



How to Price Your Services in Australia

A plain-English guide for Australian small businesses on setting service prices, handling GST, and staying on the right side of ACCC and Fair Trading rules.

Most Australian service businesses underprice, not because their work isn't worth it, but because they guess. They copy a competitor's rate, knock a bit off to win the job, and never check whether the number actually covers their costs and pays them properly.

This guide walks through how to build a price you can defend — one that accounts for your real costs, the value you deliver, and the Australian realities of GST, ABNs and consumer-pricing law. It won't hand you a magic number, but it will stop you pulling one out of thin air.

1. Know your real costs

Before you can price anything, you need to know what it costs you to deliver it. Add up your direct costs (your time at a fair hourly rate, subcontractors, software, materials) and a share of your overheads — rent, insurance, vehicle, super, tools and the hours you spend quoting and chasing invoices.

If you operate through an ABN as a sole trader or small company, remember you're also covering your own super and tax provisions. A price that only covers visible costs quietly bankrupts you over a year.

2. Decide what your work is worth

Cost tells you the floor; value tells you the ceiling. A client paying for a marketing campaign cares about leads and revenue, not how many hours you spent. Price against the outcome you create, not the time you put in.

This is where most owners leave money on the table. If your work helps a Sydney retailer add A\$50,000 in annual sales, a A\$5,000 fee is cheap — even if it only took you a week.

3. Check the market — and your location

Look at what comparable providers charge, but treat it as context, not gospel. Australian metro markets like Sydney and Melbourne carry higher rates and higher client expectations; regional and remote clients are often more price-sensitive, though they may also have fewer alternatives.

Don't blindly match a city rate if you're serving a regional town, and don't undersell a metro client because a regional competitor is cheaper. Price for the market you're actually in.

4. Add GST and present the price correctly

If you're registered for GST (mandatory once your turnover hits A\$75,000), you must add 10% GST. How you present it depends on your audience: consumers expect a GST-inclusive total, while B2B quotes are commonly shown exclusive with "plus GST" clearly stated.

Whatever you do, the advertised price to a consumer must be the single, total amount they'll pay. Get this wrong and you're not just confusing clients — you're risking an ACCC or Fair Trading breach.

Four common ways to set a price — most healthy businesses blend them.

Approach	Best for	Watch out for
Cost-plus	Predictable, repeatable work where costs are easy to pin down	Caps your upside and ignores the value you actually deliver
Value-based	Outcome-driven services like marketing, strategy and design	Harder to justify; needs you to understand the client's numbers

Approach	Best for	Watch out for
Market/competitor	Sanity-checking your rate and entering a new market	A race to the bottom if you only ever match the cheapest
Hourly vs fixed	Hourly suits open-ended work; fixed suits defined scope	Hourly penalises your efficiency; fixed bites if scope creeps

Common questions

Do I include GST in the price I advertise?

For consumers, yes — under ACCC rules any price you advertise to the public must be the single, total price including GST. For B2B you can quote GST-exclusive, but you must clearly state “plus GST” so there's no confusion. Showing a consumer a price that swells at checkout is exactly the kind of misleading pricing Fair Trading and the ACCC act on.

GST-inclusive or GST-exclusive — which should I use?

It depends on who's buying. Consumers expect and are legally owed an inclusive total, so quote and advertise inclusive. Business clients usually expect exclusive pricing with GST added on the invoice, which they claim back, so “plus GST” is the norm. Pick the right convention for the audience and be consistent within a single quote.

How do I raise my prices without losing clients?

Give existing clients reasonable notice, be straight about why (rising costs, or simply that your rates have moved with your experience), and tie the increase to the value they get. Most good clients accept a modest, well-communicated rise. The ones who leave over a fair increase were usually unprofitable anyway.

How should I respond when a competitor undercuts me?

Resist the reflex to match them. Competing purely on price is a race you win by going broke. Instead, make your value obvious — results, reliability, local knowledge, less hassle — and let price-only shoppers go to the cheaper option. If a competitor is consistently far below you, they're often hiding costs or about to burn out.

Should I charge for quotes or discovery sessions?

Quick quotes are usually free and part of winning the work. But genuine discovery — an audit, a strategy session, detailed scoping that delivers value on its own — is worth charging for, even at a reduced rate that you credit if they proceed. Charging filters out tyre-kickers and signals that your time has value.

Should I bill hourly or charge a fixed price?

Fixed pricing suits work with a clear scope and rewards you for being efficient — the better you get, the better your effective rate. Hourly suits open-ended or unpredictable work but penalises your speed and caps your income. Many Australian service businesses quote fixed prices with a written scope, then charge hourly for anything beyond it.

Read the full interactive guide, with a free tool, at cmbeyer.com — or ask Bea to build a package for your business.