



HOW TO
CHARGE WHAT YOU'RE WORTH

SMALL BUSINESS PRICING GUIDE & CREATIVE PROCESS WORKBOOK

WHISKEY & RED

T A B L E O F C O N T E N T S

HOW TO PRICE YOUR PRODUCTS AND SERVICES, AND GET YOUR CLIENTS TO SAY YOU'RE WORTH IT.

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ABOUT THIS WORKBOOK

WHAT IS THIS?

This is a personal pricing workbook, here to help clarify all our small business and personal expenses as we develop our creative process and pricing for our various products and services. By understanding the different elements that factor into our brand's pricing strategy, we can focus on creating an engaging and personal purchasing experience for our clients and provide more value through our products and services.

WHAT YOU'LL NEED

- A printer to print out any of the exercise pages and tables.
- A calculator to help count and track the totals of your expenses.
- Access to your monthly statements to track your average expense totals.
- A pencil. We are setting goals here, and goals are meant to be reached. As you reach them, update them and be sure to add in any changes in your expenses to factor into your final prices.

WHAT ISN'T THIS?

This is not a financial workbook. I provide no official financial suggestions outside of basic business practices. There is no magic formula for the perfect pricing strategy. Every brand is different so each pricing strategy will be unique and authentic to that specific brand and business. My goal here is to provide you with opportunities to organize and layout all your financial elements and brand specifics that directly relate to the pricing of your products and services as to add clarity and confidence to your pricing system.

There is much more to the financial obligations of running a business than simply the specifics listed in this workbook, and I advise each entrepreneur and small business owner to invest in a professional to help clearly outline all the specifics of your unique business in order to get the most accurate reading on what your financials will be. But this is a great place to start and will build the best practices and guidelines you'll need to streamline your process, target your ideal clients, and create an experience that will be worth every penny.

C H A R G E W H A T Y O U ' R E W O R T H

QUESTION?

Before we jump into this workbook, I want to ask you a question. Think about a time (*recently*) you had a really amazing purchasing experience? What is a “*purchasing experience*”? A “purchasing experience” is a time when you did something that involved spending money. Did you go to dinner at some new restaurant and have the most amazing dinner ever? Did you go see the best movie you’ve ever seen? Did you just come back from a vacation that you’ll never forget? Did you just get a hair cut that makes you feel like a million dollars? Those are purchasing experiences where you had to spend money, but the value you received in return for your investment was more than worth it. Were you concerned with the price? Maybe a little, but you know it was worth it, and you’d do it again in a heartbeat.

Keep this memory in mind as we continue on through this workbook. What was your experience, what made it so great, and how *worth it* was it to you?

A B O U T T H I S W O R K B O O K

A LITTLE BIT OF HISTORY

When you're really good at something and you absolutely love doing it, it's only natural to want to turn it into your profession, hence why you became an entrepreneur in the first place! But – often, for passion-focused businesses, we often feel afraid, or unworthy to charge for the products or services we provide when it's something that we already love doing in the first place. This is particularly true for artists or service based businesses.

This is because when we love what we do and we do what we love, working doesn't always feel like work.

We as entrepreneurs need to shift our perspectives – instead of thinking as the service provider, think as the service recipient. Pretend we are our own clients for a moment and think about what it is that we are buying. How much value does it provide to me? What is that value worth? What am I willing to do and pay in order to receive this value?

We are our brand. We need to treat our brands the way we would want to be treated. We teach others how to treat and respect our brands by how we treat and respect our brands. And this includes how we price our value.



WANTS V.S. NEEDS

Anything that provides pleasure or joy to others is valuable. Whether it's art, food, music, or anywhere in between, if what you're passionate about provides joy in the lives of the people you work with, then your passion provides value.

But understanding what that value is worth for your clients is where the clarity in your pricing will come from. Are you fulfilling a want or a need? And what is that solution worth?

Do you provide a product or service that comes from a place of need? I'm talking about something critical to the health, and well being of an individual? This could be food, transportation, medicine, etc...

Or do you provide a product or service that comes from a place of want? Something not necessary for survival, but it's necessary for the soul?

When we talk about making purchases we'll often say, "I NEED to buy this". Looking at our own products and services, do people really need to buy it? What is it that they are ACTUALLY buying from you? An item, or an experience?

Here's an example: When I was going to purchase my new computer for my business, I knew that I NEEDED a Mac. There was no other option in my mind for the brand of computer I was going to buy. I am a Mac girl through and through. I still have my original iPod from way back when.

While other PC computers are perfectly capable of handling the requirements I have for my technical needs, I NEEDED a Mac.

Did I really NEED a Mac? Honestly, no. I WANTED a Mac. I could have done just fine with any other laptop and I probably would have saved a lot of money, but to me, the Mac was what I needed and I was willing to pay more for it. The simplicity of the Apple programs, user-friendly experience, completely connected applications to all the Apple products and the quality that comes with the Apple brand is worth it to me. So while another computer could have filled the most basic needs for my business, to me the Mac was worth it.

We make purchases like this all the time. It's a combo of both WANT and NEED, and it's so important to know what that combo is worth to our clients.

So how do we build up our want-need value in our brands? By amplifying our brand's experience.

Your brand needs to be seen, felt, touched and heard.

Life is all about the experience. Our brands need to create an incredible unique experience that is seen, touched, felt and heard, making that lasting impression that helps provide the clarity in the value we offer. We can give them something that they can't get anywhere else.

Through our products and services, we are actually providing someone with an opportunity for a treasured experience. No matter how mundane we might think the product to be, focusing on the experience it provides for the user will help provide clarity in its value.

CHARGING WHAT WE'RE WORTH

WHY IS IT IMPORTANT TO CHARGE FOR OUR SERVICES?

Why is it important to always charge for our products and services, even from day one?

WHY WE NEED TO CHARGE

In most situations, people get more value out of something they pay money for vs. something they receive for free. By making a financial investment into something, the buyer naturally becomes more personally invested into the purchase, invested into the overall experience, and invested in getting the most from their financial investment. So by charging for the products and services we provide, we are actually helping the buyer receive more value in return.

Of course, we all love free stuff too. If you asked someone whether they wanted your product for free or to pay for it, most likely they are going to want it for free.

But, if we continue to offer our products and services for free, this is only teaching our clients, and our community, to expect this from us. Then, later down the line, when we decide to now charge for our work, people are going to expect a whole lot more from us since they are now paying for something they always used to get for free.

I genuinely believe that “the biggest mistake a small business can make is to think like a small business”, so lets think like the big boys here. If our end game is to have a successful, thriving business, working with that mindset from day one will help make it easier to charge what you’re worth from day one. This doesn’t mean we charge the big bucks right up front, but charging something establishes we mean business.

UNDERSTAND WHAT YOU COST

WHAT DOES IT COST FOR YOU TO DO WHAT YOU LOVE?

How much money do you really need to make simply in order to meet your personal expenses and keep your business open?

TOTAL PERSONAL EXPENSES

ITEMIZE YOUR MONTHLY PERSONAL EXPENSES:

The first thing you need to do is to itemize every single regular monthly expense that you make in order to maintain your lifestyle.

Think personally here. The more detailed and specific you are here, the clearer you'll be later to set your pricing, as well as knowing where and when you can cut excess costs.

Fill out the table on this page with all of your regular personal monthly expenses. Then calculate your average monthly total at the bottom.

Ex: Rent (Home, Apartment, Room), Utilities (Phone, Water, Electricity, Internet, etc.) Automotive Expenses (Repairs, maintenance, gas, insurance, etc.), Continuing Education (Classes, books, seminars, etc.), Health Insurance...etc.

ITEM	EXPENSE	ITEM	EXPENSE

TOTAL AVERAGE MONTHLY PERSONAL EXPENSES: \$ _____

TOTAL BUSINESS EXPENSES

ITEMIZE YOUR MONTHLY BUSINESS EXPENSES:

Just like the list above, now focus on your regular professional expenses that you make on a regular basis.

For me, this includes web hosting, domain expenses, professional applications, software and design programs that I use for my job.

Fill out the table on this page with all of your regular professional monthly expenses. Then calculate your average monthly total at the bottom.

Again, the more detailed and specific you are here, the clearer it will be later when we work on setting your pricing.

Don't forget about any annual expenses you pay maybe once or twice a year. Take their total and divide by 12 for your monthly expense.

ITEM	EXPENSE	ITEM	EXPENSE

TOTAL AVERAGE MONTHLY BUSINESS EXPENSES: \$ _____

TOTAL EXPENSES

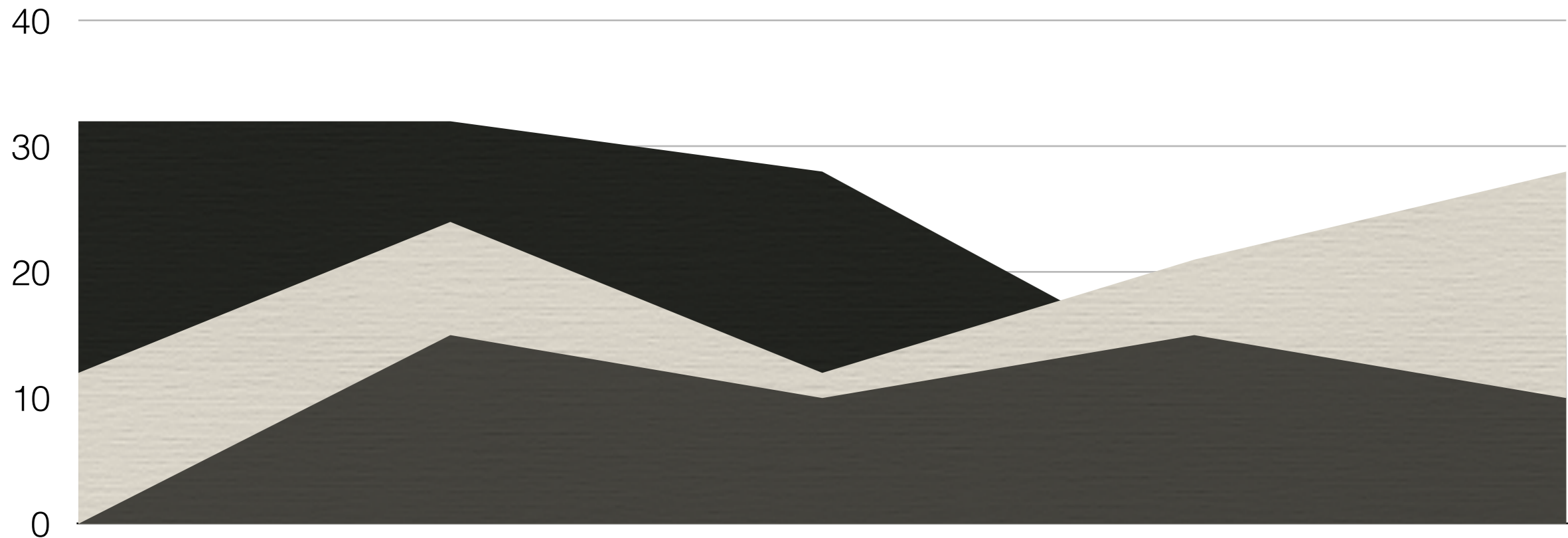
CALCULATE YOUR TOTAL EXPENSES:

Now that we've listed out all of your monthly personal and professional expenses, add their totals together to figure out what your total monthly expenses will be.

MONTHLY PERSONAL EXPENSE TOTAL = _____

MONTHLY BUSINESS EXPENSE TOTAL = _____

PERSONAL EXPENSE (\$) + BUSINESS EXPENSE (\$) = _____



A wooden ladder leans against a white wall. To the left, a snake plant in a wire basket sits on a wooden surface. The background features horizontal wooden planks.

DEFINING YOUR INCOME GOALS

WHAT DO YOU WANT TO BE MAKING?

Now that you know what you need to be making just to stay in business, what is it that you'd like to be making later in your professional future? And how do you get there?

DEFINING YOUR INCOME GOALS

CALCULATE YOUR SALARY

With both totals from our monthly personal and professional expense lists as well as their estimated combined total, figure out a monthly and annual salary. Figure out what you *need* to be *paying yourself every month in order to live* according to your current standard of living, covering all of your personal costs, which will be separate from your business expenses.

If you are just starting out, this can be quite a daunting task. While understanding that you may be new to the industry, setting a target goal salary for yourself that you can grow into is a great way to keep yourself accountable to your pricing.

Realistically, when we are just starting out, often what we're actually making will be less than what you want to be making in the future. Set a clear and realistic goal for where you want your income to be with in a specific designated amount of time. What would you like to make a year?

For Example: Ask yourself how much money you wanted to make. Let's say you want to earn \$5,000/month. That's about \$60k a year before taxes. Now, you may just be starting out or you might be transitioning from a similar full time job, but despite where you're coming from, set a realistic goal for what you'd like to be making on a monthly basis after a specific designated amount of time.

Another example: If we wanted to make \$5,000 per month. That's averaging \$1,250/week, \$250 per day working 5 days a week, and just over \$30 per hour for an 8 hour workday. We'd need to charge clients a minimum of \$30/hour in order to meet our monthly goal of \$4000.00.

GOALS:

GOAL ANNUAL SALARY:	\$
GOAL MONTHLY SALARY:	\$
GOAL AVERAGE HOURLY INCOME:	\$

CURRENT:

CURRENT ANNUAL SALARY TOTAL:	\$
CURRENT MONTHLY SALARY TOTAL:	\$
CURRENT HOURLY INCOME:	\$

GOAL SALARY DEADLINE:

"I want to be making \$_____ by _____."

BILLABLE TIME

CALCULATE YOUR AVERAGE BILLABLE DAYS + HOURS PER WEEK

This is one of the most difficult things to do when we are first starting out. It can be very daunting to try and guess how much you will actually be working, especially when you don't have a completely clear idea of how long it will take you to complete specific tasks. We are only one person and are limited by how many hours there are in a day.

ESTABLISH BRAND BOUNDARIES

Setup best practices and guidelines for how, when, and where you will and will not do business. Always make sure these rules complement and support your brand's promise, as well as your personal life. Make sure that they are still serving within the best interests of your community. Then, we need to make sure we communicate these boundaries openly with our clients from day 1. This provides clarity in how we work and how others should expect to work with us, clarifying the brand experience we are creating for our clients. It creates a transparency in our creative process and helps eliminate potential conflicts down the road. Most of all (or at least to me this is the "most of all") these boundaries establish our core values and professional morals as individuals, beyond our brand.

EXAMPLE: I, as your client will respect you more when you say up front that you don't check emails or answer phone calls after 6:00pm because that's family time. It shows me that you value your family and being apart of their life is more important to you than my email. As your client, I want to be treated as well as you treat your family, and I'll make sure I earn that right by respecting the rules you place to take care of what's most important in your life. If I don't then I might not be the best client for you, and you might not be the right hire for me.

Take some time and look through your calendar. Set a consistent start and end time for each day of the week and estimate how many days + hours per day you think you'll be working that you'll need to bill for.

YOUR TURN:

HOW MANY DAYS PER WEEK WILL YOU WORK: _____

HOW MANY HOURS PER DAY WILL YOU WORK: _____

WHAT IS/WILL BE YOUR START TIME EACH DAY: _____

WHAT IS/WILL BE YOUR CLOSING TIME EACH DAY: _____

WHAT DAYS/TIMES WILL YOU NOT BE AVAILABLE: *(This is important to establish up front so that you know and your client knows when exactly you will be billing them for your time and when you won't be available.)*

TOTAL AMOUNT OF BILLABLE DAYS PER MONTH: _____

TOTAL AMOUNT OF BILLABLE HOURS PER MONTH: _____

DIVIDE YOUR EXPENSES BY YOUR BILLABLE DAYS/HOURS:

Now that you know how much it will cost to do the work that you love, and the number of days you can expect to be working, you can proactively calculate what your day rate or hourly rate should be.

AMOUNT IT COSTS PER MONTH TO WORK = \$ _____

DIVIDED BY THE AMOUNT OF DAYS YOU'LL WORK PER MONTH

= \$ _____ *per day.*

DIVIDED BY THE AMOUNT OF HOURS YOU'LL WORK PER MONTH

= \$ _____ *per hour.*

H O U R L Y V . S . V A L U E B A S E D P R I C I N G

SHOULD YOU CHARGE PER HOUR OR BY THE VALUE YOU PROVIDE IN YOUR SERVICES?

While knowing your hourly rate is important, knowing the true financial and emotional value of your products and services as it directly relates to your ideal clients is even more important. Especially when we want them to say “you’re worth it.”

H O U R L Y V . S . V A L U E

HOURLY RATE PRICING

Understanding that time is money (especially when you run your own business and are responsible for all the different departments with in your brand) we need to consider exactly what our time is worth.

When just starting out, time might not be as clear as it will be 6, 12, 24 months down the line. But by using the exercise from our last chapter, you'll get a clear idea of exactly what you'll need to charge hourly to meet your personal and professional expenses.

The better we get at what we do, it's fair to assume that we will get faster too. If we are strictly charging by the hour, then by us working faster, we'd be essentially losing money on each project instead of making more as we get better. This is where value based prices come into play.

HOURLY

- There are only so many working hours in a day, so you can only make so much money in a day.
- Time is the greatest factor in your value. Working longer makes you more money, but also costs your clients more and they have to wait longer for their end product.
- You will be capped at how much you can make once you max out your billable hours.

VALUE BASED PRICING

As you continue to work, gain experience, skills, and knowledge, your time will be worth more. What you'll be able to accomplish in an hour will be dramatically different from what you were able to do way back when, and that should reflect in your pricing.

Consider the products or services you are offering. If you design and develop a product, how much faster have you been able to create your products? Or, how much more quality is included in them now that you're much more experienced and skilled as what it is you provide?

Think about what it is you are providing for your clients. If it's product based, what value does that product bring into their life?

VALUE

- Your time becomes more valuable and can be worth more financially based on how fast, efficient, and detailed your work is.
- The better you get, the higher your value, the higher your pricing, despite time.
- You can continuously grow and expand, increasing your value, and increasing your income, without having to be limited by time.

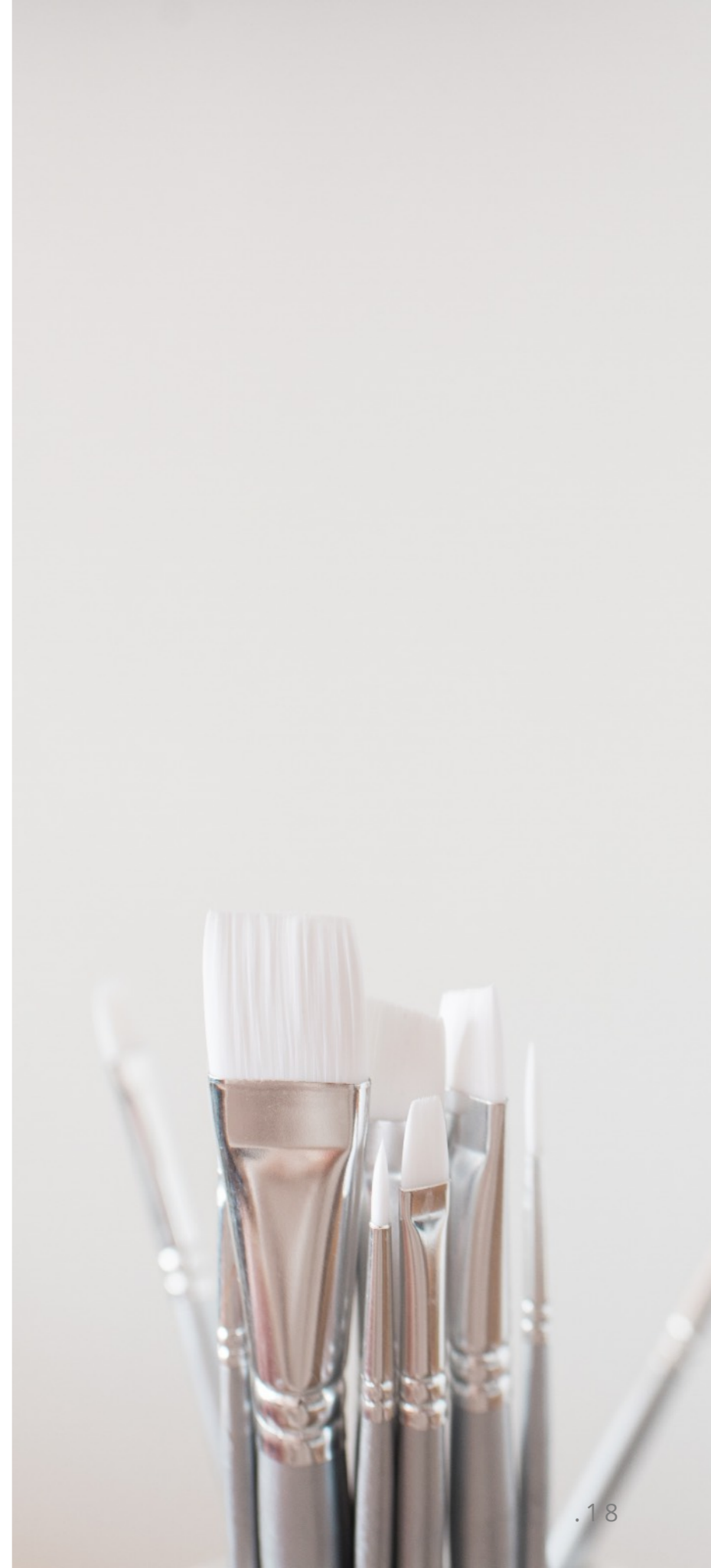
UNDERSTANDING THE VALUE IN YOUR WORK

EXAMPLE: I design websites for entrepreneurs and small business owners. If I am designing a website in about 60 hours which is spread out between a 2-4 week period of time, just because my hourly is \$75.00 an hour doesn't mean that my website will come out to \$4,500.00. If the website I am creating for my client will be bringing in an estimated \$8000+ per month, I am creating a resource that could potentially bring in about \$96,000 annually or more.

Along with the website, I am also providing one-on-one detailed attention by not taking on more than a specific number of clients at a time. This allows me to offer a one-of-a-kind, completely customized service, unique to the client's needs. By partnering with complementary professionals, I shorten the project time frame even more and utilize our collective skillsets to provide even more quality and a more valuable product. Then, before finishing every project, I spend time with my clients, introducing them to their site and walking them through a detailed educational session, so that they can continue to manage, maintain, and grow their online business on their own with confidence.

This is all incredibly valuable to my clients long term professional goals, and my ability to guarantee this outcome is where my value comes in. I am saving them **time** by doing it faster and taking the responsibility off of them to do it themselves. I am saving them **money** by providing a complete platform up front from brand development to brand expansion, ensuring a smooth seamless design and development experience that focuses on the specific details of the brand and what their long term goals are, and I am providing them with **independence (energy)** by investing into the educational experience for the client, helping to empower their control over their own brand's future.

This is worth way more than just my hourly rate of \$75.00. At my hourly, I am only able to do so much for so many people. While by charging based on value, I can ensure the success of my projects, exceed the satisfaction of my clients, and work on projects that I truly believe in v.s. having to take on every project that comes my way.



HOW NOT TO PRICE YOURSELF

COST BASED PRICING

Knowing your costs and what it costs you to make or create specific products/services is definitely important to factor into your pricing, but that alone is not enough.

Not only are the material fees important to charge, but then the time it took to create the product, conduct the service, or time it takes to deliver the items to the client also need to be factored in.

By charging strictly based on cost, you'll mostly likely break even, but never be able to increase your revenue and income.

COMPETITIVE BASED PRICING

I do recommend knowing what your competition is charging for similar products and services, but I do not recommend basing your fees strictly off that.

There are brands out there who have been working for years, with tons of experience and expertise under their brand that allows them to charge the big bucks. Just because you do the same thing, doesn't mean you should charge the same fees. Time and experience definitely factor into the price.

More importantly, you have no idea what someone's creative process might include. Are they working with a team that allows them to move much faster and do more work in a shorter period of time? Do they outsource specific areas of their business and are responsible for paying other people for their time? Or do they do it all on their own and therefore dedicate a much greater personal investment into each project? Not knowing how someone else's behind the scenes business functions can make for a dangerous comparison.

But it is still a good practice to know the market value for your work.

GUESSING

While getting started with your price points does take a little bit of guessing, it needs to be an educated guess. Not just "*this number sounds good*" and go with that. Guessing is one of the most dangerous ways to go about pricing. You'll either over price your work, and upset your client who might expect more for their investment, or worse, under price your work, not get paid for the time and energy you put into a project/client/product and resent that project because of it.

Money is definitely a sensitive subject, so when you can clearly articulate where your costs came from, you'll be more confident in charging your fees. Your client will feel that confidence and in turn, make a more confident investment.

Pricing is never permanent, it should be reviewed often to make sure that it accurately reflects the time, energy, and money that goes into it. So be sure to have a confident starting point and don't ever just guess.

IDENTIFYING YOUR IDEAL CLIENT

WHO IS BUYING YOUR PRODUCTS AND SERVICES?

Communication is only successful when the receiving party understands your content exactly the way you meant it to be understood. So by exploring what factors influence your ideal clients' purchasing habits, we'll have a greater clarity on how to best position your sales.

IDENTIFYING YOUR IDEAL CLIENT

Communication is only successful when the receiving party understands your content exactly the way you meant it to be understood. So by exploring what other factors influence your ideal clients' purchasing habits, we'll have a greater clarity on how to best position your sales.

What are the specific characteristics and demographics of your target audience and how do they engage financially. How will they most likely come in contact with you, how will they engage with you and how will they take advantage of the products and services you offer.

① BASIC DEMOGRAPHICS

Think about some of the basic demographics of your target clientele. Think about their ages, genders, ethnicities, education levels, and jobs. Who are your clients at the most basic generic level? What specific commonalities do they have in common?

② SOCIAL HABITS

What types of social issues are likely to affect your target clients? How often do your clients socialize? What kinds of relationships do they have? What is their general disposition? How do they see the world?

③ PERSONAL TRAITS

Think about more detailed specifics about your target client's personal qualities. Think about personality traits, hobbies, passions. Also consider what other external factors influence your clients such as books, TV shows, technology, food etc...

④ FINANCIAL HABITS

What is the financial stability of your target clients? What are their biggest financial investments they make each month. What other key financial investments to the make regularly? How do they handle their money? (Are they frugal or do they like to spend) What is their spending confidence? Are they comfortable shopping online v.s. shopping in person.

"If people like you, they will listen to you, but if they trust you, they will do business with you."

- ZIG ZIGLAR

TARGET CLIENT PROFILE

BASIC DEMOGRAPHICS

Fill out each of the boxes below with the basic demographic specifics of your target audience.

DEMOGRAPHIC	YOUR CLIENTS
GENDER	
AGE RANGE	
LOCATIONS:	
ETHNICITIES:	
EDUCATIONAL LEVELS:	
EMPLOYEEMENT:	

PERSONALITY TRAITS

Fill out each of the boxes below with the personal qualities of your target audience.

PERSONAL TRAIT	YOUR CLIENTS
PERSONALITY TRAITS:	
PERSONAL HOBBIES:	
OTHER BRANDS THEY LOVE:	
PERSONAL INTERESTS:	
PRIMARY NEEDS:	
PRIMARY CONCERNS:	

TARGET CLIENT PROFILE

SOCIAL HABITS

Fill out each of the boxes below with the social habits and factors of your target audience.

DEMOGRAPHIC	YOUR CLIENTS
SOCIAL PREFERENCES:	
DO THEY USE TECHNOLOGY, IF SO, WHAT?	
HOW DO THEY SEEK OUT INFORMATION?	
DO THEY USE SOCIAL MEDIA, IF SO WHAT PLATFORMS?	
HOW DO THEY SHARE INFORMATION?	
HOW WOULD THEY FIRST COME IN CONTACT WITH YOUR BRAND?	
WHAT TYPES OF ENTERTAINMENT DO THEY ENJOY?	
GENERAL VIEW OF THE WORLD, HOW DO THEY VIEW SOCIETY?	
WHAT ISSUES ARE LIKELY TO AFFECT THEM?	

FINANCIAL HABITS

Fill out each of the boxes below with the financial factors that influence your target audience.

PERSONAL TRAIT	YOUR CLIENTS
INCOME LEVEL:	
LARGEST MONTHLY EXPENSE:	
SECOND LARGEST MONTHLY EXPENSE:	
SAVING HABITS:	
SPENDING HABITS:	
WHAT MIGHT THEY SPEND THEIR MONEY ON?	
WHAT MIGHT THEY SAVE THEIR MONEY FOR?	

TARGET CLIENT PROFILE

IDEAL CLIENT PROFILE

Using the information provided above, make a summarized description of who and what your ideal client might be like. Understanding that this is an educated assumption about the general factors that influence your audience, not all these qualities will always be true to your audience, but it assists with marketing clarity and content development, since we'll have a clearer picture of who it is you are focusing your energy towards.

NOTES

YOUR CREATIVE PROCESS

THE STEP-BY-STEP GUIDE TO HOW YOU DO WHAT YOU DO.

Defining not only what you do, but how you do it, how you're different, and why that's important to the value of your work.

WHAT'S IN IT FOR ME?

When it comes to understanding what motivates an client to make the decision to invest or purchase a product or service, we need to understand the 3 primary influencers that effect someone's purchasing decision: TIME, ENERGY, and MONEY.

➤ HOW WILL YOU SAVE ME TIME?

How will what you offer (products or services) save me time? Time is a crucial element for most investors who want a quick fix, immediate gratification, long term value, or productivity boosters. By investing in you, your products, services, are you saving me time from doing it myself, having to find someone else to do it, or having it not done at all.

➤ HOW WILL YOU SAVE ME ENERGY?

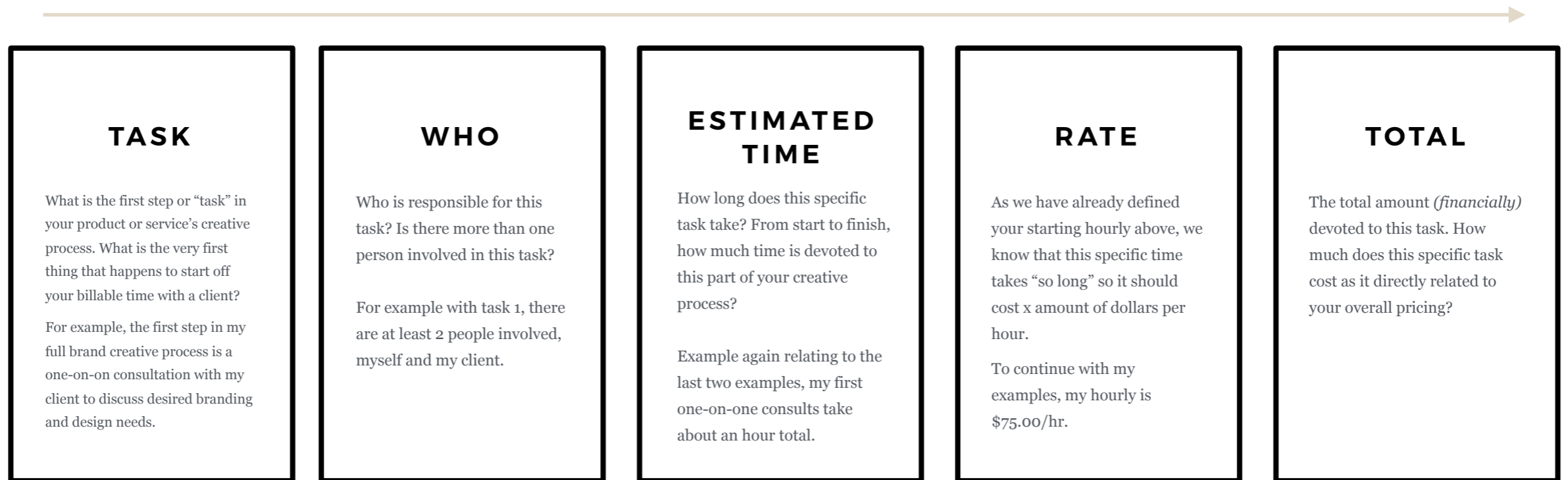
How will what you offer (products or services) save me energy? Right along side time, the amount of personal energy someone needs to invest into working with you or utilizing your end product is very important. How easy is it for me (*your client*) to immediately utilize my investments value? How much energy have you saved me?

➤ HOW WILL YOU SAVE ME MONEY?

How will what you offer (*products or services*) save me money? Money is directly tied into time and energy. Your services/products might be a bigger investment now, but in the long term (*time*) this investment will save your clients money by not having to spend more on the same service, save money on not having to spend more to complete the product/service, or spend more to replace your product/service. Saving money doesn't always mean "discounts and sales".

HOW YOU DO WHAT YOU DO

When our business is in startup mode, and finances are tight, it can be really hard to make certain decisions that could or could not greatly alter the standards our brand long term. Defining and establishing not only *what* we do, but *how* we do it as well as *how we don't do it* are incredibly useful in maintaining and managing a strong brand. just because we are small business owners doesn't mean there is anything "small" about us. Being a small business has nothing to do with size and all to do with the way in which we conduct our business. It's seriously a lifestyle choice to always create a personal customized, one of a kind, experience for the people we engage with. Because we are small, every decision we make is huge! The stakes are so much higher for us small business owners. With one interaction, we have the power to make or break our brands. There is absolutely nothing small about that.



Ok, now it's your turn. Take the chart on the next page and focusing on only one specific product or service at a time, list out each of the individual tasks involved in your billable client time.

TIME RATE TOTAL

Take the chart below and focusing on only one specific product or service at a time, list out each of the individual tasks involved in your billable client time.
(Reprint this chart for each of your various product/service creative processes.)

PRODUCT/SERVICE #1: _____

PHASE/ORDER	TASK	WHO	TIME	RATE	TOTAL

TOTAL TIME = _____

TOTAL COST = _____

TIME RATE TOTAL

Take the chart below and focusing on only one specific product or service at a time, list out each of the individual tasks involved in your billable client time.
(Reprint this chart for each of your various product/service creative processes.)

PRODUCT/SERVICE #2: _____

PHASE/ORDER	TASK	WHO	TIME	RATE	TOTAL

TOTAL TIME = _____

TOTAL COST = _____

TIME RATE TOTAL


Take the chart below and focusing on only one specific product or service at a time, list out each of the individual tasks involved in your billable client time.
(Reprint this chart for each of your various product/service creative processes.)

PRODUCT/SERVICE #3: _____

PHASE/ORDER	TASK	WHO	TIME	RATE	TOTAL

TOTAL TIME = _____

TOTAL COST = _____



OPTIMIZED INVOICING

WHAT DOES IT COST TO MAKE?

Understanding the financial investment into the creative materials that allow you to do what you do, and including those costs into your pricing. Because without them, you couldn't run your business.

MATERIAL FEES

It isn't new to think about the material fees that go into creating any physical products or services you offer. Beads for a necklace, Ink for a printer, Paint for a painting... self explanatory and easily understood by both the creator and the client.

If you are a jewelry designer and you make custom necklaces, you need the proper resources and items to make your jewelry and those expenses should be factored into your product prices. Just as if you are a chef and you make gourmet meals at your restaurant, each of your dishes require specific foods and items that cost money and it's important to know how you break down the costs of each item.

WHAT IF YOU'RE A SERVICE PROVIDER?

Think about your individual products. Even as a service provider, do you have worksheets, printables, or tangible items that you include in your work together? Designers, think about the monetary value of your individual designs, and not just the hours that went into them. The files, programs you use to deliver those files, and any other resources you use to create them. Bloggers, think about your downloads or printables, or even recipe and affiliate post resources. Coaches, think about your workbooks and guides. And everyone in between, think about the physical items you use to aid in the value you offer in your brand. How do you factor in those?



MATERIAL RATE TOTAL

*The following chart is specifically for tangible products that require time and financial expenses on their own beyond time with the clients.
(Reprint this chart for each of your various product/service material creative processes.)*

MATERIALS FOR PRODUCT/SERVICE #1: _____

ITEM:	PRICE PER UNIT:	UNITS PER ORDER:	TOTAL:
TOTAL:			\$

MATERIAL RATE TOTAL

*The following chart is specifically for tangible products that require time and financial expenses on their own beyond time with the clients.
(Reprint this chart for each of your various product/service material creative processes.)*

MATERIALS FOR PRODUCT/SERVICE #2: _____

ITEM:	PRICE PER UNIT:	UNITS PER ORDER:	TOTAL:
TOTAL:			\$

MATERIAL RATE TOTAL

*The following chart is specifically for tangible products that require time and financial expenses on their own beyond time with the clients.
(Reprint this chart for each of your various product/service material creative processes.)*

MATERIALS FOR PRODUCT/SERVICE #3: _____

ITEM:	PRICE PER UNIT:	UNITS PER ORDER:	TOTAL:
TOTAL:			\$

S A L E S T E R M I N O L O G Y

COMMUNICATING YOUR WORTH THROUGH YOUR PRICING

Understanding that HOW you explain your costs greatly factors into the value perceived by your clients. Finding ways to emotionally engage your clients to confidently invest in you and your business.

BRANDING OUR TERMINOLOGY

In the beginning, charging for our products and services can be really uncomfortable, but this is the most crucial time for our brands development. The decisions we make early on will be guides to how our brands will be received by our audiences later down the line.

If you don't know what the dollar amount of your value is worth just yet, don't let that ruin the future of your prices. Pay attention to the terminology you use when offering your services, especially if you're choosing to offer them for free.

Instead of using the word "free" or "sale" or "discount", choose words that keep the pricing and value power in your court like "gift" "offer" or "bonus". Those words describe actionable rewards from the seller vs. un-actionable efforts from the buyer. Telling someone you are going to give them something as a gift because of _____ (*fill in your reason here*) this makes the receiver feel that much more special and chances are they will value your product/service/time so much more because of it.

This choice terminology also lets people know that these "bonuses" are not a permanent factor in how you run your brand. This is a limited time *bonus* that won't last and might never come back again. These makes for a sense of urgency on the receiver's side to be sure and take advantage of this amazing gift and holds them accountable for when they miss out on it.

If you are just getting started and looking for people to test your products and services out to, let them know why they are receiving this incredible *gift* from you and *what you expect* in return.

There can be lots of reasons why you give away your value for fee when it comes to financial value, but *always have a reason*.

EXERCISE TIME :

Write down a time when a friend, family member, or potential client asked for something for free, OR when you wanted to give something away for free:

Using the tips shared on this page, write out how you could have phrased your response to said individual, family member, or potential client that supports and respects your value, while allowing you to make a financial exception:

D O N ' T F O R G E T A B O U T T H E E X T R A S

ADDITIONAL EXPENSES TO FACTOR INTO YOUR PRICING

Factoring in the additional elements that contribute to the value in which we provide through our products and services.

DON'T FORGET ABOUT THE EXTRAS

ESTIMATE YOUR REPAIR COSTS

Often times we require special equipment or tools to run our businesses. Understanding the basic wear and tear that will come to our professional tools and resources, estimate how much you'll spend annually on expected equipment repairs. This could be new batteries, operating software, worn out tools, etc... be sure to consider all possible maintenance, repairs, and servicing of your gear. Then once you have an annual estimation, divide by 12 to get a rough monthly total to plan for.

TRAVEL EXPENSES

Does your job require you to travel to and from jobs? How much time is spent in your car simply going to and from your clients? Not only keep track of milage but also keep track of time. It may be a 30 mile round trip in distance, but are you traveling during optimal travel times or in the middle or rush hour traffic? How much time after your traveling will you have for other projects of business responsibilities? Be sure to factor this in to your prices if you find it is becoming an important factor in your time usage.

EDUCATION + EXPERIENCE

I genuinely believe in life long learning and that no one is ever finished studying and educating themselves within their niche. The world of business is constantly evolving and it's more important than ever to stay on top of all the biggest and best new applications, programs, and resources within your industry. Are you taking classes to better your business skills? Are you participating in workshops or creative communities where you are gaining more experience with in your niche? Are you investing in better products and tools so that your own products and services are more streamlines and effective for your client's overall experience? All this is beneficial to both you and your client, and is a reasonable expense to include into your prices. By charging more, you have the ability to invest more back into your business, and your client's overall experience will be that much more enhances, adding even more value to what you have to offer.

TAX RATE

This is one of those things that can easily sneak by un noticed and then show up again all loud and proud come tax time. Figure out your tax rate (*talk to an accountant or invest*

in some legal counsel that can assist you in understanding exactly what your state's tax rates are) Taxes are an expense that should definitely be included in our rates. As small businesses, entrepreneurs, or freelances, it's easy to forget that tax isn't just something that disappears from our weekly pay anymore. When we work for ourselves, our taxes need to be factored into our costs and deducted from our pay by us.

EMAIL TIME

This is probably one of the biggest forgotten time sucks for online entrepreneurs. How long do you spend emailing and communicating virtually with your client outside of any direct work time. Remember to keep in mind how much communication goes down during a project and factor that into your project/product/service costs as to not spend valuable time online for free.



Workbook Photography

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