



Price

When calculating your work or your hourly price, we will work with a certain method on this worksheet. (step 5 in the Creative Business Map)

Direct costs
We will first calculate the direct costs. These are the costs directly related to making the work. We assume an average hourly rate of €40. We do this because the value you have now that you have graduated is at least €40. Direct costs are the number of hours you spent on it and the material you used.

Indirect costs
These are the costs that you incur to make your work, but that are not directly related to your work. You can think of, depreciation of your computer, rental studio, tools, travel costs, etc. You divide the total between your products and hours.

Your direct and a percentage of your indirect costs determine your price. That may not be the price you get for it, but what it is worth. This is the effort you put into it.

1) Direct costs*

Like: hours; concept; design; realisation; materials etc.

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Subtotal

2) Indirect costs

Like: rent; travel; discriptions; expenses; computer; software; hardware; tools etc

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Subtotal

3) Per product/service

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**At the hours you can still distinguish between concept, design and making hours. It is often the case that the concept hours are highest because these are the hours you spent to think of something. That is unique. You're making hours on the other hand, which can be outsourced, can therefore be lower.*

*** If you make costs for several products at the same time, you divide these costs by the number of products you have realized.*

4) Influences

There are quite a few influences that make your work or your hourly price cheaper or more expensive. If your customer is low on budget, you may be inclined to sell your product for a certain amount or rent yourself out for a lower hourly price. Conversely, it may be that you already have a good reputation and that you have become more expensive.

Anyway, there is 1 important rule. Make sure that if you lower your price it will give you an advantage. Determine that benefit in advance. Maybe you work for a certain customer who pays less but it gives you the chance to get a lot of promotion and make a name for yourself. Or that you end up where you want to be.

What influences your price***?

Make sure that if you lower your price it will give you an advantage. Determine that benefit in advance.

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5) What is your advantage upfront?

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6) Make a choice!

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**** Lower price: friend service, too little budget, poorly paid market, little experience*

Upper price: better market segment, more experience, better reputation, more quality, unique quality, more professional.

