

STUDY: What People Pay For Music Lessons

2014 National Report



Table of Contents

- Report overview
- Median prices & income by city
- Price range by city
- Prices by instrument
- National prices by location & length
- Additional pricing studies and advice
- What to do next



The easy way to grow and manage your teaching business

TakeLessons is the nation's largest online marketplace for lessons. People of all ages come to TakeLessons.com to search, book, and learn from private instructors of all kinds. Thousands of instructors rely on TakeLessons as a way to get new students and manage their businesses with free tools.

TakeLessons teachers have earned: \$ **21,200,648**

**Learn about
TakeLessons**

**Set up your
FREE account**



Facebook



Twitter



Google Plus



Pinterest

What do you need to know about this report?

About the data

Data has been collected from client bookings in 2014 and from 150,000+ price points set by music teachers who rely on TakeLessons to help grow and manage their businesses. Teachers set their own prices and teaching locations, and clients book with the teachers of their choice.

About the presentation

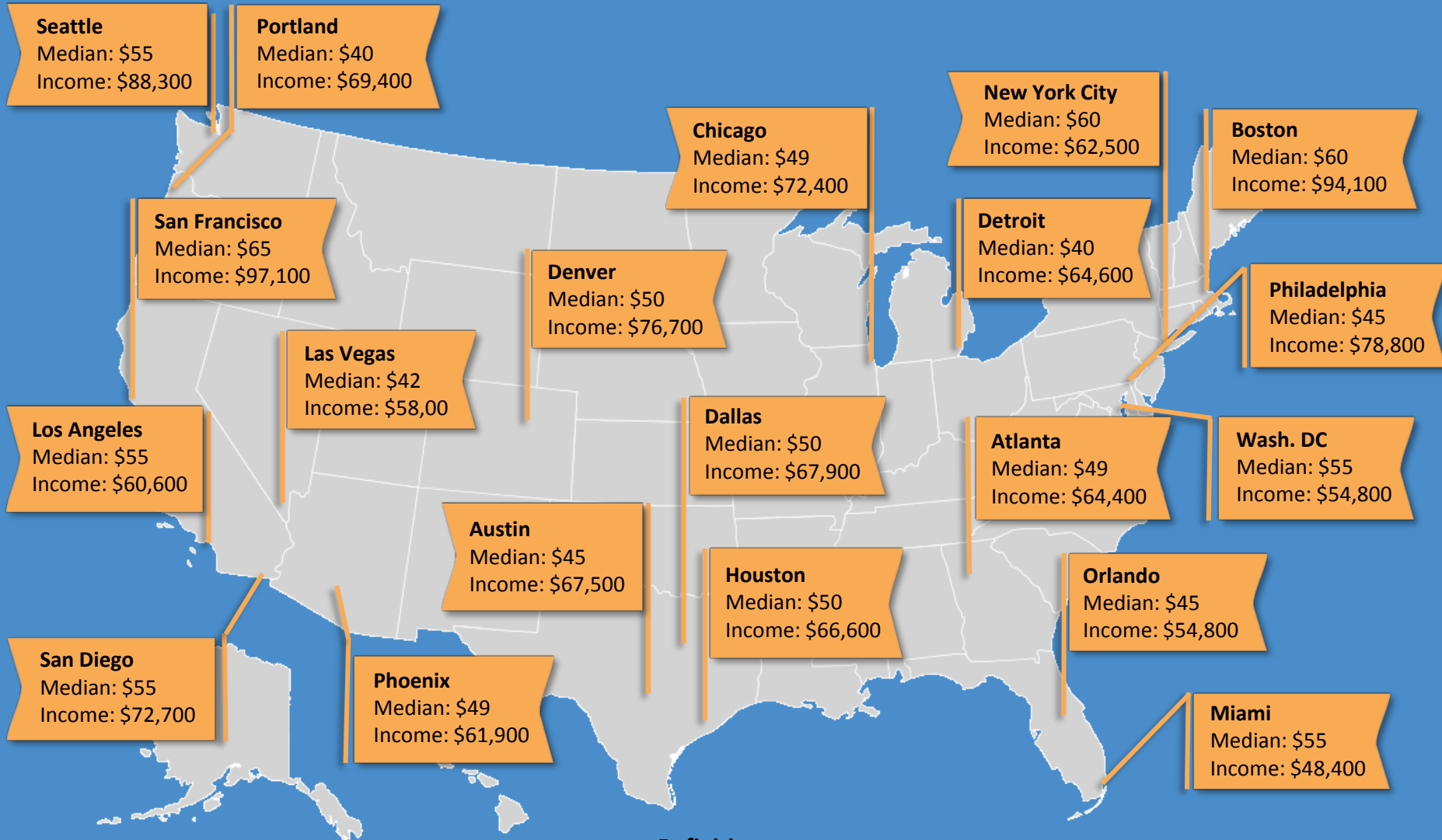
- Median purchase prices are presented because average prices can be skewed by outliers
- The ranges presented exclude outliers (extremely high or low priced lessons)

Have questions about this report?

Contact TakeLessons:



Purchase Prices by City (60-Min Lessons)



Don't see your city?

[View a complete list here.](#)

Definitions:

Data: 60-min lesson purchases for all instruments and teaching locations.

Median: The middle number of all 60-min lesson purchases in that city.

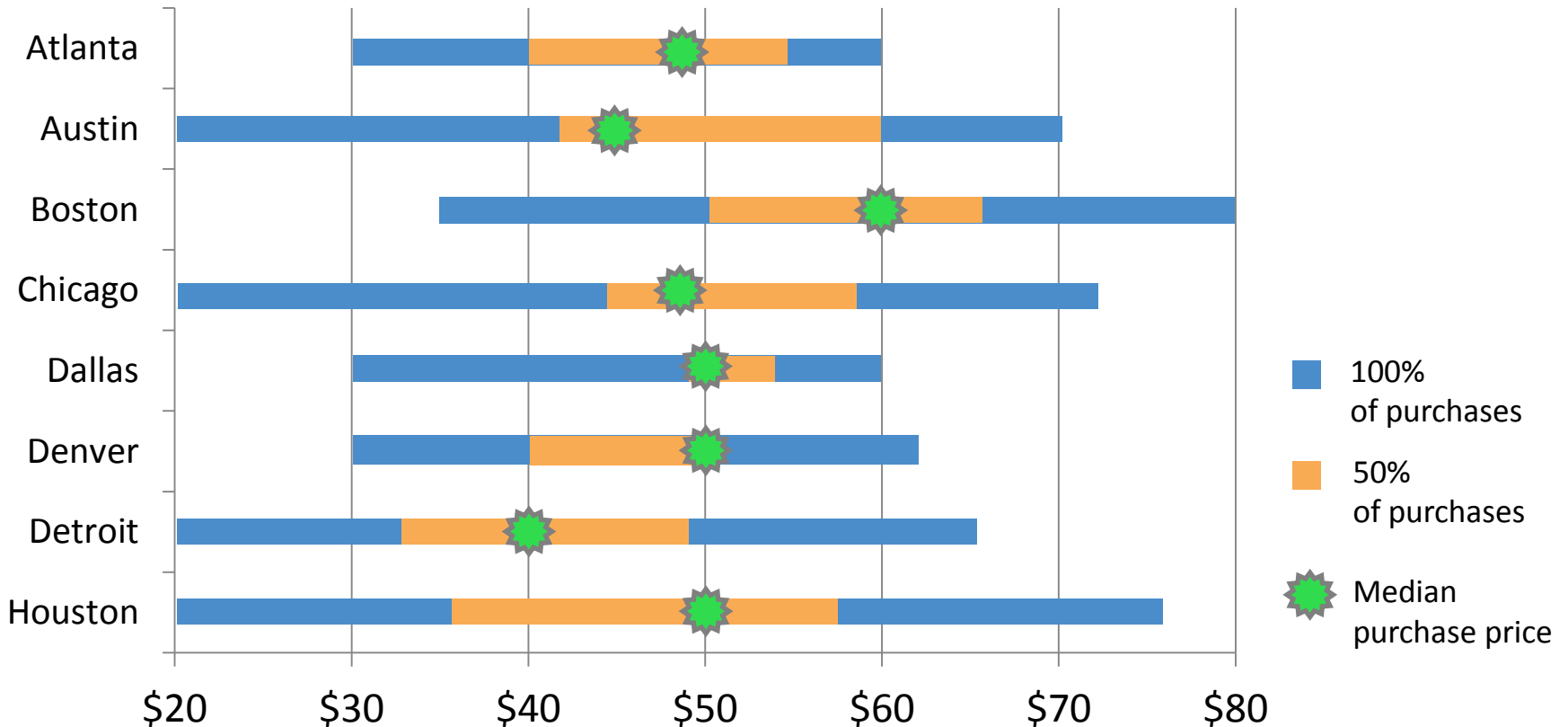
Income: Estimated median family income for 2014 (huduser.org).

How much are people willing to pay for 60-minute music lessons?

Definitions:

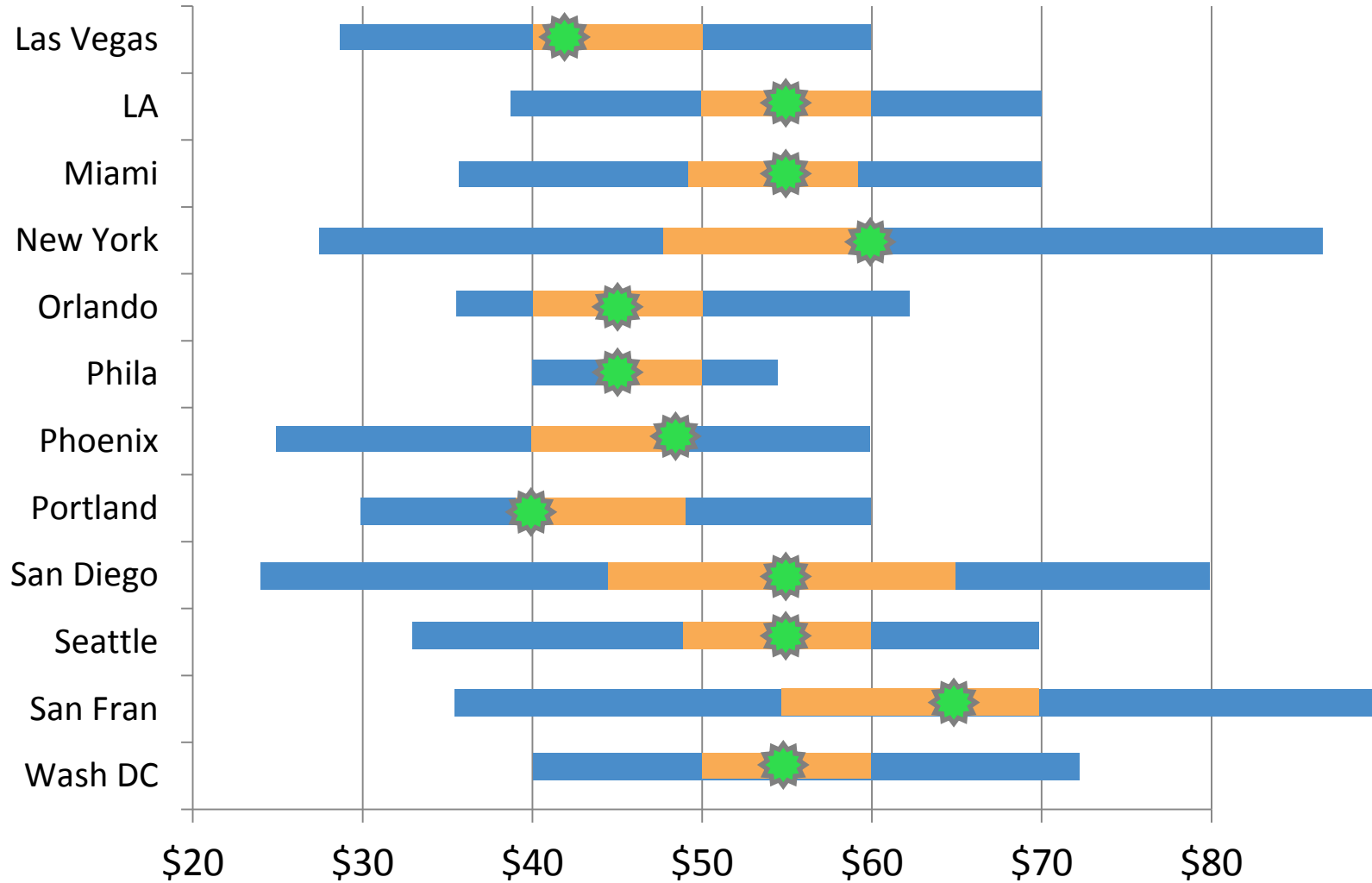
50% of Purchases: Half of the purchases in that city occur within the range presented.

100% of Purchases: All purchases in that city occur within the range presented.



Purchase Price Ranges by City (60-Min Lessons)

How much are people willing to pay for 60-minute music lessons?



Takeaways:

The numbers

- San Francisco has the most expensive median rate, followed by Boston and New York City
- Detroit has the lowest median purchase price, followed by Portland and Las Vegas
- (Tip: To attract new students, adjust your rates so they fall below your city's median)

Other factors

- Consider where you live within your city as rates differ by town and neighborhood



Jordan M. currently has 55 TakeLessons students:

“Starting at a lower rate is a great way to attract new students. I consider it a must if you have significant blocks of availability - fill the slots, use the experience to become a better teacher, get reviews, and then raise your rates.”

What are the median purchase prices by length and location across the country?



Clients travel to you



You travel to the clients



Lessons by live, online video chat

Location	Length	Median Price
In-studio	30 minutes	\$27.75
	45 minutes	\$39
	60 minutes	\$49
In-home	30 minutes	\$31.50
	45 minutes	\$45
	60 minutes	\$50
Online	30 minutes	\$25
	45 minutes	\$31.50
	60 minutes	\$45

Takeaways:

Discounts by location

- People are willing to pay 13-15% more for in-home lessons instead of in-studio lessons

(Tip: check your travel markup to make sure it falls within or below this range)

- Online lessons are 10-20% cheaper than in-studio lessons

(Tip: Do you offer online lessons? Online lessons are growing in popularity)

Discounts by length

- 30 vs. 60-min lessons: People receive a 12-21% discount if they book for 60 mins over 30

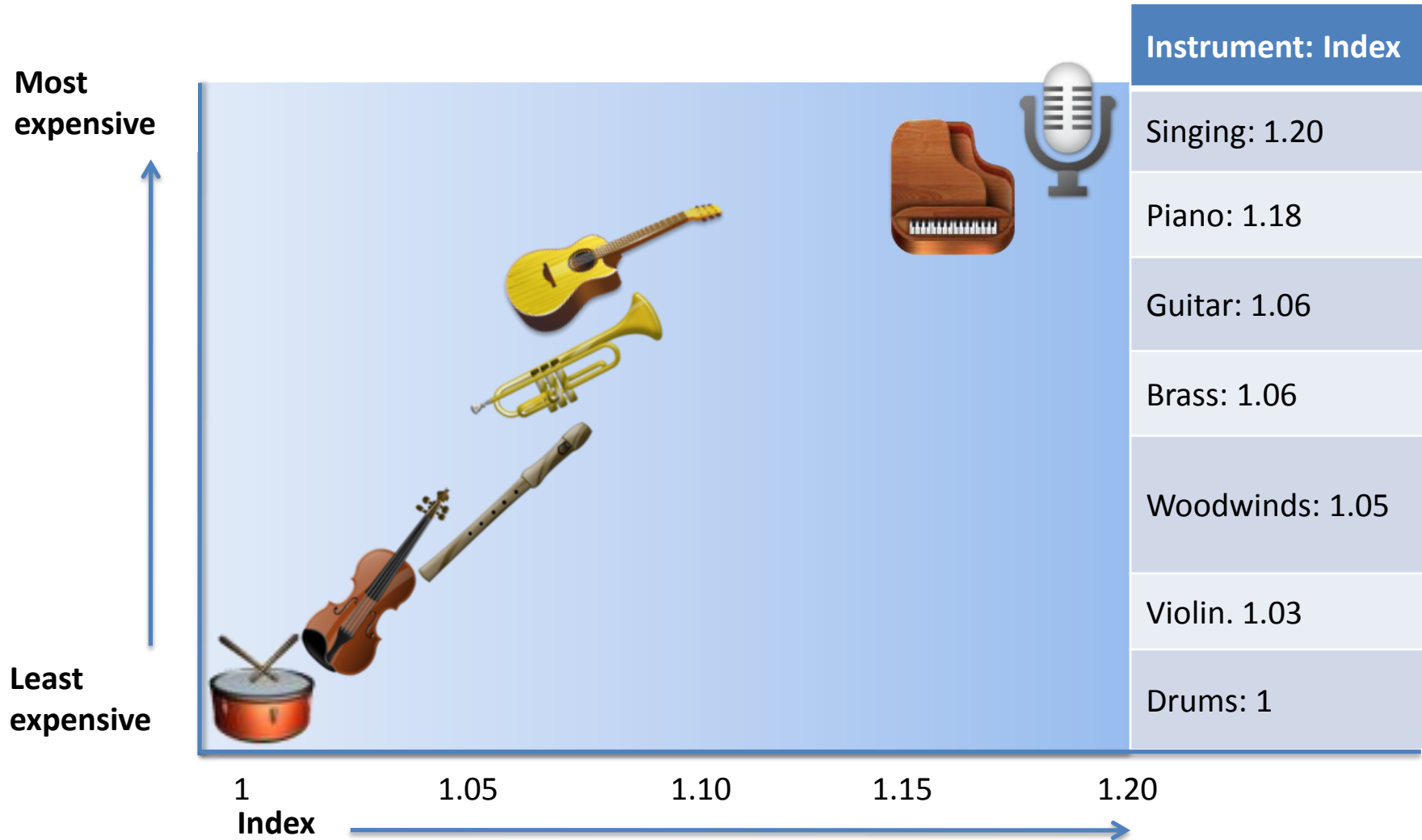
(Tip: If you charge \$32/ 30 mins, you should charge \$50/ 60 mins to be in line with the market)



Jason M. currently has over 30 TakeLessons students:

“I choose to deduct about \$5 per 15 minutes to illustrate that longer lessons are a better deal and more effective. Make it obvious for the client.”

What is the difference in price between the most popular instruments?



Reading the chart: If drum lessons cost \$100, singing lessons would cost \$120 (20% higher).

Takeaways:

	Drums	Violin	Woodwinds	Brass	Guitar	Piano	Singing
Index	1	1.03	1.05	1.06	1.06	1.18	1.20

Reading the chart

- Index shows the difference compared to the least expensive lesson type (drums)

Examples:

- Singing (Index: 1.20): People pay 20% more for singing lessons than for drum lessons
- Brass and guitar lessons (Index: 1.06) get booked at a 6% higher price than drum lessons
- If people pay \$100 for drums, they'd likely pay \$118 for piano

(Tip: Use this chart to compare your rates against your city's median – If you teach guitar, for example, you should be well below the median since it's less expensive than piano/singing)

What other pricing studies and tests can we learn from?

Data:

“Odd pricing” or “psychological pricing” tactics (prices that do not end in a round number or 0) have been proven to increase purchases:

- Rutgers University tested behavior of 90,000 consumers – the price ending in .99 increased sales by 8% over the price ending in .00
- MIT and Univ. of Chicago tested retail prices at \$34, \$39, and \$44 – the item sold best at \$39

Advice:

- TakeLessons data is consistent with these studies – many of the median purchases end in \$9
- Drop your rate to the closest number ending in \$9 to attract the eyes of potential students

Sources:


- 1) “Increased Consumer Sales Response Through Use of 99-Ending Prices” (business.camdem.rutgers.edu)
- 2) “Effects of \$9 Price Endings on Retail Sales” (link.springer.com)

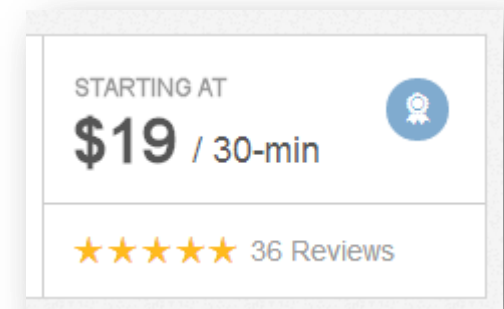
TakeLessons teachers: What should you do next?

Check your rates and answer these questions:

- Where do you rank vs. other teachers in your city?
- How much are people willing to pay in relation to what you charge?
- If your rates are above the median, does your TakeLessons profile demonstrate your added value?

View and adjust your rates:

1. 
2. Click on “Account Settings” (top right corner of your account)
3. Select “Locations & Pricing”



Have a question? Let's socialize (click on an icon to get in touch):



Spread the word!

Share this report with your followers and friends:



The easy way to grow and manage your teaching business

Become a Teacher!

Want to learn how you can grow and manage your business with TakeLessons?

[Learn about
TakeLessons](#)

[Set up your
FREE account](#)



The easy way to grow and manage your teaching business