at it. The big thing for us is value-based pricing—what is the perception of your product or positioning in the market, and what is the willingness to pay of your audience for that value and perceived value? It's not about greed for us. It's not about "Oh, they're willing to pay 3x more; let's charge 3x more." It's more of "Are you already at the top of the market? Can you go up? If so, what's the strategic decision balancing mission and money?" That's our high level—let's get some data behind it, be a little bit methodical, look at the whole portfolio, and make sure it's making financial and business sense for the association.

Jeff Cobb: [00:02:46] Without asking you to give away your secret sauce, so to speak, how do you go about doing that? Because I'm sure listeners will be sitting here saying, "Well, that sounds great, but I don't know how our members and customers value us. I would love to know that."

Dr. Michael Carr-Tatonetti: [00:03:01] Yes, and I'll give it away. I don't care. There are three big buckets at high level. The first one's data. Usually what I like to look at there is satisfaction metrics, surveys, all that. Second thing I look at in data is sales and what have they purchased. Third is engagement or user behavior. What I typically find is they'll say in a survey they want one thing, but, when we look at what they buy and what they utilize the most within what they buy, it might look different, and so we synthesize that together. The second big bucket is value analysis. Associations already do that with all of their products. They're already doing member surveys, all that, post-event, etc. It's asking some key questions. Usually what we're bringing to the table is a set of questions that you can embed into what you're already doing to start benchmarking value and pricing, year over year. And then the third one is, once you've done that benchmarking and seen where they want to go and looked at the data for what are they even doing, then it's figuring out, if we reimagine this in one of these few ways, what's the willingness to pay? How does that adjust? And, therefore, what's the best win-win for members in our audience, the business, and financial sustainability? So those are the three: data, value, and then price is our methodology.

Jeff Cobb: [00:04:18] Where our worlds intersect is in education, in learning. We do a lot of advising around pricing with our clients. You do a lot of advising to associations around how to price their education portfolios. I'd love to hear what you're seeing there. From our perspective, one thing I've started hearing in the last year—and this is the first time I'm hearing it, and it's coming from CEOs—is some are wondering whether they should or can even be in the education business anymore because it's feeling so competitive out there. Pricing isn't the only issue, but pricing is an issue, definitely. They've got competitors who are underpricing them or putting free stuff into the marketplace, and they feel helpless in a way. Are you seeing any of that? Or what are you seeing in terms of pricing of education in the association world?

Dr. Michael Carr-Tatonetti: [00:05:13] That's fascinating. I'm seeing something similar, but what I haven't heard—and what strikes me in what you just said—was asking, "Should we tap out of education?" Because, inside, when you said that, my first response was, "No, you shouldn't."

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

You should be in the education business.” But what I am seeing alongside you is that market saturation of free or low cost (because that’s what a lot of for-profits are doing) and then, with AI and all the things, so there is heavy competition. But what I’m seeing is education is typically the best product as far as profitability goes. Events, as we know, are very thin margins or at a loss. I don’t know many associations that still have a real cost to serve down for membership to even know profitability. But education—specifically digital and even some in-person workshops—is the one area where I do see profitability. When you look at the whole portfolio, they need that lift to help with offsetting events. That’s crazy to me that they’re like, “Should we step out?”

Dr. Michael Carr-Tatonetti: [00:06:20] No. But it might be a matter of how does that look? And that’s what we talked about before our recording today too. “Do we bundle it into membership, or how do we imagine education?” I would say, “Don’t stop education,” but, for some associations, it’s how do we look at it? How are we delivering it? What’s the packaging around it? More than ever—and then I’m going to shut up on this one—associations are, in a way, a gatekeeper of integrity for information and education. Even though others are doing it and cutting in at low cost, they’re not always doing education with the same level of integrity. It’s like Wikipedia back in the day; we couldn’t use it as a source when I was in college because it wasn’t always good information. You still had to go to the library and quote from a book or a published article (peer-reviewed). That’s how I look at associations. I don’t think they should back out, but we do have to respond to the market. We don’t live in a bubble.

Jeff Cobb: [00:07:21] As you can imagine, that’s our response too. Not only is there an opportunity, there’s a responsibility, I think, on the part of associations to be those educators with integrity in their marketplaces. I want to come back to what you said about potentially bundling education and membership, but, before we get there, your comments raised a couple of other questions for me. One is around that question of integrity and, along with it, trust, credibility, authority—all the things that an association wants to represent in their marketplace. How much does your work with associations intersect with that? You talked about value before, and part of the value perception of an association is going to be are they seen as having that integrity, having that trust, having that authority? How does that factor into your work? What are you seeing associations do to try to bolster that when they need to?

Dr. Michael Carr-Tatonetti: [00:08:11] A lot of it. The maturity for that value prop is low. The only strong thing that I see right now is saying something to the effect of “We are the authority / gold standard,” something like that. That’s a good starting place. I’m not knocking that. There’s also—what I see from clients—a lack of willingness to go there competitively and make a clear statement. One local bar was like, “We know the state bar is not doing this.” Even association to association, they didn’t want to say, “Oh, we’re including this as well, and they don’t.” But I’m like, “There could be a way to say, ‘We’re the only local to the state or area or tri-state area that offers this,’” without saying they don’t. Associations have always been a little bit afraid to act like a business, but we have to; otherwise, we’re not going to exist, period. We need to get a little bit more emboldened. There’s a way to do it without disrespecting or

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

comparing, but making statements of who we are, that's important. And, at some point, that will also go away. Value props change over years and decades, but, right now, leaning into being peer-reviewed, having a body of ethics, a body of work that's over decades. Some of the value is I can go to associations I'm a member of and search, historically, archives from the last 30 years.

Dr. Michael Carr-Tatonetti: [00:09:43] It's not right now, quick, hot content that's getting pushed out. I can look and see trends and benchmark, and there's value in that. Capturing those stories is important. But the last thing, with value props, two types: quantitative and qualitative. That's more of the qualitative. Quantitative is how many articles, or what does the repository look like? The qualitative is, "I know I can go to this association, and, when my boss has a question on my area of expertise, I can find the answer, and it's the right answer." That's the story we need to tell, not just "We're the best" or "We are the standard" but telling those stories of "We're the trusted source, and here's what that looks like; here's a story about us being the trusted source" over and over again. That's way better than going to Claude or ChatGPT or a for-profit partner who we love but is just pumping stuff out as a marketing thing, not education. They're not looking at outcomes. They're looking at lead generation. And that is different.

Jeff Cobb: [00:10:48] Yes, we've gotten increasingly focused on how do you tie your education back into that trust, that credibility, that authority because that stands you out in the marketplace if your education is seen as deeply tied to that. You'd mentioned that education is often what's profitable in the associations' portfolios when you look at it. Something we found—and I'm wondering if you find this too—is, in many cases, organizations don't actually have a good understanding of their education's profitability because they don't know the whole underlying cost structure. Staff may not be accounted for properly across products and that sort of thing. So there's an exercise to go through around "What is the profitability here? What might it be if we really look at the data and get at what is possible here?" How much are you seeing that kind of thing?

Dr. Michael Carr-Tatonetti: [00:11:36] I'm seeing that quite a bit and also deeper conversations, getting a bit more technical in a good way, such as looking at the cost of subject matter experts, these one-time high costs. If it's something deeper, like a course—not just a quick learning—what are the costs of that spread out over the years and recouping and all that? That's something I'm seeing as well. The other interesting thing—this goes more to the comparative against the competitive landscape that's moved beyond just associations—is the cost to serve, I think, for a for-profit is way cheaper because they've got in-house SMEs, in-house production, video, all that. For them, there is a cost, but they've already got it set up in a way, and it's cheaper. It's a bit quicker. One thing that I would encourage associations to think through is instructional design one million percent matters. I think back to doing my doctorate—one of the phrases that we used a lot in the dissertation phase was "Done is better than perfect."

Dr. Michael Carr-Tatonetti: [00:12:40] Some are also like, "Oh, we have to be flashy, like we need..." and I know we don't want talking heads with a deck, but sometimes we get too

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

focused on the glamorization of education. And it's like, "Listen—is it right? Is it current? And are we keeping it updated?" To me, that matters a little bit more in outcomes. Maybe I'm a direct person. I'm not saying it doesn't matter at all, but we could also focus a little bit more on...again, it goes back to integrity of the product. That matters a lot more than trying to do too much too quickly. We almost have to be agile because, education, there's always new topics.... We've been through a global pandemic, recession, so much in the last few years. We're always having to pump out information. Let's get it out in a good, clean way. Write information that they trust. Get them sticky with us—to trust us to keep doing that and keep it moving. The shelf life is not going to be ten years, so let's keep it moving a little bit. But that's the long answer—my two cents.

Jeff Cobb: [00:13:43] We agree. We continuously see organizations get themselves wrapped around the wheel a little bit too much around design and bells and whistles and things like that. And you're right that you don't want just a talking head with a deck. But the fact is, even a talking head with a deck can be done better. There are good versions of that.

Jeff Cobb: [00:14:01] You'd mentioned it, and we'd had some e-mail about this beforehand—I definitely want to make sure we focus in, somewhat, in this conversation on the idea of potentially rolling education—particularly digital education, as it can be a little more complicated with face-to-face, though I have seen it done—into membership, potentially to justify or to bolster membership value and/or potentially creating what you've called an "education pass." I've heard organizations call it that, where it's a bundle or your subscription that you're going to upsell to your members or sell it to non-members, if that is, in fact, a part of membership. Can you talk a little bit more about what you're seeing there? What's driving those kinds of decisions for organizations you're working with?

Dr. Michael Carr-Tatonetti: [00:14:47] Yes, absolutely. I've seen it done many ways. We've literally done this at least five to ten times in the last year or two with clients, probably ten times in the last two years easily, and it all looks different. Every time it's a slightly different outcome. Some of them are saying, "Okay, we're going to pick certain digital education, not everything." It might be quicker things that are under an hour. But, if it's a multi-session, that's not included. Or in-person, not included. Some of them are rolling that in a membership and then upping the cost. They're doing what I call the "peanut butter spread," where, let's say, ten percent of members were taking that education, and average spend was only \$100 across each of them. If we up membership by \$10 and give it to everyone, it's the same profitability, and that's a no-brainer for members. Usually, we can raise it by \$20, and now we've doubled revenue and probably quadrupled profitability, and it's still a win-win to members. So that's a way. But, in that case, we're looking holistically at education and membership.

Dr. Michael Carr-Tatonetti: [00:15:48] Other times I've seen it, one client—the one that was competing with the state—included digital plus any in-person that was up to three credits, meaning more like a lunch-and-learn, but not a full day. More like quarterly little things. They included those as well because it made sense, but, for others, it doesn't. And then, for other orgs, we've done it as an upsell, sometimes to members, sometimes non-members only,

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

sometimes both, where we, again, pick what's included. It's usually not everything, but it's a good chunk, maybe some basics, and we say, "Okay, when you renew your membership, for an extra \$99, you can buy and get access for the year." With others, maybe it's already included in membership. But, for non-members, it's a way to get that annual recurring revenue through a subscription model, without them becoming members. Maybe they don't want to spend \$500 a year on membership, but they'll spend \$100 or \$150 a year, even for ancillary. We've done this with medical organizations as well, for a physician organization, for example.

Dr. Michael Carr-Tatonetti: [00:16:48] Maybe PAs, nurse practitioners, they can't be members according to the bylaws. They're already buying a la carte CMEs, but now we create this bundle where they get access to some basics to help them in practice. We've done it a lot of ways. It works well. One of the big things, though, is, operationally, you still need to line item those wins for education—and this is something we talked about a little bit in our change e-mail. I don't think that means that the portfolio gets absorbed into membership because, all of a sudden, it's like, "Well, membership's doing great, but education doesn't really have revenue. Why do we have an education staff?" Because the bolster in revenue is because of them, not because of membership! It's important to figure out—and it can look a few different ways—okay, education is still a standalone department, and usually they still have a lot of products to sell and in-person to do and all that, but knowing this percentage of membership is allocated back to education's win and to that staff.

Dr. Michael Carr-Tatonetti: [00:17:54] When you're doing KPIs, metrics, and evaluations, you're not getting lost, and then, five years later, someone feels like, "Well, we can cut the education staff." And it's like, "No, you can't." The other thing too is products change. It's like an accordion. For a few years, you might bundle; then you might de-bundle or come up with new premium education offerings. Again, they can still be non-dues revenue. It's not always the right answer for everyone. But, for a lot of organizations, sometimes it's been really successful because, again, what I mostly see is them coming to associations for education, not membership; events, if they can go, but there are so many budget restrictions, all that. Digital education is the win-win right now for associations, and it will be for this decade, for some years to come. So those are some of the things we're doing. Are you all seeing that, or is it still more a la carte? Not to flip it back on you, but I'm curious to hear what you guys are seeing as experts as well in the space. Are you seeing anything with that?

Jeff Cobb: [00:18:55] Yes, we talk about this constantly—not that a la carte can't be viable anymore, but it's a much harder game, so to speak, to do things purely a la carte. We're seeing subscriptions much more, particularly in that business-to-consumer model. If you're selling to individual members, subscriptions can work very well. For example, the American Speech-Language-Hearing Association—Jack Coursen has talked about that, at our events and on the podcast before. He's even taking that now into the business-to-business model, and health systems are buying. And then, in that business-to-business model, David Upbin from the Mortgage Bankers Association spoke at one of our recent events, and they package their

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

education up into bundles. They call it “Education Advantage”—if I’m remembering the name of his program—and it’s tiered.

Jeff Cobb: [00:19:46] I want to ask you about this too—how you approach the pricing—but tier one is on-demand digital. Tier two is on-demand plus live digital, and maybe at that point they start to insert one or two face-to-face seminars. Tier three gives more of the face-to-face. And then they have a custom level for their big customers—they’re selling to banks. They have this whole structure for how to price it as a really compelling offer to the banks for why to buy into education in this way rather than on a more ad hoc model. We’re seeing a lot of success with that, definitely.

Dr. Michael Carr-Tatonetti: [00:20:25] That’s good. And that ties in because one other thing that I’m noticing, especially when we talk B2B—whether it’s trade versus individual society or if it’s still some kind of organizational purchase—with purse strings tightening, in a lot of organizations, it’s getting harder to get ad hoc purchases approved. You’ll get membership approved, but then throughout the year, when you want to go to something outside of one big conference, it’s hard. When you bundle it and can sell it at the same time, one touchpoint a year, they can more easily budget, buy it, set and forget. It’s also helping with customer experience. It’s making it easier on the member, but it’s also, again, helping to get more revenue in.

Jeff Cobb: [00:21:13] I’m wondering what you see as potential dangers or areas where organizations have to be cautious about this. You already raised one around making sure that the role of education isn’t discounted in this whole process, that there needs to be accounting for what education is contributing to the overall business model for the organization. I worry about the potential erosion of pricing power with more ad hoc offerings. If you’ve got all this stuff packaged up in a subscription that people can get access to, and they’re not necessarily equating the price with the content they’re getting, but you still want to sell some ad hoc stuff, does that have a downward pressure on that? How do you communicate effectively to members and customers to make sure they’re seeing the value of what they’re getting in these different packages and pricing scenarios?

Dr. Michael Carr-Tatonetti: [00:22:04] This is where the accordion mindset comes in. It can cannibalize, yes, but I don’t think it’s as easy to cannibalize as some people think. There was one scenario with a client two years ago where we tested this, and the answer was no—stay a la carte. That was one out of 40, 50 projects in the last few years, and probably a third of them looked at this type of model. Again, it’s rare, but there can be cases. But here’s the thing—because associations only have so much money and research in the business area, look to for-profit. For-profit is moving to subscription models and more one-time, one-and-done. I’m looking at buying a new car right now. I was looking at the 2027 Highlander, which I’ve written off my list now because I don’t like the third row, but I noticed that they have a subscription model for so much of the tech in the car. Car dealerships tried with prepaid for your oil changes, all your service for the first three years. A lot of organizations are moving to that model, which means that, in general, across the landscape, we as human beings are being conditioned to subscribe, either at smaller incremental amounts or once a year. I pay for my car

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

insurance twice a year. I don't do monthly. I just like to know it's done. We're getting conditioned to that in the world, not just in the association space.

Dr. Michael Carr-Tatonetti: [00:23:33] Again, we're much pickier with ad hoc purchases. Could it cannibalize? It could if you never create anything beyond that. If you put everything in, and that's it, and you leave it that way for 20 years, then, yes, you probably have screwed up. The way that you don't is by, number one, defining clearly what is included because it's usually not all of your education; it's some of it. You make a name for that; you bundle that in. You still sell non-dues pieces, but now it's more premium. Then, maybe after three years, you start to introduce, like, "Oh, here's a three-hour 'How to Prompt Engineer Better'"—I'm sure in three years, AI, it'll be a different topic. And then that's a lower cost, like a \$100 or \$300 online thing. You still sell other things, but we're trying to bolster.... It's like we're lifting the legs of the table—there's education, membership, events, sponsorship, publications, all these legs. We're trying to bolster all of them and lift the financial viability of the organization. Right now, the easiest lever is working with education in some way. Membership's only going to go up so much in price. Events are only going to go up so much in price. Again, margins are slim on all those. Publications? Forget it. Events? Forget it.

Dr. Michael Carr-Tatonetti: [00:24:55] Digital education is where we can really pull some levers and get the lift that we need while serving our members well. They want that from us. How do we do that? That's where the strategy comes in. And the answer is not one-size-fits-all, but the only way that you cannibalize is if you're also the type of organization that doesn't raise membership dues for 20 years. If you're asking this question...it's like parenting. Those of us who are like, "Am I being a good parent?" Therapists will say, "If you're asking that question, you're probably a good parent." It's the same thing. If you're asking, "How do we not cannibalize?" you're probably not going to let it cannibalize. It's not as if your head's in the sand. I think they'll be okay, but still offer non-dues education products. I'm not saying don't. I'm saying it might be a way, whether it's subscription outside of membership, embedding it, or whatever that looks like. Even in upselling events, it might not be membership; it might be "Come to the event," and then there's an upsell pass for the digital. And then you get to see the breakouts that you missed when there are concurrent sessions. That's a way to do a subscription and think about it and then sell it for a higher price to those that didn't even come to the conference. There are many ways you can slice the pie.

Jeff Cobb: [00:26:05] You referenced all the different types of products and opportunities that an association might represent. And something that's become more and more a part of our work lately is looking at governance around education product decisions. Because, in associations, a lot of times it's dispersed out through different committees. There's no coordination. There's a significant governance issue at many organizations. Part of that discussion, though, is pricing. Who should own pricing decisions in an organization, particularly when education is there with a bunch of other products that are in the organization's portfolio? Who makes those decisions? And a related question is when should those decisions be made? Because a lot of times we see an organization build a product, and then they're like, "How should we price it?"

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

Dr. Michael Carr-Tatonetti: [00:26:50] Yes! I love you for these two questions. I'm going to answer the second one first because it's quicker; then I'll go to the first. For when you should decide on pricing, the best practice is to test pricing when you're at the conception stage, before you've built the product. As a consultant, if I say, "I'm going to consult on pricing for associations" but then find out that the associations are only willing to give us \$1,000 but expect a six-month engagement, that's not financially feasible. It's not a business. You should, to a degree, be testing new products before you build them—with education, with anything. But education's the main area where this exists because that's where we're pumping new products right now. You should be testing the concept in advance. If you do it after—I've had clients do this. They've built a product, hired us to price it, and I'm like, "I have a gut feeling here." And they're like, "No, just see what they say," and then they don't even....

Dr. Michael Carr-Tatonetti: [00:27:50] One client built it in the wrong platform. They built it as a Word doc plugin, and then their users were like, "We don't have Office-enabled devices. We use PDF. We would like it if it were a PDF extension. But this we would never buy." The willingness to pay is zero. And I told them that. When that happened, they were sitting in on the focus groups, and I'm like.... So, before you build the product, you should price. The other thing, though, as far as governance, decision-making.... I don't care who it fits with because associations are all nimble and different and have different organizational setups. I do think there should be best practices—a pricing governance committee where it's department heads, especially with education. To your point, Jeff, because sometimes there'll be the digital education team that works with SMEs and all that. Then there are the events, which is still education. Then there's in-person workshops. I've worked with that, with medical orgs, and there's a triangulation that's happening. And they're like, "Well, we can't charge this because they're only charging this." I'm like, "We've got to get on the same page. The customer doesn't give a damn what your departments are. They're buying products from the organization. You've got to be cohesive here." The leaders of departments should be meeting, talking.

Dr. Michael Carr-Tatonetti: [00:29:17] We have a governance template, for free, in our book. You can get it for free on the Web site. It's on Amazon. But there is, at the end, a governance template. Or, if anyone wants to message me, I'll send them the Google Doc of it for free. It basically outlines these decisions where, every year, the committee should meet and discuss, "What are our plans for the next year? Who's going up in price?" All that. It should be data-backed. You should be looking at data, value, and pricing. And you're not making big changes every year. Usually, it's cost of living-ish. But every three to five years there might be that accordion—like it's time for membership, or it's time for events, or it's time for sponsorship to do an accordion stretch or tie back in; we're going to repackage a little bit, adjust pricing more substantially, test some new things out. But you don't do it all in one year across everything, or you're going to give whiplash.

Dr. Michael Carr-Tatonetti: [00:30:09] One year might be membership, the next year might be sponsorship, the next year might be events, the next year might be digital education, whatever, and you cycle through. But every year you should be meeting and saying, "Here's what we're

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

doing. How does that impact the customer journey? And how are we working together?" Again, maybe education isn't rolled in, but there is an upsell option direct on the membership renewal, a pass, or whatever. How do we document? What's the process? How are we making this easy for people to say yes and spend money with us because we're the right solution? That's my two cents. It shouldn't just sit with one person like a CFO. It should be the heads of products coming together and saying, "Here's what we want to do. Here's what you want to do. How do we all want to proceed?" And the CEO should be heavily involved in that; CFO too. But it should be more of an internal staffing committee wherever the bylaws don't require the board to vote, which is usually only membership if they do. Outside of that, usually staff is empowered to make all pricing decisions.

Jeff Cobb: [00:31:11] One last thing I'll ask about, and I'll start with the observation that pricing is a very dynamic field. People who don't deal with it a lot may think, "Well, it's just some set of rules I need to follow" and that sort of thing. But, no, particularly with AI coming along, it's thrown a huge wrinkle into pricing. This is a little bit of a double-barreled question, though—you personally and what you would recommend to others. How do you stay on top of how pricing is evolving? How do you educate yourself and keep learning? And, for somebody who's listening, who does not understand pricing all that well and wants to educate themselves as much as possible?

Dr. Michael Carr-Tatonetti: [00:31:53] Two thought leaders that I really love personally are Ron Baker and Ed Kless. They are both accountants by trade, and they focus on value-based pricing for accountants as a service. And so, same thing, instead of hourly, project-based, value-based. I love them. I've met them through getting the CPP, and they're literally great. They have simple examples, not specific to the association space but good general knowledge. Another book that I love is called *Value as a Service*. I've read many pricing books. I have over 800 books, and at least 10 or 20 are on pricing. There's a lot, but that's a good one as well. There's another one. I can't remember the exact name, so I'll find it and send it to you for the show notes, but it's something like *The Psychology of Price*—that's another good one. Most of pricing is not math. People can think, "Oh, it's just the number." I would say 80 percent of pricing is psychology and marketing, and then 20 percent is finance. It's what will you pay, but it's what will you pay based on...?

Dr. Michael Carr-Tatonetti: [00:33:05] The reason I pay \$8 for a Starbucks coffee is because it makes me feel a certain way. It's the qualitative value and the quantitative. But I can buy a coffee for two bucks at the gas station or a dollar. What's the difference? I don't give a damn about the beans. I feel some kind of way—status symbol—holding a Starbucks coffee cup, and you're part of a club in a way. That's where being a member, being a part of a community—it's the psychology. My best advice is study psychology on consumer behavior, decision-making, behavioral economics. Florian Bauer is really good at that as well—behavioral economics. He's over in Europe. I know him as well. Fantastic guy. Super smart. So those are some people, some books, some resources that I love, that I follow, that I learn from. Otherwise, I like to read anything on pricing on LinkedIn, honestly. Like when Wendy's was doing the dynamic thing

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*

with their boards. I like seeing those B2B and B2C examples and then figuring out how does that play into associations? I look at it more like I'm a translator.

Celisa Steele: [00:34:17] That wraps up our conversation with Dr. Michael Carr-Tatonetti, founder and CEO of Pricing for Associations, but stay with us another minute to catch our recap.

Jeff Cobb: [00:34:27] You'll find show notes and a transcript for this episode at leadinglearning.com/episode475, along with links to Michael's profile on LinkedIn and to the Pricing for Associations Web site. There, you can get a free copy of his book *Pricing for Associations*, as well as access to hundreds of articles on pricing.

Celisa Steele: [00:34:48] If you found this episode valuable, we'd be grateful if you'd share it. That helps more people find the show and benefit from the conversation, and it supports the work we do.

Jeff Cobb: [00:34:56] In our conversation, Michael emphasized that effective pricing starts with understanding value and looking at data on engagement, purchasing behavior, and customer perceptions to guide decisions.

Celisa Steele: [00:35:09] He also talked about the growing shift toward bundling and subscription-style models for education and how those approaches can strengthen both the customer experience and the financial sustainability of the organization.

Jeff Cobb: [00:35:21] At the same time, organizations need to be thoughtful about governance and timing—testing pricing concepts *before* building new products and making sure education's role in overall revenue remains visible.

Celisa Steele: [00:35:34] Lots to think about if you're responsible for pricing, packaging, or positioning learning products in your organization.

Jeff Cobb: [00:35:41] Thanks again for listening—and see you next time on the Leading Learning Podcast.

[music for this episode by Moarn]

*This transcript accompanies the episode of the Leading Learning Podcast
available at www.leadinglearning.com/episode475.*