

# CareLink AI Pricing Strategy

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## Comprehensive Pricing Model & Revenue Strategy

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## Executive Summary

This document outlines a comprehensive pricing strategy for CareLink AI, a senior care marketplace platform connecting families, care operators, caregivers, and discharge planners. Based on competitive analysis and industry research, we recommend a **Hybrid Revenue Model** combining subscription-based pricing for operators with lead generation fees and optional premium features for other personas.

**Key Recommendations:**

- **Primary Revenue Source:** Operator subscriptions (\$49-\$299/month)
  - **Secondary Revenue:** Lead generation fees from high-intent referrals (\$50-\$150 per qualified lead)
  - **Launch Strategy:** 2-month free beta → Grandfather pricing for early adopters
  - **Target Break-Even:** Month 8-10 with 30-40 paying operators
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## Section 1: Pricing Model Analysis

### 1.1 Commission-Based Model (Traditional Referral Agency)

**How It Works:** Charge operators 50-100% of the first month's rent when a resident moves in.

**Pros**

- **✓ Industry Standard:** A Place for Mom, Caring.com use this model successfully
- **✓ High Revenue Per Transaction:** \$3,000-\$8,000 per placement
- **✓ No Risk to Operators:** Only pay for results
- **✓ Proven Conversion:** Operators understand this model

**Cons**

- **✗ Long Sales Cycle:** Takes 30-90 days from lead to move-in to payment
- **✗ Unpredictable Revenue:** Lumpy cash flow, hard to forecast
- **✗ High Friction:** Operators track duplicate leads, dispute fees
- **✗ Requires Scale:** Need high volume to generate consistent revenue
- **✗ Legal Complexity:** Anti-kickback considerations, state regulations (TX, OK ban percentage-based fees)

**Revenue Potential:** \$150K-\$500K annually (with 50-150 placements)

**Market Fit:** ★★★★ (4/5) - Strong but requires significant scale

**Implementation Complexity:**  High - Legal contracts, payment tracking, dispute resolution

**Time to Revenue:**  90-120 days from launch

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## 1.2 Subscription Model (SaaS for Operators)

**How It Works:** Monthly/annual recurring fee for operators to access the platform, manage listings, receive leads.

### Pros

-  **Predictable Revenue:** Monthly Recurring Revenue (MRR) is forecastable
-  **Fast Time to Revenue:** Payment upfront or monthly
-  **Lower Friction:** Simple pricing, no per-placement negotiations
-  **Compound Growth:** New subscribers stack on existing MRR
-  **Solo-Founder Friendly:** Easier to manage than commission tracking

### Cons

-  **Upfront Commitment:** Operators may resist paying before seeing results
-  **Lower Revenue Per Customer:** \$49-\$299/month vs \$5,000 per placement
-  **Requires Volume:** Need 40-100 operators to reach \$10K+ MRR
-  **Value Proposition:** Must deliver consistent leads to justify subscription

**Revenue Potential:** \$60K-\$360K annually (with 50-100 operators)

**Market Fit:**  (5/5) - Excellent for bootstrap startup

**Implementation Complexity:**  Low - Stripe integration, simple billing

**Time to Revenue:**  30 days from launch

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## 1.3 Freemium Model

**How It Works:** Free basic listings, charge for premium features (enhanced visibility, analytics, priority leads).

### Pros

-  **Low Barrier to Entry:** Attracts high volume of operators
-  **Viral Growth Potential:** Free tier drives network effects
-  **Upsell Opportunities:** Convert 3-10% to paid over time

### Cons

-  **Low Conversion Rates:** Typical 1-10% freemium conversion
-  **Infrastructure Costs:** Supporting large free user base
-  **Delayed Revenue:** Takes 6-12 months to see meaningful conversions
-  **Value Balance Challenge:** Hard to define free vs paid split

**Revenue Potential:** \$30K-\$150K annually (with 500+ operators, 5% conversion)

**Market Fit:**  (3/5) - Good long-term, poor for bootstrap

**Implementation Complexity:**  Medium - Feature gating, analytics

**Time to Revenue:**  90-180 days

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## 1.4 Hybrid Model (Subscription + Usage/Leads)

**How It Works:** Base subscription + additional fees for premium leads, featured listings, or high-intent referrals.

### Pros

-  **Multiple Revenue Streams:** Diversified income
-  **Predictable Base + Upside:** MRR foundation + variable revenue
-  **Align Incentives:** Operators pay more when they get more value
-  **Flexible Pricing:** Can adjust mix based on operator feedback
-  **Scalable:** Works for small and large operators

### Cons

-  **Complex to Communicate:** Requires clear explanation
-  **Pricing Management:** More moving parts to track
-  **Potential Confusion:** Operators may not understand pricing initially

**Revenue Potential:** \$120K-\$500K annually (with 50+ operators)

**Market Fit:**      (5/5) - Best of both worlds

**Implementation Complexity:**  Medium - Multiple billing components

**Time to Revenue:**  30-45 days

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## 1.5 Lead Generation Model (Pay-Per-Lead)

**How It Works:** Charge operators \$25-\$150 per qualified lead delivered.

### Pros

-  **Performance-Based:** Operators only pay for results
-  **Easy to Justify:** Clear ROI per lead
-  **No Upfront Commitment:** Lower barrier than subscription

### Cons

-  **Lead Quality Disputes:** Operators may claim leads aren't qualified
-  **Variable Revenue:** Unpredictable monthly income
-  **Requires High Volume:** Need 100+ leads/month for meaningful revenue

**Revenue Potential:** \$50K-\$180K annually (with 100-150 leads/month)

**Market Fit:**      (4/5) - Good complement to subscription

**Implementation Complexity:**  Medium - Lead qualification, tracking

**Time to Revenue:**  30-60 days

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## 1.6 Marketplace Transaction Fee

**How It Works:** Charge 5-15% transaction fee on all bookings/placements made through platform.

### Pros

- **Scales with Usage:** Revenue grows with platform activity
- **Aligns with Success:** Only charge when transactions happen

### Cons

- **Platform Leakage:** Users transact off-platform to avoid fees
- **Payment Processing:** Must handle payments between parties
- **Legal/Regulatory:** Complex compliance requirements

**Revenue Potential:** \$100K-\$400K annually (with high transaction volume)

**Market Fit:** (3/5) - Better for mature marketplace

**Implementation Complexity:** High - Payment infrastructure, escrow

**Time to Revenue:** 90-180 days

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## Section 2: Recommended Pricing Model

### RECOMMENDED: Hybrid Model (Subscription + Lead Generation)

#### Why This Model Wins:

1. **Predictable Revenue:** Monthly subscriptions create stable MRR
2. **Performance Upside:** Premium leads generate additional revenue
3. **Solo-Founder Friendly:** Simpler than full commission tracking
4. **Fast Time to Revenue:** Start earning within 30 days
5. **Market Validated:** Similar to LinkedIn (subscription + InMail credits)

#### Implementation Approach:

- **Phase 1 (Months 1-6):** Focus on subscription revenue
  - **Phase 2 (Months 7-12):** Add premium lead generation fees
  - **Phase 3 (Year 2+):** Introduce marketplace transaction features
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## Section 3: Detailed Pricing Structure

### 3.1 FAMILIES (Users Seeking Care)

**Pricing:** FREE (Always)

#### Rationale:

- Families are the demand side; charging them reduces platform liquidity
- Competitors (A Place for Mom, Caring.com) offer free services to families
- Revenue comes from supply side (operators)

#### What's Included:

- Unlimited facility search

- AI-powered matching and recommendations
- Direct messaging with operators
- Saved favorites and comparison tools
- Reviews and ratings access
- Care planning resources

**Future Premium Features (Optional, Year 2+):**

-  White-glove concierge service (\$199 one-time)
  -  Dedicated placement advisor (\$499 one-time)
  -  Priority response guarantee
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## 3.2 OPERATORS/CARE HOMES (Primary Revenue Source)

**Pricing Model:** Subscription + Premium Leads

### Tier 1: Basic Plan - \$49/month (\$470/year, save \$118)

**Target Customer:** Small independent homes (1-6 beds), testing the platform

**Included Features:**

- 1 facility listing
- Basic profile (photos, amenities, pricing)
- Up to 5 qualified leads per month
- Direct messaging with families
- Email notifications
- Basic analytics (views, inquiries)
- Standard listing placement

**Limitations:**

-  No featured placement
-  No advanced analytics
-  24-hour response time requirement
-  Limited profile customization

**Value Proposition:** "Get started with qualified leads for less than \$2/day"

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### Tier 2: Professional Plan - \$149/month (\$1,430/year, save \$358) ★ MOST POPULAR

**Target Customer:** Established operators (6-20 beds), serious about growth

**Included Features:**

- Up to 3 facility listings
- Enhanced profile (virtual tours, videos, staff bios)
- Up to 15 qualified leads per month
- Priority listing placement (top 50% of searches)
- Advanced analytics (lead sources, conversion tracking)
- Review management tools
- Custom branding (logo, colors)
- AI-powered lead scoring

- Email & SMS notifications
- Monthly performance reports

**Bonus:**

-  5 Premium Lead Credits (\$50 value) per month
-  Dedicated onboarding call

**Value Proposition:** "Attract 2-3 residents per year to break even; most operators get 5-10"

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### **Tier 3: Enterprise Plan - \$299/month (\$2,870/year, save \$718)**

**Target Customer:** Large operators (20+ beds), multi-location facilities, management companies

**Included Features:**

- Unlimited facility listings
- Premium profile (everything in Professional +)
- Unlimited qualified leads
- **Featured placement** (top 10% of all searches)
- Priority support (dedicated account manager)
- API access for integration
- White-label reporting
- Multi-user accounts (up to 10 users)
- Advanced SEO optimization
- Competitive intelligence reports
- Custom integrations (CRM, PMS)
- Quarterly business reviews

**Bonus:**

-  20 Premium Lead Credits (\$200 value) per month
-  Featured blog post/case study
-  Early access to new features

**Value Proposition:** "Scale your occupancy across all locations with enterprise-grade tools"

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### **Add-Ons (All Tiers):**

**Premium Lead Credits:** \$10 each (or \$75 for 10-pack)

- High-intent leads (actively looking to move within 30 days)
- Pre-qualified by AI for budget, care level, location
- Delivered via phone + email with family introduction

**Featured Boost:** \$99/month

- Guaranteed top 3 placement in search results
- 300%+ increase in profile views

**Virtual Tour Creation:** \$199 one-time

- Professional 360° virtual tour creation service

**Reputation Management:** \$49/month

- Automated review requests

- Response templates
  - Multi-platform review monitoring
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### **3.3 CAREGIVERS**

**Pricing: FREE (with Optional Premium)**

**Free Features:**

- Profile creation
- Job search and applications
- Messaging with operators
- Shift availability calendar
- Basic certification verification

**Premium: \$19/month (Optional, Year 2+)**

- Featured caregiver badge
- Priority job alerts
- Background check assistance
- Resume builder templates
- Continuing education resources

**Rationale:** Free to build supply side; premium for competitive advantage

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### **3.4 DISCHARGE PLANNERS/SOCIAL WORKERS**

**Pricing: FREE + Referral Incentives**

**Free Features:**

- Professional account
- Access to entire facility network
- Quick placement tools
- Patient handoff workflows
- Commission tracking dashboard

**Referral Incentive Program (Optional):**

-  \$50-\$100 per successful placement referral (paid by CareLink AI, not operators)
-  Quarterly bonuses for high-volume referrers
-  Annual recognition awards

**Rationale:** Build network effects; incentivize quality referrals; no cost to operators

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## Section 4: Pricing Tiers Deep Dive

### Tier Comparison Matrix

| Feature                     | Basic (\$49/mo) | Professional (\$149/mo) | Enterprise (\$299/mo) |
|-----------------------------|-----------------|-------------------------|-----------------------|
| <b>Facility Listings</b>    | 1               | 3                       | Unlimited             |
| <b>Monthly Leads</b>        | 5               | 15                      | Unlimited             |
| <b>Search Placement</b>     | Standard        | Priority (Top 50%)      | Featured (Top 10%)    |
| <b>Profile Type</b>         | Basic           | Enhanced                | Premium               |
| <b>Analytics</b>            | Basic           | Advanced                | Enterprise            |
| <b>Premium Lead Credits</b> | 0               | 5/month                 | 20/month              |
| <b>Support</b>              | Email           | Email + Phone           | Dedicated Manager     |
| <b>Users</b>                | 1               | 3                       | 10                    |
| <b>API Access</b>           | ✗               | ✗                       | ✓                     |
| <b>Custom Branding</b>      | ✗               | ✓                       | ✓                     |
| <b>Virtual Tours</b>        | ✗               | ✓                       | ✓                     |

### Pricing Psychology Applied

**Anchor Pricing:** Enterprise tier at \$299 makes Professional at \$149 feel reasonable

**Decoy Effect:** Basic tier makes Professional look like the obvious value choice

**Good-Better-Best:** 60-70% of customers choose the middle tier (Professional)

**Annual Discount:** 20% savings encourages annual commitment, improves cash flow

**Lead with Value:** “Only \$49/month” = “\$1.63/day” = “Less than a cup of coffee”

## Section 5: Revenue Projections

### 5.1 Conservative Scenario

#### Assumptions:

- Beta: 2 months (free)
- Conversion rate: 40% of beta to paid
- Growth: 5-8 new operators per month

- Average plan: \$120/month (mix of tiers)
- Churn: 5% monthly

| <b>Month</b> | <b>Active Operators</b> | <b>MRR</b> | <b>ARR</b> | <b>Cumulative Revenue</b> |
|--------------|-------------------------|------------|------------|---------------------------|
| 1-2 (Beta)   | 15 (free)               | \$0        | \$0        | \$0                       |
| 3            | 6 paid                  | \$720      | \$8,640    | \$720                     |
| 4            | 11 paid                 | \$1,320    | \$15,840   | \$2,040                   |
| 5            | 16 paid                 | \$1,920    | \$23,040   | \$3,960                   |
| 6            | 21 paid                 | \$2,520    | \$30,240   | \$6,480                   |
| 7            | 26 paid                 | \$3,120    | \$37,440   | \$9,600                   |
| 8            | 31 paid                 | \$3,720    | \$44,640   | \$13,320                  |
| 9            | 36 paid                 | \$4,320    | \$51,840   | \$17,640                  |
| 10           | 41 paid                 | \$4,920    | \$59,040   | \$22,560                  |
| 11           | 46 paid                 | \$5,520    | \$66,240   | \$28,080                  |
| 12           | 50 paid                 | \$6,000    | \$72,000   | \$34,080                  |

**Year 1 Total Revenue:** \$34,080

**Month 12 MRR:** \$6,000

**Month 12 ARR:** \$72,000

## 5.2 Moderate Scenario

### Assumptions:

- Faster growth: 8-12 new operators per month
- Better conversion: 50% of beta to paid
- Average plan: \$140/month (more Professional tier)
- Churn: 4% monthly
- Premium leads: \$500/month additional revenue (starting month 7)

| <b>Month</b> | <b>Active Operators</b> | <b>Subscription MRR</b> | <b>Premium Leads</b> | <b>Total MRR</b> | <b>Cumulative Revenue</b> |
|--------------|-------------------------|-------------------------|----------------------|------------------|---------------------------|
| 1-2 (Beta)   | 20 (free)               | \$0                     | \$0                  | \$0              | \$0                       |
| 3            | 10 paid                 | \$1,400                 | \$0                  | \$1,400          | \$1,400                   |
| 4            | 18 paid                 | \$2,520                 | \$0                  | \$2,520          | \$3,920                   |
| 5            | 26 paid                 | \$3,640                 | \$0                  | \$3,640          | \$7,560                   |
| 6            | 34 paid                 | \$4,760                 | \$0                  | \$4,760          | \$12,320                  |
| 7            | 42 paid                 | \$5,880                 | \$500                | \$6,380          | \$18,700                  |
| 8            | 50 paid                 | \$7,000                 | \$700                | \$7,700          | \$26,400                  |
| 9            | 58 paid                 | \$8,120                 | \$900                | \$9,020          | \$35,420                  |
| 10           | 66 paid                 | \$9,240                 | \$1,100              | \$10,340         | \$45,760                  |
| 11           | 74 paid                 | \$10,360                | \$1,300              | \$11,660         | \$57,420                  |
| 12           | 80 paid                 | \$11,200                | \$1,500              | \$12,700         | \$70,120                  |

**Year 1 Total Revenue:** \$70,120

**Month 12 MRR:** \$12,700

**Month 12 ARR:** \$152,400

### 5.3 Optimistic Scenario

#### Assumptions:

- Aggressive growth: 12-15 new operators per month
- Strong conversion: 60% of beta to paid
- Average plan: \$160/month (more Enterprise adoption)
- Churn: 3% monthly
- Premium leads: \$1,500/month (starting month 6)
- Featured boosts: \$400/month additional (starting month 8)

| <b>Month</b> | <b>Operators</b> | <b>Sub MRR</b> | <b>Premium</b> | <b>Boosts</b> | <b>Total MRR</b> | <b>Cumulative</b> |
|--------------|------------------|----------------|----------------|---------------|------------------|-------------------|
| 1-2 (Beta)   | 30 (free)        | \$0            | \$0            | \$0           | \$0              | \$0               |
| 3            | 18 paid          | \$2,880        | \$0            | \$0           | \$2,880          | \$2,880           |
| 4            | 30 paid          | \$4,800        | \$0            | \$0           | \$4,800          | \$7,680           |
| 5            | 42 paid          | \$6,720        | \$0            | \$0           | \$6,720          | \$14,400          |
| 6            | 54 paid          | \$8,640        | \$1,500        | \$0           | \$10,140         | \$24,540          |
| 7            | 66 paid          | \$10,560       | \$2,000        | \$0           | \$12,560         | \$37,100          |
| 8            | 78 paid          | \$12,480       | \$2,500        | \$400         | \$15,380         | \$52,480          |
| 9            | 90 paid          | \$14,400       | \$3,000        | \$600         | \$18,000         | \$70,480          |
| 10           | 102 paid         | \$16,320       | \$3,500        | \$800         | \$20,620         | \$91,100          |
| 11           | 114 paid         | \$18,240       | \$4,000        | \$1,000       | \$23,240         | \$114,340         |
| 12           | 125 paid         | \$20,000       | \$4,500        | \$1,200       | \$25,700         | \$140,040         |

**Year 1 Total Revenue:** \$140,040

**Month 12 MRR:** \$25,700

**Month 12 ARR:** \$308,400

## 5.4 Break-Even Analysis

### Solo Founder Operating Costs:

- Platform hosting: \$50/month
- Email/communications: \$30/month
- Domain/SSL: \$5/month
- Automation tools: \$25/month (free tiers)
- **Total Monthly Burn:** \$110/month

### Break-Even Point:

- **Conservative:** Month 3 ( $6 \text{ operators} \times \$120 = \$720 \text{ MRR}$ )
- **Operating Profit:** Month 4+

### Runway Extension:

- With \$2,500 initial budget: 22+ months runway
- Break-even achieved before needing external funding

## Section 6: Beta to Paid Transition Strategy

### Timeline

#### Months 1-2: Beta Phase (FREE)

- Goal: Recruit 15-30 operators for beta testing
- Offer: "Founding Member" status, lifetime 20% discount
- Focus: Product feedback, refinement, case studies

#### Month 3: Launch Paid Tiers

- Announce pricing 2 weeks before beta ends
- Offer grandfather pricing: Beta users get 30% off for 12 months
- Messaging: "Lock in your Founding Member rate"

#### Months 3-6: Early Adopter Phase

- Offer: First 50 paying customers get 20% lifetime discount
- Create urgency: "Founding Member pricing ends March 31"
- Payment processing: Stripe setup (complete before launch)

### Communication Strategy

#### Week 8 of Beta (2 weeks before paid launch):

**Subject:** Exciting News: CareLink AI Pricing & Your Exclusive Founding Member Offer

Hi [Name],

Thank you **for** being part of our beta! Your feedback has been invaluable.

Starting March 1, we're launching our paid plans:

- Basic: \$49/month
- Professional: \$149/month
- Enterprise: \$299/month

As a beta participant, you're invited to become a Founding Member:

-  Lock in 30% off **for** your first year (\$104/month → \$73/month **for** Professional)
-  Lifetime 20% discount after year 1
-  Priority support forever
-  Your input shapes our roadmap

Claim your Founding Member rate by February 28:

[Secure My Discount Button]

Questions? Let's chat: [Book a call]

Grateful **for** your partnership,  
[Your Name]

#### Launch Day (Month 3, Day 1):

- Email all beta users with payment link
- Showcase beta success stories
- Highlight new features added based on feedback

#### Week 2-4 of Paid Launch:

- Follow up with non-converting beta users
- Offer extended trial (14 days paid tier access)
- Address objections individually

## Grandfather Pricing Policy

### Beta Users (First 15-30):

- 30% off Year 1
- 20% off lifetime after Year 1
- "Founding Member" badge on profile

### Early Adopters (Next 50):

- 20% off Year 1
- 10% off lifetime after Year 1
- "Early Adopter" badge

### Rationale:

- Rewards loyalty and risk-taking
- Creates urgency for new sign-ups
- Builds community of advocates
- Locks in revenue even at discount (better than churn)

## Payment Processing Setup

### Before Launch (Month 2):

1.  Stripe account setup (free, 2.9% + 30¢ per transaction)
2.  Subscription billing configured (recurring monthly/annual)
3.  Customer portal (self-serve plan changes, invoices)
4.  Failed payment recovery (automatic retry, dunning emails)
5.  Tax calculation (Stripe Tax handles sales tax)

### Tools:

- Stripe for payments (industry standard, easy integration)
  - Customer.io or Mailchimp for billing emails (free tier)
  - Manual invoicing for Enterprise (DocuSign/PandaDoc free trials)
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## Section 7: Competitive Pricing Analysis

### 7.1 Direct Competitors

| Competitor                 | Business Model            | Pricing to Operators                                | Pricing to Families        | Market Position                 |
|----------------------------|---------------------------|---|----------------------------|---------------------------------|
| <b>A Place for Mom</b>     | Commission                | 50-100% of 1st month rent (\$3K-\$8K per placement) | FREE                       | Market leader, \$622M revenue   |
| <b>Caring.com</b>          | Commission + Subscription | Referral fees + listing fees                        | FREE                       | Established, \$50M+ revenue     |
| <b>SeniorAdvisor.com</b>   | Subscription + Leads      | \$200-\$500/month + pay-per-lead                    | FREE                       | Mid-market player               |
| <b>Care.com</b> (adjacent) | Subscription              | N/A (B2C focus)                                     | \$38.95/month for families | Consumer care-giver marketplace |

### 7.2 Competitive Advantages

#### CareLink AI vs. A Place for Mom:

- **Lower Cost:** \$49-\$299/month vs \$5,000+ per placement
- **Predictable:** Fixed monthly fee vs unpredictable commission
- **AI-Powered:** Better matching, automation, efficiency
- **Transparent:** No hidden fees, clear ROI
- **Less Brand Recognition:** Need to build trust

#### CareLink AI vs. Caring.com:

- **Modern Platform:** AI, automation, better UX
- **Better Value:** More features at lower price point
- **Direct Relationships:** No middleman in family-operator communication
- **Smaller Network:** Need to build supply/demand

#### CareLink AI vs. SeniorAdvisor.com:

- **Comprehensive:** Families + operators + caregivers + discharge planners
- **AI Matching:** Smarter than basic directory
- **Better Pricing:** More transparent, flexible tiers
- **Similar Model:** Both subscription-based

### 7.3 Value Proposition Positioning

#### For Small Operators:

"Why pay \$5,000+ per placement to A Place for Mom when you can get unlimited leads for \$49/month? With CareLink AI, your first placement covers an entire year of service."

### For Large Operators:

"While competitors charge 100% of first month's rent (\$8,000+ per placement), our Enterprise plan at \$299/month pays for itself with just one additional occupancy per year."

### ROI Calculator (for prospects):

Traditional Referral Agency (A Place **for** Mom):

- Cost per placement: \$5,500 (average)
- 5 placements/year: \$27,500

CareLink AI Professional Plan:

- Cost: \$149/month × 12 = \$1,788/year
- Savings: \$25,712 (93% cost reduction)
- **Break-even:** 1 placement every 3 months

## Section 8: Pricing Psychology & Optimization

### 8.1 Psychological Pricing Tactics

**Charm Pricing:** \$49 (not \$50), \$149 (not \$150)

- Research shows prices ending in 9 convert 5-10% better

**Anchor Pricing:** Show annual pricing first with "SAVE 20%" badge

- Makes monthly pricing seem less intimidating
- Encourages annual commitment (better cash flow)

### Tiered Framing:

Basic: "Get Started" (entry point)

Professional: "Most Popular" ★ (social proof + value)

Enterprise: "Best Value" (premium positioning)

**Loss Aversion:** "Lock in Founding Member pricing before it's gone"

- Creates urgency, fear of missing out

**Decoy Pricing:** Basic at \$49 makes Professional at \$149 look reasonable

- Middle tier drives 60-70% of revenue (proven SaaS pattern)

### 8.2 Free Trial vs. Freemium

**Recommendation:** FREE BETA → PAID (No Free Tier Long-Term)

#### Why No Freemium?

- ✗ Infrastructure costs supporting free users
- ✗ Low conversion rates (1-10% typical)
- ✗ Delayed revenue (6-12 months)
- ✗ Not sustainable for solo founder

#### Alternative: 14-Day Free Trial (After Beta)

- ✅ Low-friction way to experience value
- ✅ Higher conversion rates (15-25% for free trials)
- ✅ Requires credit card (pre-qualifies serious users)
- ✅ Automated email sequence during trial

### **Trial Conversion Tactics:**

- Day 1: Welcome email + quick start guide
- Day 3: "Have you created your listing?" (nudge)
- Day 7: Success story from beta user (social proof)
- Day 10: "Only 4 days left - here's what you'll lose" (loss aversion)
- Day 14: Last chance email with special offer

## **8.3 Annual vs Monthly Pricing**

### **Discount Structure:**

- Monthly: Full price (\$49, \$149, \$299)
- Annual: 20% discount (\$470, \$1,430, \$2,870)

### **Why 20% Discount?**

- Standard in SaaS (15-20% is typical)
- Equivalent to 2 months free (12-month commitment)
- Strong incentive without sacrificing too much revenue

### **Benefits of Annual Plans:**

- Cash flow: \$1,430 upfront vs \$149/month × 12
- Lower churn: Annual subscribers 30-50% less likely to cancel
- Higher LTV: Longer commitment = more opportunity for upsells

### **Solo Founder Strategy:**

- Push annual in sales conversations
- Offer payment plan: \$1,430/year or 3 payments of \$500
- Use annual revenue for platform improvements, marketing

## **8.4 Money-Back Guarantee**

### **30-Day Money-Back Guarantee (All Plans)**

### **Why Offer This?**

- Removes buyer risk/hesitation
- Increases conversion rates (10-20% lift)
- Shows confidence in product
- Industry standard expectation

### **Refund Policy:**

"Try CareLink AI risk-free for 30 days. If you don't receive at least 3 qualified leads or aren't satisfied with the platform, we'll refund 100% of your subscription—no questions asked."

### **Expected Refund Rate:** 2-5% (industry average)

- Budget: 5% of MRR for refunds in financial model

## Section 9: Pricing Experiments & Optimization

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### 9.1 Year 1 Pricing Roadmap

#### **Months 1-6: Hold Pricing Steady**

- Focus: Validate product-market fit
- Goal: Reach 30-50 paying operators
- Learn: Which tier converts best, feature requests

#### **Months 7-9: Introduce Add-Ons**

- Launch: Premium Lead Credits (\$10 each)
- Launch: Featured Boost (\$99/month)
- Test: Demand for add-ons, pricing sensitivity

#### **Months 10-12: Tier Optimization**

- Analyze: Conversion rates by tier
- Adjust: Feature allocation between tiers if needed
- Prepare: Year 2 pricing changes (if any)

### 9.2 Pricing Tests to Run

#### **Test 1: Annual Discount %**

- Control: 20% discount
- Variant: 25% discount (2.5 months free)
- Measure: Annual plan adoption rate

#### **Test 2: Lead Limits**

- Control: 5/15/Unlimited leads
- Variant: 10/25/Unlimited leads
- Measure: Perceived value, upgrade rates

#### **Test 3: Anchor Price**

- Control: Show monthly price first
- Variant: Show annual price first
- Measure: Annual plan adoption

#### **Test 4: Free Trial Length**

- Control: 14-day free trial
- Variant: 30-day free trial
- Measure: Conversion rate, trial abuse

### 9.3 When to Raise Prices

#### **Indicators to Raise Prices:**

- 80%+ of new sign-ups choose Professional or Enterprise
- Less than 10% of trials convert to Basic
- Strong product-market fit (NPS > 40)
- Added significant new features (AI calling, advanced analytics)
- Market validation (100+ paying operators)

#### **How to Raise Prices:**

- Grandfather existing customers at current rates (loyalty)
- Announce 30-60 days in advance
- Tie increase to new features/value added

- Position as “invest in growth” not “cash grab”
- Example: “New AI features justify \$59 → \$69 Basic tier”

#### **When NOT to Raise Prices:**

- ~~✗~~ Before 50 paying customers
  - ~~✗~~ During slow growth periods (looks desperate)
  - ~~✗~~ Without adding new value
  - ~~✗~~ More than once per year
- 

## **Section 10: Implementation Checklist**

### **Pre-Launch (Weeks 1-2 of Month 3)**

- [ ] Stripe account verified and connected
- [ ] Subscription plans configured in Stripe
- [ ] Billing page designed and tested
- [ ] Customer portal enabled (Stripe)
- [ ] Failed payment email sequences created
- [ ] Pricing page copywritten and published
- [ ] FAQ section addressing pricing questions
- [ ] ROI calculator tool built (for prospects)
- [ ] Beta user communication sent (pricing announcement)
- [ ] Sales scripts prepared for pricing objections
- [ ] Payment confirmation emails configured
- [ ] Receipt/invoice emails configured
- [ ] Upgrade/downgrade flows tested
- [ ] Cancellation flow tested (with retention offers)
- [ ] Refund policy documented

### **Launch Day (Month 3, Day 1)**

- [ ] Pricing page live
- [ ] Beta users receive “Claim Founding Member” email
- [ ] Payment links work end-to-end
- [ ] Test transactions processed successfully
- [ ] Customer support ready for billing questions
- [ ] Analytics tracking configured (conversions, MRR)

### **Post-Launch (Weeks 1-4)**

- [ ] Monitor conversion rates daily
  - [ ] Follow up with non-converting beta users
  - [ ] Address pricing objections/questions
  - [ ] Collect feedback on pricing perception
  - [ ] Track MRR growth weekly
  - [ ] Identify most popular tier
  - [ ] Optimize messaging based on learnings
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## Section 11: Pricing FAQs (For Operators)

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### Q: Why should I pay monthly when competitors only charge when I get a resident?

**A:** Great question! Here's the math:

- Traditional agencies: \$5,000-\$8,000 per placement
- CareLink AI Professional: \$149/month = \$1,788/year
- **Break-even:** Just 1 placement every 3-4 months
- **Savings:** 93% cost reduction if you get 5+ placements/year

Plus, you get:

- Unlimited access to families browsing right now
- Direct relationships (no middleman)
- Predictable budgeting (no surprise \$5K fees)
- Tools to market yourself 24/7

### Q: What if I don't get any leads?

**A:** We offer a 30-day money-back guarantee. If you don't receive at least 3 qualified leads in your first month, we'll refund 100%. No questions asked.

Plus, we provide:

- Onboarding call to optimize your listing
- Best practices guide (how to convert leads)
- Monthly performance reviews
- Profile optimization tips

### Q: Can I try it before committing?

**A:** Absolutely! After our beta period, we offer a 14-day free trial (credit card required). This gives you full access to test the platform and see real leads before paying.

Beta users also get exclusive Founding Member pricing (30% off Year 1).

### Q: What happens if I cancel?

**A:** You can cancel anytime, no long-term contracts. If you cancel:

- You keep access until the end of your billing period
- Your listings are deactivated
- You can reactivate anytime (pricing may change)
- We export your data (leads, messages) if requested

### Q: How do I know leads are "qualified"?

**A:** Our AI pre-qualifies leads based on:

- Budget match (their range fits your pricing)
- Care level match (you offer the services they need)
- Location preference (within their desired area)
- Move-in timeline (actively looking, not just browsing)

You can also set your own qualification criteria in your dashboard.

### Q: Do you charge per lead on top of the subscription?

**A:** No! Your subscription includes leads (5/month Basic, 15/month Professional, Unlimited Enterprise).

**Optional:** You can purchase Premium Lead Credits (\$10 each) for ultra-high-intent leads (families looking to move within 30 days, fully pre-qualified). These are bonus leads on top of your plan.

## Q: What if I run multiple facilities?

**A:** Professional plan includes up to 3 listings, Enterprise includes unlimited.

- 1 facility: Basic (\$49/month)
- 2-3 facilities: Professional (\$149/month)
- 4+ facilities: Enterprise (\$299/month)

Each listing is fully customizable with its own profile, pricing, and messaging.

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## Section 12: Key Takeaways & Action Items

### Strategic Decisions Made

- ✓ **Pricing Model:** Hybrid (Subscription + Premium Leads)
- ✓ **Primary Revenue:** Operator subscriptions (\$49-\$299/month)
- ✓ **Launch Strategy:** 2-month free beta → 30% discount for Founding Members
- ✓ **Break-Even Target:** Month 3-4 (6-10 paying operators)
- ✓ **Year 1 Revenue Goal:** \$34K-\$140K (depending on growth scenario)

### Competitive Positioning

**CareLink AI = “The Affordable, Transparent Alternative to Overpriced Referral Agencies”**

- 93% cheaper than A Place for Mom
- Predictable pricing vs. unpredictable commissions
- AI-powered matching for better outcomes
- Direct relationships between families and operators

### Next Steps (Solo Founder)

1. **Week 1:** Set up Stripe account + subscription billing
2. **Week 2:** Design pricing page + ROI calculator
3. **Week 3:** Write beta-to-paid communication sequence
4. **Week 4:** Configure payment flows + test thoroughly
5. **Month 3:** Launch paid tiers, convert beta users
6. **Month 3-6:** Optimize based on conversion data
7. **Month 7+:** Introduce premium lead add-ons

### Success Metrics to Track

- **MRR (Monthly Recurring Revenue):** Primary north star metric
  - **Logo Churn:** % of operators canceling each month (target: <5%)
  - **Net Revenue Retention:** Expansion revenue from upsells (target: 100%+)
  - **Average Revenue Per Account (ARPA):** Trending toward Professional tier (\$149)
  - **Free Trial → Paid Conversion:** Target 15-25%
  - **Annual Plan Adoption:** Target 30-40% of new sign-ups
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## Conclusion

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This pricing strategy balances **bootstrap-friendly predictable revenue** (subscriptions) with **performance-based upside** (premium leads). By keeping families free and charging operators a fair, transparent price, CareLink AI can compete effectively against traditional high-commission agencies while building sustainable MRR.

**The key to success:** Focus on delivering 5-10x ROI for operators (\$149/month subscription should generate \$750-\$1,500+ in value through placements). When operators succeed, they stay, expand, and refer others—creating a flywheel of growth.

**Remember:** Pricing is not set in stone. Stay close to customers, iterate based on feedback, and optimize over time. The best pricing strategy is one that evolves with your business.

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**Next Document:** [CARELINK\\_AI\\_BOOTSTRAP\\_LAUNCH\\_PLAN.md](#) - Solo founder execution plan with \$2-3K budget