I’m sure many of you went to art school and I’m assuming most of the people reading this article are designers, illustrators or others working within the world of what we reluctantly call “communication art”. When we graduated from art school, a career was promised to us. We wouldn’t spend our days covered in grape jelly, masturbating before crowds to win a spot at the Whitney Biennial—we would live normal lives, work at offices, bask in the glow of our computers. We would have stability and wouldn’t have to worry about how our “art” would pay the bills. Our parents were happy, we were happy, our fine-art friends called us sell-outs and all was right in the world.

We found our first job. After a couple years we wanted a change of pace and found a new one. Things were good. Life was easy. Mornings were spent perusing cute overload before the coffee kicked in. We designed without ever having to really deal with clients, invoicing, negotiating—all the icky businessy stuff that burns everyone out. Our left-brain atrophied.

Then one day we woke up with the itch. It be-
came more and more powerful as we dragged ourselves to work on blizzardy days or suffered through hangovers under fluorescent lights and drop ceilings. At 7am, half awake under the weak arc of water emptying from our shower head we said to ourselves “I’m going to do it! I’m going to go freelance!” We threw on a towel and the world felt sparkly and new. We’d make our own hours! We’d sleep until noon if we wanted to! We’d no longer worry about using up all of our sick days. We’d be in control! (The freelancers reading this are without a doubt rolling their eyes at the naïveté we all once possessed). We gave notice at work and a few weeks later our dream was a reality. As time went on though, we realized this reality was not always a dream come true.

Now we were more than creatives, we were business people. If we were one of the lucky ones, we picked up enough client work to keep us from retreating, tail between our legs, to our previous lives as employees. We completely f*cked ourselves over on those first few jobs but eventually cobbled together a relatively good standard contract and learned to say enough is enough after the 10th round of revisions. This is not the stuff we learned in college. If you even thought about contracts and invoices before that art school diploma hit your hand I commend your professors, but most of us were off in la la land developing identities for fictitious products, complaining about how we only had seven weeks to get that logo right.
You can learn a lot of the business end of design and illustration by trial and error and reading articles and books, but one thing that is seemingly impossible to get a grasp on is pricing. Whether you are a student, a young designer, or a seasoned pro, pricing jobs can be one of the most frustrating parts of the creative process. The cost of creative work is shrouded in mystery and very subjective. While it makes some people uncomfortable to talk about art and money together (as we all know creatives are really meant to suffer through life and die penniless), they are incredibly similar when you think about it. What is money other than dirty rectangles of pressed tree pulp? Because we all believe it has value it is valuable.

I know you’re all dying for me to get down to brass tacks and explain how to price for each and every design situation, but what follows won’t be anywhere close to a definitive guide, just some of my own opinions and words of wisdom on how to avoid screwing yourself and the rest of us over by doing too much work for too little pay. We’re in charge of assigning value to what we do. Alright, here we go!

\textit{Pricing hourly punishes efficiency.}

\textbf{So this is a pretty bold statement} and like any bold blanket statement it should be taken with a grain of salt. Hourly pricing can be incredibly advantageous in certain circumstances, like when you
receive that first email from a potential client and, through their thousand word introductory essay lousy with emoticons and unnecessarily capitalized words, they paint a clear picture that they are completely batshit insane. You know that there will be MANY rounds of revision in your future and that over the course of working together you’ll be as much a therapist as a designer. Totaling those 500 hours at WHAT-EVER your hourly rate is will equal a pretty good pay day.

It’s more than just crazy people that can make hourly pricing worthwhile though—pricing any long term design project hourly can be advantageous, as long as you communicate clearly along the way what kind of hours you're devoting to the project. If the first time your client sees your total hours is on the job-concluding invoice, a world of hurt awaits. It will be like being audited except somehow more unpleasant. Be prepared to forward them every approving email, to itemize every minute spent on the website/book/whatever.

Pricing hourly seems much easier than flat rate pricing, but because you have to give clients a ballpark full-cost price upfront (the total hours you plan to work x hourly rate), you can end up in a very tough spot if you don’t have a firm grasp on how long it takes you to do things. You’re nearing the halfway point in the project and are already over the total
hours you're contractually committed to. What does this mean? It almost *never* means that you're paid double your original fee. Even if you can eek out a little extra money from the client, by the end of the project your hourly rate will look more like the one you were earning at the Blue Comet Diner at age 16.

So once you have a grip on your work flow and become more and more efficient, hourly pricing makes perfect sense, right? You know how long it will take you to do something, you price for it, everyone is happy. Unfortunately this is a half truth. Sure you're getting paid well enough and certainly making more hourly than you probably were at your old day job, but I'll paint a picture as to why this is a flawed pricing model: Two designers are hired to produce posters for a music festival. Both have the same hourly rate of $100 per hour (a reasonable rate for someone that's been in the biz for a few years and has a few accolades under their belt), but one designer works *much* faster than the other. Both are equally talented, but one is far more efficient. At the end of the job, the designers turn in their invoices—he worked on it for a total of 18 hours and she a total of 7 hours. He is paid a respectable fee of $1800 and she $700 for producing the same result. Your rational mind says “Well, he did work more hours than her...” but part of you knows that this isn’t completely fair, and that part is correct. This becomes epically clear when working for big name clients.
Here’s another scenario: You’re hired to do a monogram for a giant international company. They’ll want to use this monogram on everything from price tags to billboards to TV spots and they want to use it forever (in perpetuity until the sun explodes). They have a pretty clear idea of what they want and you know that it will take about 10 hours total with the initial exploration, back and forth revisions, and finalizing. Even if your hourly rate is $250 / hour (a pretty high rate), the total you’re earning for that logo is $2,500. If you think that is a good price for a professional designer to earn crafting what is essentially a logo for a huge company, you are mistaken. So if you aren’t pricing hourly, how DO you price?

**Licensing and Rights-Management**

So while pricing hourly has its disadvantages, it’s a good place to start. Most designers take into account the hours they’ll put into a project when coming up with a price, but the seasoned professionals use it as part of the way they quote a project, and not as the only defining factor. Once you feel comfortable with your hourly rate and can somewhat accurately predict how long it will take you to do something, there are a few other things to consider that will boost your prices and turn this design hobby of yours into an actual sustainable career.

As a designer, when you hear the term “rights-
management” it takes you back to your intern days doing photo research, trying to find non-awful royalty-free images after your boss told you all the rights-managed photos were way too expensive. How does rights-management apply to a designer or illustrator? Photographers aren’t the only ones able to manage the rights of their work. You inherently own the rights to anything you create, this is why it’s INCREDIBLY important to read every contract for every job. Often times clients want more rights than what they are willing to pay for—the biggest red flag word being “work for hire”. This means that the client owns all the rights to anything you create for them. They essentially, legally, become the author of your work.

As a graphic designer, work for hire is a bit more acceptable in many situations since you’re not authoring new content as much as creating a beautiful context for other people’s content (speaking specifically about any sort of layout design). Where rights management usually comes into play is in the context of identity work, and this is why logos are priced the way they are. It’s understood that the clients will need the rights to the mark you create so that they can trademark it and use it on unlimited applications, so when pricing for a logo you should take that into account. In addition to a fair hourly rate, clients pay for the rights to use that logo in an unlimited capacity.
Aside from giving away all the rights to your work for an additional (hopefully ginormous) fee, you can give them away for limited periods of time or for limited applications by licensing work to clients. There are fewer ways to do this as a graphic designer, but licensing is an incredibly (incredibly!) important part of being an illustrator or letterer. Of the couple hundred client projects I've done over the past few years, very few of them have required a full buyout of all rights, and the ones that have required them paid my rent for the better part of a year. Here are some factors that go into pricing a job based on licensing:

**How long does the client want to license the artwork for?**
One month? One year? Two years? Five years? In perpetuity?

**In what context is the artwork going to be used?**
Do they have the rights to use it on anything? In print only? Web only? Broadcast? Tattooed on their faces?

**If the job is reprinted, will there be an additional fee for a reprint?**

**Do they want an unlimited license or do they need to own the rights?**

**Are these rights transferrable if the company is sold?**

**What kind of company is it?**
Is it for a Mom-and-Pop business, a multi-billion
dollar corporation or something in between?

By now your head must be spinning. This is some complicated stuff right? Maybe, but this is how you can actually make a living doing illustration and design and maybe even eventually quit your but-they-give-me-health-insurance barista job. What follows is a fictional pricing example to show how powerful licensing can be. I’m going to write it in the context of lettering, which is priced essentially the same as illustration. Graphic designers should still pay attention though, because when I talk about buyout pricing, that’s essentially what you’re going to be thinking about when pricing logos. My price points will be higher than what a fresh faced n00b can probably charge, but should at least illustrate how much of an impact licensing can have on the cost of artwork.

The Correspondence

Dear Ms. Hische,

I’m an art director at Awesome Agency Inc, working on a campaign for an international clothing brand (on par with the gap) and am writing to gauge your interest in creating artwork for us. We need one five-word phrase illustrated in a script style. The artwork should be highly illustrative, attached are some examples of work you and others have
done that are in the ballpark of what we want for the campaign. If this sounds appealing to you, please send us a quote by end of day tomorrow so that we can present your work, along with a few others we are gathering quotes from, to the client. Thanks so much and look forward to working with you!

Sincerely,

Arthur Director

They didn’t give me much to go on here aside from the actual work I’m creating. It sounds like a cool job, but I’m going to need to do some investigating before giving a proper quote. The biggest young designer mistake here would be to quote a flat fee without finding out what kind of usage rights they want.

Thanks so much for thinking of me Arthur! I’ll put together a quote this afternoon. Do you want me to price for every usage scenario or do you have some specific uses in mind?

All the best,

Jessica

Usually here they’d write back with some very very specific uses in mind which makes it a bit easier to quote, but sometimes you’ll get a letter that looks something like this:
Hi Jessica,

Great to hear back from you! We’re still in the exploratory stages of the project, so we can’t give specific usage situations yet. Please quote for creation of artwork for presentation only and for a few ballpark usages.

- Arthur

What We Know

This is for a big international clothing company.

They are gathering prices from a few different people. They’ll present several artists to the client who will chose based on style or lowest price depending on what the client’s priority is.

They want a price for presentation only. This means you create the artwork and they only have the right to show it around in-house and to the client, NOT to use it in any way for their campaign.

They want a number of usage scenarios. This is on top of that initial creation / presentation fee.

Pricing for Presentation

If you’ve done any editorial illustration...
TION work (magazines and newspapers), you know that the rates are pretty standard across the board: $250-$500 for a spot illustration, $500-$750 for a half page, $1000-$1500 for a full page, $2000-$3000 for a full spread, $1500-$3500 for a cover. These are all pretty normal prices and there are of course magazines that pay higher or lower. I tend to start with these prices in mind when thinking about pricing for “Presentation Only”.

They want a five word phrase that is highly illustrative, which equates to “a full page illustration” or so. Because this is for advertising and not editorial, adjust your rates depending on the client. This is for a big company, so my presentation only fee might be somewhere around the $5000-$7000 mark depending on how complicated what they’re after actually is. If this was for a smaller company, the presentation only fee might be closer to $2500 or $3500.

Sample Usage Scenarios

If a client doesn’t tell you specifically what usage rights they need, you should make sure there is a good range represented. In this situation, I’m definitely going to price based on the length of time they need it, plus some general examples of what context the artwork will be used in. When you send your quote, it should be broken down as clearly as possible so there is no confusion as to what the
clients are paying for in each stage of rights licensing. This would be the quote I would send back:

Hi Arthur,

Below are a few sample quotes for the project. As I did not have much info about what usage rights you needed, we would need to talk specifically about anything not mentioned below once the client has a clearer picture of what they need.

**Presentation Only: $7000**

2-3 initial pencil sketches shown, one chosen to be created as final art. After final artwork is presented, the client may request up to two rounds of minor revision. Additional revisions after this point will be billed at $250/hr. If the client chooses to not move forward after pencils are presented, a kill fee of $3500 will be paid for completion of sketches. If artwork is completed to final, the full fee will be paid.

**Usage Scenario 1: +$5000**

The client may use the artwork in magazine and newspaper ads (domestic and international) for a period of 1 year.

**Usage Scenario 2: +$7500**

The client may use the artwork in all print media (domestic and international) including but not limited to magazines, newspapers, point-of-purchase displays,
posters, and billboards for a period of 1 year.

Usage Scenario 3: +$10,000

The client may use the artwork in all print and online media for a period of 1 year.

Usage Scenario 4: +$14,000

The client may use the artwork in all print media, all online media, and broadcast media for a period of 1 year.

Buyout: +$25,000

The client may use the artwork in all media including print, online, and broadcast in perpetuity.

Thanks so much for thinking of me for the project, let me know how these numbers go over and if you need any clarification about the different usage points.

All the best,

J

So this is a pretty basic breakdown, but it gives the agency/client a lot of price points to consider. If I wanted to break it down even further, I would price based on 2 year and 5 year use and give different prices for U.S. only, North America only, etc. Most importantly, note that all of the usage scenarios are ON TOP OF our original presentation only / artwork creation price. These prices might seem completely outrageous to you but they’re actually pretty reasonable when we take
into effect who the client is and what kind of rights they'll probably need. If you're an up-and-comer, your prices might be a bit lower but the percentage markup should remain about the same. Imagine if we had priced this hourly!

**How do you know if you priced right?**

**If the client writes back immediately** and says “These numbers look great! We’ll send along a contract for you to go over in a few days!” It probably means your prices are too low. If they write back and try to negotiate you down a little bit, you were probably pretty spot on, and if they write back and say that this is well beyond their budget, you get to decide whether or not you want to figure out a way to work within their budget or whether you want to walk away and take one for the team. When you're offered a very low budget by a very huge client, you can always feel good about turning it down knowing that you are helping to raise the standards of pricing for others.

**Why doesn’t anyone ever talk about pricing?**

**There are a lot of reasons** why designers and illustrators are reluctant to talk about pricing, the most obvious being that no one wants to shout their annual income to the masses. Once you start
giving away your general prices, it’s not incredibly difficult to add things up and figure out a ballpark of what an individual or company makes in a year. The fake job I used as an example above is an advertising job, and I used it as an example because pricing for advertising is one of the darkest arts of all. There are WILD differences in pricing from presentation to buy-out, and a ton of factors that affect the price. It’s great to surround yourself with friends or more experienced designers that can help you price a job. You can always consult The GAG’s Ethical Guide for Pricing, but definitely use it for ballparking more than definitive numbers.

**The Pricing Domino Effect**

**It’s incredibly important** for even young designers to always quote respectable prices. It can be very tempting to create artwork for a “cool” company for very little pay and the promise of insane exposure / an incredible portfolio piece. Every successful designer and illustrator has at one point succumbed to the siren song of the “cool” industries (there are a few “cool” companies that don’t try to take advantage of designers but they are the exception and not the norm). When you are starting your career as a freelancer, it will be INCREDIBLY tempting to take on any work that comes along, no matter how unfairly companies are trying to compensate you. Remember
that you are talented and that your talent has value and that ultimately it is up to you to determine how much people value your talent. By helping to keep pricing standards high, you not only help yourself by avoiding the title of “The Poor Man’s Marian Bantjes” (essentially the creative equivalent of a knock-off handbag), you also help every other young designer struggling to get paid out there, and help every designer that came before you to continue making a living doing what they love.

A footnote for the haters:

FOR WHATEVER REASON, whenever anyone writes an article like this—asking designers to raise the standards for themselves and others, calling out companies for unfair pay or empty promises—there are always a few anonymous contrarians that berate the author for preaching from an ivory tower, not understanding what the masses are actually going through. I have been lucky enough to have success in my career, and I want to use the knowledge I’ve gained to help others have success. Why anyone would complain when someone is advocating for better wages, I do not know, but it always happens.

This entry was posted in On Getting Paid. Bookmark the permalink.
Max Fenton said on September 6, 2011  
Absolutely invaluable advice. Thank you so much.

Webzie said on September 7, 2011  
It is so easy to get sucked-in to believing that by doing something for free or for cheap, the customer will gratefully value the work and reward you with more work. Nothing is further from the truth. In reality, if you work for free, you will likely lose the customer the moment you start charging what the work is worth. Oh yes, the customer will charmingly send you other customers... Beware! They too will expect stuff for extremely cheap or free. Time to Break Free!.. Charge what you know you are truly worth and attract the customers that you want to make your business enjoyable 😊

Marty Lavender said on September 6, 2011  
This is an awesome read. You talk about pricing and it effecting whether or not you turn the client down or work with them.

Does it become clear at some point though when you should walk away based on the client just being difficult?

The idea here is to not sell yourself short and make sure you are getting paid what you think you are worth as well as what you think the job is worth. But when do you know its time to walk because the client is in so many words; trying to screw
you?

**Jessica** said on **September 6, 2011**

There are definitely times when it becomes clear that the job just isn’t going to work out. Hopefully you have a clear and concise contract that gives you (and the client) some bail out points if things are going south. Whatever you can do to define terms ahead of time the better it will turn out no matter what.

**Marty Lavender** said on **September 6, 2011**

Obviously protecting your interests and the clients is important. It’s obvious covering all of your bases ahead of time is important.

**Nicolas** said on **September 6, 2011**

Thanks jessica. Very helpful as always.

**Andrea** said on **September 6, 2011**

Great article! Kudos and thanks for sharing your knowledge to help those who are still learning...a somewhat rarity in an industry often cluttered with bs!

**Timothy** said on **September 6, 2011**

Great stuff...I’ve been asked to setup an in-house design studio and your insight is just what I needed.
Tania Raposo said on September 6, 2011

Great article Jessica. I love the that you are full of humour. And that makes your writing so approachable and easy to read. Once again, congrats!

Kyle Webster said on September 6, 2011

This is one of the best pieces of writing on this touchy subject that I have ever read. Kudos.

Charles Valsechi said on September 6, 2011

Great post, really good insight into working with different clients. I can see this relating to Fine Arts as well.

Thanks again!

April said on September 6, 2011

This is exactly the article I was hoping to find.

Thanks.

Sol said on September 6, 2011

There are two kinds of designers: Those who read this post and those that didn’t.

Pricing is a huge part of the business, and this post should help many of us get on track.

Awesome stuff, thank Jessica.
Kristy said on September 6, 2011

Thank you! Fantastic article. I see so many young designers charging way too little or worse yet, doing speck work! There needs to be higher standards in order to have an understanding of the value of creative work.

Charles said on September 6, 2011

Jessica,

We need more designers like you in the world. Too often others want to keep everything to themselves in order to secure some balloon head ego, but with people like you, that isn’t the case. I just wanted to say thanks, and that I am glad you’ve had success in your career. See ya around, now that you and Russ will be in SF 😊

Dennis Staples said on September 6, 2011

Very good article. I am gathering information or just to get an idea for a book idea I’m considering. I’ve been asking creatives if they feel they would be better off professionally if they had taken business courses for designers while in art school? What do you think about business classes as part of the designer education process? Thanks!

Laila said on September 8, 2011

In response to Dennis’s question, I wanted to chime in. I went to art school almost 14 years ago
and wish so much that business courses were taught at the private art school that I attended. Ironically enough, I am currently enrolled in an MBA program and only now do I value both what I do and what I have to offer. It’s been a very expensive and sometimes heart-breaking lesson to learn. Understanding the tools and the language of business is incredibly important, regardless of what sort of creative you might be. One of the things that Jessica referenced that I feel more designers need to understand is that when we sell ourselves short by not pricing our time and talent properly, we lower the bar for the whole industry. Doing so signals to the market that what we have to offer isn’t of value. Thanks Jessica for taking the time to concisely share your knowledge.

Miranda Sowell said on September 14, 2011

Very helpful, Jessica. Thanks for taking the time from your busy life to write such in depth and incredibly helpful information to share with us! In response to Dennis Staples’ comment regarding business courses for designers in art school; I didn’t even think about needing that in art school. It wasn’t until recently that I started realizing how incredibly helpful that would have been. In fact, in design school, I don’t think they were very concerned about this aspect because they seemed to be preparing us more for landing a job in a large firm or ad agency rather than encouraging new designers to start freelance. That, or they just didn’t have the faculty to instruct such courses. Either way, I would have LOVED to have that education and have often thought about taking some Small Business Admin-
istration courses in my district. Other than that, I rely on books and articles from other successful freelancers, like Jessica for the education I lacked in school. Hopefully one day all the information gathered will become second nature.

**Lindsay ML** said on September 6, 2011

Like those before me (and the many who will doubtless come after me): Thank you, Jessica, for this excellent read. I wish more designers and professional artists would stop and consider the greater effects their pricing schemes have on the design/art world at large.

One thing you did not discuss in your hourly vs. flat fee portion of the post was the way clients perceive designers based on the pay options they offer. I have found myself going the hourly route because some clients seem to infer that charging by the hour is more “honest” and “accountable.” This is something I have observed—do you, or anyone else, have any experience with this?

**Sheli** said on September 6, 2011

thanks so much for posting this! super helpful to see how people generally handle their contracts/etc. i was lucky enough that my school did cover this for us ( and a ton about work for hire. ) However, i am generally interested in what the masses feel is charging too little, especially for a relatively new designer ( lets say about a year of experience ) You talk about setting standards in pricing, but what is considered hurting these standards, if this makes sense.
Megan said on September 6, 2011

Thanks so much for this Jessica. Very helpful!

Jennifer said on September 6, 2011

This is exactly the type of article I need at the moment. I've been off on my own for two years now and am just now dealing with the “business of my business”. Any advice on how to begin charging flat rates for established clients who have been paying by the hour? Or how to get said (awesome) clients to sign a contract that you stupidly never thought of beforehand?

Paul said on September 6, 2011

This is one of the most helpful articles I have read about freelance design work since I started working for myself.

As a person who has had limited success and is quite late to the game at the age of 30, I would like to personally thank you for having the guts to price yourself at a respectable rate. I could easily be one of those people berating you for preaching from your ivory tower, considering the fact that I could never get away with a quote anywhere near what you describe. But that is because I haven’t made myself worthy of it – yet. As a matter of fact, I just quoted my very first higher-priced job. And I felt damn proud doing it.

Working as a freelancer means that you need to respect your own hard work, because nobody else
will.

Great job. And thank you.

Prescott Perez-Fox said on September 6, 2011

Very eye-opening. I have learned many lessons of freelancing/self-employment the hard way, and I agree with the arguments for and against hourly rates. The question I still have is, perhaps quite obviously, “how do you get in touch with clients who can afford those rates?!” People ask me, and I still don’t even know. I’d love to give my potential clients such a quote, but I honestly feel as if they’d laugh out loud (not at me per se, but just at the overall misalignment and how they can’t afford me)

I have to acknowledge you for your humility in the final paragraph. Too often, the successful and “famous” designers seem to lack empathy for the brothers and sisters who are sweating it out in the trenches. But at the same time, I think you overlook something in the first few paragraphs. Not all of us went to a prestigious art school and moved into a full-time role at a hot agency. Some of us were _forced_ into freelancing, out of sheer determination to participate in this profession [rather than wait tables]. I’m not mad, but please be careful in how you frame the story — not everyone enters the fray from the same angle.

Jude said on September 7, 2011

@Prescott

I was one of Jessica’s design teachers at Tyler, and I can tell you first hand, while Tyler is a very respectable art school with a great design program, it
is in no way a “prestigious school” like Parsons or Pratt. Most of the kids that go there, like myself and Jess, do so because it’s a state school and we can’t afford one of the “prestigious” NY art schools. Also, she was one of the most talented students I had the pleasure of instructing, and the reason she was able to get an internship with us at Headcase and then move onto a full time gig at Louise Fili was simply out of her hard work and raw talent. So it’s true, not everyone enters the fray from the same angle. Some people enter with considerably less talent and motivation than designers like Jessica.

Maria said on September 6, 2011

Thank you so much for sharing this, teachers rarely talk about this at school, and it is so helpful to read advice from someone who knows. (Especially when it is easy to read)

Adam said on September 6, 2011

Great post and I have to agree a lot of designers especially in the advertising field do not like discussing prices. So to do so is pretty awesome and useful.

Ben Weeks said on September 6, 2011

Good for you Jessica! That’s a helpful framework for pricing, but in some cases it may be too low. This may be a mythical story, but I know a guy who charged around $200k for 3 of his artworks to
be heavily inserted in mass market publications and he did the art direction of a TV spot derived from those. It may be $60k for one full page ad in a major publication, so it seems weird to give unlimited for $5k if millions are spent on ad-space buy.

TV I've found especially hard to price. $30-60k is considered small budget for the production of a live action piece. So for your illustration to be animated, how does that work? Plus maybe you're art directing it? What would Takashi Murakami have charged Louis Vuitton? Likely more than $32k! How do places like Buck charge? What if an agency makes storyboards from the print assets they have usage for and uses those boards internally to guide a motion house that copies your style?

Jessica said on September 6, 2011

All good points Ben! I of course couldn't cover every aspect of pricing in one blog post, or even one 200 page book I would imagine. I haven't had much luck with motion yet, as it is one facet of the design world that is packed to the gills with hungry young designers willing to work on spec or on very limited budgets. I've been offered offensively low prices to do titles for television, mostly because I'm being hired by the small motion companies, not by the clients themselves, and those motion companies might have a total budget of 12k to do a test spot including all of their art direction and animation.

Jeremy Holmes said on September 6, 2011

Hello Jess,

I love this post not because it supplies answers,
but because it opens up the conversation. I was just approached by a small motion graphics firm who's working on an intro for a new Discovery Channel show and wanted me to provide art work for the intro... their budget $2000, copyright buyout included. In the past 6 months, I've turned down 4 other major projects for major clients with absolutely insulting budgets. This trend concerns me a great deal and the only way to fix it is to bring it into the middle of the room and discuss it.

I think the obvious question is, when a project comes your way that you're unsure of pricing, how do you figure out a price that doesn't tank the industry standards? For the above mentioned tv project, I contacted a few illustrators who I knew had done similar work to see what the average rates for things like this were. They were all gracious enough to reply and fill me in on the standard rates. The information they provided was invaluable. Initially, I knew the $2000 budget for the TV credits was absurd, but like all business, it's about negotiation. I took the info I gathered from my research and countered their offer. They declined and I'm ok with that.

I think the hardest thing to do starting out is to turn down work. We've all taken on the worst project ever with the smallest budget in the world. The one thing I think about as I'm negotiating the terms and budget of a project is, bad deals never build good business... ever!

Jessica said on September 6, 2011

Hey Jeremy!

I've had some very similar terrible budgets offered
for motion work—it is absolutely one of the “cool” industries right now LITTERED with incredible talent willing to work for cred alone. Because illustrators like us aren’t animating the artwork, we’re usually hired by motion companies who have already set the bar too low by quoting “competitively” (i.e. forgetting they actually have to pay others). I’m lucky enough to be surrounded by other illustrators I can vent to and ask opinions of. Even with this article I ran it through no less than 6 friends and mentors to make sure everything looked kosher. Professionally, having a rep helped (and continues to help) a great deal understanding pricing models. My rep consults with other reps if a job is enormous or seems to be quoting too low. It’s all about using the resources you have on hand, be they friends or actual paid consultants.

**Mark Kaufman said on September 9, 2011**

As informative, blunt, and honest as the original article is, the most interesting nugget was the last bit in this reply. Use the resources you have. Yes, we hate to talk with friends, compatriots and competitors about what we could/should/have charged for projects for fear that we are doing it wrong and for too little money, but this information and conversation with those in the same boat is invaluable. Believe me, those commissioning design and illustration work talk amongst themselves about pricing and budgets and rights, so as hard as it may be to discuss how much or how little we charge for different types of projects we need to do so to keep our pricing and our businesses relevant. Thanks for the great post.
Edrian said on September 6, 2011

Great article. Thanks for taking the time to post. VERY HELPFUL!!!

Kirbee said on September 6, 2011

Thank you so much for this Jessica. I have just had an awful experience with my second professional illustration job- and only wish I had found this article sooner.
Thank you, Thank you, Thank you!

Alice said on September 6, 2011

This has definitely opened my eyes! I'm just out of design school and trying to do the freelance thing while also trying to get a job (so hard in NZ!). I had no idea about licensing my work or for certain time periods! Something we didn't learn during study.
I saw you at Semi Permanent in New Zealand last year which was awesome. Very inspiring! Thanks for the advice.

Steve said on September 6, 2011

Thank you for this great article!
I longed for the day these kinds of pricing (and argument) can be put into practice here in Indonesia. Unfortunately our role isn't considered important yet in this part of the world.
Sam said on September 6, 2011

Agree with you 100%. I tend to price my job according to what I think the client can afford too... occasionally doing a job for very little in the hope that I create loyalty and repeat business, as their business grows so does my fee.
The thing I hate the most about freelancing is chasing up the accounts from certain small clients, I learned the hard way do not hand any files over to a printers till you have the money in the account.

Melanie Burk said on September 6, 2011

Love this article! I am always so glad for your input, and your belief in the design community and actually talking shop and helping other designers. I have learned this lesson myself the last few years the HARD way... and I agree with you- it is so important to charge what you are worth.

Thank you Jessica- you are seriously one of my role models designers! (in a non creepy way)

Hazel said on September 6, 2011

My first day of art school starts tomorrow (studying graphic design!) so I still have a long ways off before I deal with actual clients, but I'm bookmarking this for when that time comes. Never hurts to be prepared, right?

Thanks so much for this, Jessica! 😊
Teresa Sposato said on September 6, 2011

Great article on pricing!
One of the hardest things for me, working as a freelance designer, has been the pricing – have I calculated enough or too little? Most of the times it’s not enough – but it’s a constant learning process I guess 😊

Your article definitely helps a lot! Thanks!

Kristy said on September 6, 2011

There had better be no haters sipping haterade on this post or dissing Jessica in any way. This is one of the most thoughtful and impressive blog posts I have seen from a creative in a long time. This is the kind of info that people are rarely privileged enough to get that keeps newbies low balling themselves for years. Jessica was kind of enough to spare some of her privacy for the sake of helping others cut down on months and years worth of losses. For this she should be commended.

Joy said on September 6, 2011

Thank you so much for this post! I's so awesome that you are willing to share your pricing experience and knowledge =] Saludos!

Meisi said on September 6, 2011

Jessica, a truly eye-opening article. You have helped me with some doubts have about pricing.
Seems you have read my mind.
Thanks!

Owen Jones said on September 6, 2011

Wow, thank you Jessica – what an amazing, detailed, honest, transparent, helpful and humorous article!

Fiona said on September 6, 2011

An amazing article, it's great to read how others price their work in such a detailed and easy to understand way. I knew the general principle of licensing but had no idea how to make up a reasonable pricing structure until now. Thanks!

Tady Walsh said on September 6, 2011

Jessica, thanks a million for writing up this post! It's excellently written and wonderfully informative. I myself, have hummed and hawed over price in the past.

I have one question which isn't clear to me, is the accumulative nature of the cost in the example you gave. Can you just clarify for me, if the client decides to go for a complete buyout of the work, do they pay $32,000 (Presentation + Buyout) or $68,500 (Presentation + Buyout + all the Usage Scenarios too)? I'm just not seeing whether the Usage Scenarios become part of the Buyout cost, if that's the route the client decides to take.

Thanks again for a great, informative post!

T
Jessica said on September 6, 2011

Buyout + presentation, since buyout implies unlimited usage in all media

Carina said on September 6, 2011

Thanks Jessica, this is an amazing article. I studied business but have just started working with design, so luckily I'm a tiny bit less naive about the business part, although you are pointing out some invaluable things about art pricing here that I had no idea about! Seems I might have to revise my pricing very soon... P.S. Your work is fantastic. I have spent many hours staring at your website.

ned said on September 6, 2011

it must be serendipity or something that I came across you on the internet and this very well written post. Thanks for taking the time to put it with such detail and insight. It made something click inside my mind at where I fail when it comes to pricing my work, as you said not many designers dare to dissect this aspect as you did. I'll stick around and I wish you best of luck and fun there in Brooklyn.

Henrique Foca said on September 6, 2011

Wonderful article, Jessica! That has always been a problem for designers and I never understood exactly why people just don't site
and talk about it. That’s a great initiative of yours...
I’ll share this in my community of brazilian designers and I’m sure it’s gonna help us all!
All the best for u!

**Michael Byers** said on September 6, 2011  
I just wanted to say a huge thank you on behalf of the creative world. The footnote was my favorite part. I also don’t understand why others would have anything negative to say about someone like yourself taking time out of your busy career to help others out. I think it funny when others complain and use lines like “it’s easy when you’re shouting from your ivory tower.” The ignorance of that is hilarious. Most of the successful people I know weren’t born in the ivory tower. We worked our way there. Also the only thing you’re doing by trying to help better the pricing standards is helping others get to that ivory tower. Oh well. Really really great of you Jessica. Thanks again.

**Wendy** said on September 6, 2011  
Hey Jessica, thanks for a great read. It really helps to see the correspondence with a client for quotes like the above. And you’re absolutely right, talking about money shouldn’t be something a creative person is scared of and with your friendly, well-written tone it makes it all the easier to digest.

**Wendy** said on September 6, 2011  
And Jessica, what’s your opinion on:
A) Crowd sourcing opportunities – “submit your t-shirt design for this cool band, gain the most votes and you MIGHT win”? (I feel like it's a sleazy way to get lots of free designs disguised as a prestigious contest...)

B) Unpaid or low paying tests for a chance at getting the job? (Again, same as above.)

Thanks!

Jessica said on September 6, 2011

obviously very against both. I do tests for jobs often, but that’s what “presentation only” is for. See my Should I Work for Free chart. I also proudly support the anti-spec campaign.

johanna said on September 6, 2011

Thanks for the article, Jessica, it’s really got me reconsidering some of my pricing practices. I think I constantly feel bad for my clients and undervalue my work... (grrr to myself).

Matt Convente said on September 6, 2011

Many thanks for writing such an honest article about pricing. It is very enlightening, and thinking back, I definitely have made some pricing mistakes in the past that I won’t repeat.

On the topic of usage, what would happen if you discover a client has used artwork above the usage rights they purchased (say, you only licensed for print and you see it on an online display ad)? I imagine clients aren’t that dumb, but my cynical
mind tells me that a few of them are. Do you simply lawyer-up and go after them?

Dan Malarkey said on September 6, 2011 REPLY

Thank you thank you thank you THANK YOU! As a recent graduate that is currently doing freelance work this is incredible advise. It is always scary to under-price yourself. When potential clients contact me for work the first thing I think of is “I hope I don’t scare them away with my pricing.” Then I think “Well, I do not want to sell myself short.” At first it is always hard to find the happy medium, but I think I'm starting to get hang of it.

I know sometimes the client just has you pushing pixels, so is it a good idea to have a set number of revisions from the beginning and charge accordingly if they want to surpass the original number?
+dan

Maria Black said on September 6, 2011 REPLY

Very very helpful. Thank you for taking the time to give us some pointers int his department. I went to art school and thought we had business of Graphic Design, it didn’t really cover pricing and freelance business that well. It was all about the contract.

Lola Landekic said on September 6, 2011 REPLY

“I of course couldn’t cover every aspect of pricing in one blog post, or even one 200 page book I would imagine.”
A book. Now there's a thought... ! :]
Thanks for this terrific post. I'm sure it will
guide many through the minefield of freelancing.

Laudina said on September 6, 2011

Thank you Jessica! I have been entirely guilty of
selling myself short just to get anything. You’re arti-
cle is a giant slap-in-the-face to wake up! I respect
your initiative to share what your knowledge with
your colleagues! Thank you, thank you, thank you!

Katy Farr said on September 6, 2011

You are extremely talented and I enjoy your
work. You also write well. I did notice a grammati-
cal error and I’m only telling you because everyone
overlooks these things in their own writing now and
again.

“There are less ways to do this as a graphic de-
signer, but licensing is an incredibly (incredibly!)
important part of being an illustrator or letterer.”
Should read “There are fewer ways...”
Thank you for including illustrative examples of
pricing in your article!

Katy Farr said on September 6, 2011

Please delete my comments in moderation. They
were just for you. Thanks!

Jillian Adel said on September 6, 2011

Hey Jess,
Really well-written and informative piece. I have to agree with Prescott, though, on the subject of how we started out in this industry. Some of us graduated right into the economy hitting hell and had to go the long way around / were forced into freelance.

That detail aside, I have to suggest that you give a lecture on this subject. I think an open forum on this subject would be really beneficial to a large part of the community. I wonder if How Conf. would be down for a lecture of this nature. It would definitely beat the 1000 lectures on “staying creative while you hate your job” that filled most of last conference.

But really, this is a great piece to bookmark and refer to on the subject. Thanks for putting it together 😊

J

Ashley said on September 6, 2011

Even as a student, this was an insanely helpful read. Thanks so much for taking the time to put this together, I’m definitely going to hang on to it for reference!

Becca Clason said on September 6, 2011

Jessica, thank you so much for posting this. I wish this topic was discussed more, because I believe that talking about it helps other designers to know not to and how not to take on projects for less than they should. It’s certainly helped me to be more confident in the quotes I give potential clients. It’s hard though, when you give a spot-on
range (you think) and they never respond to you (perhaps because they have a low budget and can’t afford the prices you gave?). Has this ever happened to you? Did you ever get back to them saying you could price it for less or did you just let it go?

Thanks again, I love your work.

Daniel said on September 6, 2011

As somebody right there on the cusp of leaving my reliable yet soul-destroying day job (three weeks to go), this post couldn’t have arrived at a better time. Thank you Jessica – it’s really useful. As you say, not sharing income is understandable, but it’s completely made up for by the majority of good creatives being willing to share wisdom and knowledge.

Generosity fuels this industry.

Jeff Archibald said on September 6, 2011

Thanks for the great article, Jessica. This is a real eye-opener for us, and I’m avidly recommending it to all our readers/followers/what-have-you-ers.

Hadiya said on September 6, 2011

Thank you so much for taking the time to write this Jessica. Sharing is caring.

Tom Walters said on September 6, 2011

I’m a web designer/developer and I must say this really hits the mark. I generally consider the length
of time it will take to complete the project alongside who the client is when pricing work. It’s certain-ently a difficult topic for new designers, but big companies have big budgets, so I say dream big!

Leighton Hubbell said on September 6, 2011

Well done, Jessica.

You have been able to compile a very informative and succinct post on a subject that many just dance around on. And I do mean succinct. This subject, as you mentioned earlier, could go on in volumes without gleaning this much information.

Sharing the bidding game and ballpark figures that illustrators and designers often have to go through can only help the design community in the end with more awareness.

Obviously, everyone new to the freelance game wants actual figures on what to charge, but like anything in this world, there are many levels of skills and experience—each with a different price tag. It’s up to you to figure out which clients and agencies you’re compatible with and not be afraid to negotiate.

Thanks again for the post.

Sydney Nogle said on September 6, 2011

It’s always refreshing to hear someone talking about the prices designers actually deserve—it’s like a designer’s kryptonite when non-design folks start talking about how “over-paid” designers are. I recently turned down a branding project after the client asked me to create the work for a quarter of the price that I was asking for, promising me that
he’d pay me for the rest if he liked what I produced (the rest being another quarter of what I was asking for). I dropped him like a bad habit when he started debating with me about spec work (he was pro-spec/crowd sourcing and didn't see why graphic designers have such a problem with it). Letting him go (and potentially a couple thousand dollars walk out the door) was one of the most validating moments of my design career – I have enough other work coming in that don’t have to put up with garbage like that anymore.

You continue to be such a positive force in the design community – thank you for spreading the word 😊

**Flora Chang** said on September 6, 2011

Dear Jessica, thank you so much for a great article! I’ve shared it on my Facebook pages. It’s such an important topic that are rarely talked about among designs/illustrators. One question, could it be possible if you can also talk about how to price when licensing out a piece of existing artwork from your own experience? I am sure a lot of us need helps in this area. Thank you so much! Xx – flora

**Casey** said on September 6, 2011

Thank you so much for having the courage to speak out about this, Jessica. I am a recent job-seeking graduate and am feeling overwhelmed by the whole freelance abyss. When I was in school, I always tried to get the professors to discuss the rigors of freelance and though many of them were free-
lancers themselves, they were all incredibly reluctant to share. I often feel designers need to take some kind of basic business management course (perhaps tailored specifically for freelance needs) just to understand everything before we jump in. Not all of us can slip into the corporate structure right out of school (nor do we want to!) as our professors seem to think.

Again, many thanks for writing this fabulous, well-informed article. You’re articles always restore my faith in my chosen profession when I’m feeling low.

Dana Leavy said on September 6, 2011

Awesome article, and really valuable advice! It’s true that people are sometimes reluctant to look at their talents and understand the real value of those things to a potential customer, and to feel comfortable pricing as such. Thanks! Cheers!

Jennifer S. Britton said on September 6, 2011

Thank you so much for sharing! Very informative and eye-opening.

Michele Rosenthal said on September 6, 2011

Thank you for the excellent article. Hearing an established designer talk about money is exciting enough, but seeing actual specific numbers on my screen is like water in a desert.

Tom said on September 6, 2011
VERY good article! It's a shame though that in this economy and with things like crowd sourcing for design, that our industry is a really difficult one. Let's not even think about how print design has suffered because of the internet...I think all that basically means as a designer you have to wear another hat. You have to adapt. I did, so I'm at peace with the fact that I'm no longer working editorial design or really any print design. However, what I really think they should teach more in art school is the business side of things. I went to a really, really good art school and while they really trained art directors (not just designers) and were all about pushing your own authorship and ownership, smiting work for hire...They didn't really teach you much about the business end of things. No way were any of the designers out of that school (or I imagine any art school) prepared for this economy and the last 5-8 years of change in the design industry.

So, thank you for writing this because I really feel like a lot of people forgot this kind of stuff. I really hope pricing can turn around. Though it is against a lot of odds =(  

Christopher said on September 6, 2011

Jessica, a sincere thank you for posting such a well thought out and very well written article. It's so nice to read something written with a positive approach.

Peter said on September 6, 2011

Hey Jessica, this was very very helpful. I am
studying communication design in Berlin, Germany, and whenever you try to find some advice or information on that mysterious topic called pricing, all you get are answers like »well that depends« (which is true, of course) or »you have to find out your own prices« (which might be true, too, of course). It was very informative to read about your pricing process, thanks a lot for taking the time, very much appreciated!

Matt Hunter Ross said on September 6, 2011

Excellent explanation, Jessica. Thanks for sharing.

Terri Queen said on September 6, 2011

Excellent article! The best and most informative I’ve read on the subject. Thank you so very much.

amanda said on September 6, 2011

wonderful piece! I’m a photographer, not an illustrator or designer, but the advice you give is very helpful and relevant to my field as well. thanks for taking the time to put this together 😊

Ryan said on September 6, 2011

What portion (if any) do you ask for upfront? Do you ever withhold delivery until payment is made?
Jessica said on September 6, 2011

It depends on the client, if it's for an individual it's definitely good to get a portion upfront (usually 1/2 of the fee). I haven't had to withhold delivery until payment is made, and often times payments can take time to come in. Chasing down people for money is a WHOLE other article though. Just make sure that you have a contract before you start, so if anyone tries to screw you over you have it in writing that you did what you said you would do.

Dan Ritz said on September 6, 2011

I know I'm a out of my area (not involved in print) so a lot of this article is advice that I can't comment on, but I still don't understand the logic of how pricing hourly punishes efficiency.

Why I'm able to raise my rates is because I become more valuable. Efficiency is a huge part or becoming more valuable. If I can do something with the same quality and skill in less time, I'm more valuable and should charge more.

From that point it's a matter of convincing people that you're more valuable, which is really hard to do...

But that has nothing to do with how you charge! It's all how you market yourself and build/maintain your reputation.

I just get really nervous when people blame a simple tactic (hourly vs. fixed) for a much bigger problem of not being able to communicate their own value effectively.
Jessica said on September 6, 2011

it’s definitely very different for web designers than it is for image makers. I actually think that if you can come up with a good hourly rate for your time and if clients are fine with an open ended “it takes as long as it takes” situation, hourly pricing can be a dream. I mentioned it’s great for long term projects, which is a lot of what web design is. The model above is best for image makers, but a hybrid model is great for both web and print designers. An agreed flat fee for a certain portion, and hourly pricing after a certain point.

Anthony said on September 8, 2011

I agree. For being a web designer for years, I find that you account for your hours up front but build in the meetings and things that are your overhead to create the initial ‘flat fee’ for a site. You build into your contract what that flat fee includes, a details sitemap, design aspects, code, testing, etc. You then add in that anything that comes up outside of this scope will be billed at an hourly rate of X. What I always promise my clients up front is that before I start on any changes, I provide an estimate on those changes so they can decide if it’s worth the cost. I’ve never been confronted as being deceitful and I’ve had some of the same clients for years due to that fact.

My photography though takes into account overhead into my rate, but I still bid on projects based on my rate + usage. One of the best things I ever
learned in business a long time ago is something you point out. You have to learn to say no, or as someone else put it “not everyone with a pulse is a client”

Thanks for the great read, and hopefully I'll pass forward what I've learned over the years as well.

Sophi said on September 6, 2011

Excellent! Pricing is something I have often struggled with. This piece is so beautifully written, that aspect of my job should now be a breeze. While I was aware of all the scenarios possible, having a guide of sorts written out, saves me the trouble of picking my thoughts and provides in perpetuity a frame for pricing decisions. Thank you, thank you, thank you! Now, I can concentrate on my art.

Alejandro said on September 6, 2011

Thanks a lot for this article. It's just the right thing to know that till today no one had told me before and by the way great webpage. Congrats!

Mimi said on September 6, 2011

Best article I've read in a long time. Thank you!

E. S. Keaskin said on September 6, 2011

Thanks for this! I've actually been struggling with pricing out images for a bands album and more. This makes me feel a lot better about how I'll be charging them and not selling myself short!
Oguzhan Ocalan said on September 6, 2011

You are an angel.
Cheers,
Oz

David said on September 6, 2011

Thanks so much for sharing. In this age of crowd sourcing the best we can do is keep talking about good design practices.

Kerry said on September 6, 2011

Thanks so much, Jessica! This was a great read and very informative!

Darrell said on September 6, 2011

I recently did a series of sketches for an agency. Just pencil sketches to represent possible photo ad layouts. Loose but clean drawings for a pretty large company. What SHOULD I have been charging? I did about a dozen total.

Dustin Harbin said on September 6, 2011

Just a great article, very VERY educational. I'll refer back to it often. Also your website is gorgeous!

Amelia said on September 6, 2011

http://www.jessicahische.is/obsessedwiththeinternet/andhelpingyougetpaid/the-dark-art-of-pricing
Jessica –
I loved this article!

I'm in a very tricky situation right now and perhaps you could shed some insight. I'm doing free illustration work on a t-shirt for a podcast featuring two very prominent comedians (they've been on TV and in movies) but alas the podcast is a fun promotional tool and they aren't making any money off of it. The shirt would be a give-away item to fans of the show.

For me, having my name and website mentioned on the show would be great exposure! I have no problem with giving them the design for free - but- if for some reason the shirts become a product that they sell, could I present a usage scenario that would yield me cash so they don't make money off of my free art? IE “if the design is eventually printed on shirts and other products that are sold on your website, 30% of all revenue would go directly to me”. I'm not sure how to go about this or what sort of scenario to present since they don't have any revenue model and the design would currently just be ‘swag’.

Any advice would be great, and thanks again for the awesome article!

~Amelia

Jessica said on September 6, 2011

Hey Amelia! I think it's very fair to ask to be compensated now that they're selling the shirts. Asking for a percentage OR a flat fee you feel comfortable will could make sense too. They might end up going for the flat fee because it will be easier to pay you once than to have to stay on top of things.
and pay you monthly.

Roy said on September 6, 2011
I now realise they charge me waaaay less than I deserve. Thanks for sharing!

Jenn Steinhauer said on September 6, 2011
Incredible article, Jessica! Thank you so much for this extremely helpful information. Now, if only I could figure out how to introduce higher rates to a client I’ve had for 5 years that keeps asking for free things. Keep up the great work!

Marc Burckhardt said on September 6, 2011
Wonderful post, Jessica.

Justin said on September 6, 2011
Really enjoyed reading this article and found it quite helpful. Perhaps you can do a follow-up on what to do when a client refuses to pay, or just decides to hold off on payment as long as they can. Chasing down a deadbeat client is definitely not something I signed up for when I went to art school and it can be pretty scary.

Peggy said on September 7, 2011
Always have a “fees paid in full by” clause in any contract you sign. With it, you can take them to court. Without it the company can postpone pay-
ment indefinitely.

David Y said on September 6, 2011

I must say this article was a really great read.
On some level it comes down to personal/skill worth. Having these two items goes a long way in any freelancer’s arsenal. It also seems that in design schools the business aspect is not touched on at all, which of course continues to present situations where individuals undermine there skill/personal value all for the sake of a buck.

Susan said on September 6, 2011

I read this twice. And might possibly read every day to reinforce these well articulated and valuable set of guidelines. Thank you. You do amazing work.

Daniel Deli said on September 6, 2011

Thank you so much for passing along this invaluable information!!! This article is perfect for where I currently am, transitioning from student into the design field. Thanks again for all of your help with your blog posts and emails!

Mathieu Vallee said on September 6, 2011

Thank you so much! It’s always fun to read sharing informations like that. Thumbs Up!

Romina said on September 6, 2011
Thank you so much for taking the time to write this! I've never considered licensing, but it seems a good way to go and I'm still struggling with pricing but your article gave me a bit more confidence when I price my illustrations in the future.

Matt Porter said on September 6, 2011

Here is something else to avoid: phased billing. Do not accept terms that allow the client to pay you 'as you go.' If you front load the job with many ideas for the purpose of winnowing down the list and refining in subsequent phases, great. But price the entire job and bill in whole or increments that make you feel comfortable. If you complete one phase, they can walk with the original ideas, giving them to someone else for refinement. This happened to me recently with a big company who sells many famous brands. Their internal design director had low ethics... but I have only myself to blame for not being more careful with the PAYMENT strategy. I screwed myself.

My Name Looks Great Coquette said on September 6, 2011

Amazing advice, Jessica. You're a wonderful person, and an inspiration for me and others.

Aaron said on September 6, 2011

Very informative article thanks, I haven’t visited your website before, very nice design as well.
stanton said on September 6, 2011

Listen you you are a freelancer.(work for hire, independent contractor) dog walker, house painter, contractor, plumber...you are not that talented to call the shots.. nobody is. the client will just find someone else.. this is why you work long hours and your competitors will do it for less and much better. Clients tell you what you get paid and thats the reality. PERIOD.

heather said on September 6, 2011

clients who would put price as the top priority over everything else are welcome to move on until they find the right one. the idea that this happens is not a threat to good designers, because there are always better clients out there. as you move on to find a better price, we move on to find better clients.

Jessica said on September 6, 2011

It’s actually fine if price is their top priority, as long as the bottom line price is fair. I’ve worked with a ton of clients that were pretty upfront that I was putting in bids against two other artists and what was most important to them was who came in cheapest. You just price what is appropriate for you and for the job, and if it works it works, and if it doesn’t it doesn’t. In the end, you at least know if you were the cheapest and to up your prices next time!
Esther said on September 6, 2011

please just spell ‘plumber’ correctly.

Anthony said on September 8, 2011

Stanton, big difference for commodities vs art. What you’re describing is completely not the same thing. Sure, people will underbid/charge less for a service, just like you can get a lobster roll from McDonalds instead of a real lobster. I’ve raised my prices over the years (just like a salaried employee earns a raise as they improve), and I have only gained clients, never lost. You can get a student or someone new to the industry to do work, sure, and for clients I will not work with due to budget or other constraints, I typically suggest they try that route. Guess what, they usually come back after they get what they paid for. I’ve fixed so many mistakes, and in the end, the clients did not save money.

Even if you could say they are the same... those low bidders? Usually out of business because they didn’t factor in overhead costs: their marketing time, insurance costs, training and education, and other factors you need to sustain a business and enhance your abilities. The people who plan accordingly are still here, even in troubled times. I tell clients what I get paid, not just for myself, but for my family. That’s been the case for years.

Liliana said on September 29, 2011

http://www.jessicahische.is/obsessedwiththeinternet/andhelpingyougetpaid/the-dark-art-of-pricing
Good for you, Stanton, that you have your PERIOD. Explains your grumpy mood.

**Nacho** said on September 6, 2011

It was a pleasure to read all these lines Jessica, not much as looking at your exceptional work thought. You solved my main problem with this deal of pricing. I can’t really express how much I feel you on this article. I guess I will write an article by my own with the perspective of not being such an amazing designer as you and living in South America.

Thanks!

**Chris** said on September 6, 2011

Apart from this being a great article, i’d also like to add that your blog, this page, simply looks amazing.

**Ant Eksiler** said on September 6, 2011

Very well written, finished it in one go, something I don’t usually do 😊

However, like yourself once was, a person just starting out their career can’t do some of the stuff you said. I believe its quite hard to have a price standard or a freedom to choose at that point in one’s career

**James Donovan** said on September 6, 2011

REPLY
Hourly pricing is very difficult. I graduated a year ago, and have been working as an independent contractor for 6 months. I struggled for a while to come up with a decent introductory rate, and later found out that it was too low for a freelancer.

Recently, I took a job at a large ad firm. The job came with a significant pay boost. I needed the freelance experience to get this job, but in retrospect my hourly rate was too low.

My current clients asked if I could recommend a designers with equal talent for similar pay. I realized that no one else with my skill would work for my rate.

In this economy, I am very glad to have jobs and opportunities. However, as a talented creative professional, a poor economy does not allow companies to pay substandard wages.

Thanks Jessica, for this post. And for the “Should I Work for Free” flowchart. It gave me reassurance to stop interning.

Greg said on September 6, 2011

Stanton, if you want to be a guest on Dr. Phill’s Anger Management Week, this is not the place to audition.

Nothing about your comment makes sense. Contractors, freelancers—the dog walkers, the house painters, plumbers and even the graphic designers—are very much able and free to “call the shots.” Being a freelancer or contractor doesn’t mean you work for whatever a person is willing to pay because that would be known as forced slave labor, the exact opposite of a independent contractor. If you’re not able to charge the rate you want, then either
your skill sets leave little to be desired and/or your rates are not in line with the range the market is willing to pay.

A client can try to negotiate for a better price but that has nothing to do with being a freelancer or contractor. It happens to individuals and companies alike all the time.

Skyler Vander Molen said on September 6, 2011

Thanks for this. As a designer trying to move into illustration, this is incredibly helpful. I’ve got a pretty firm handle on design pricing but have been completely in the dark about how to price illustration.

Thanks again!

Carolyn said on September 6, 2011

I’m a writer, editor, and strategist primarily for the web, but I still found this a wonderful, encouraging, helpful read.

Your honesty, down-to-earth tone, and desire to share so freely what you’ve learned makes me like and respect you even more than I did before—and that was a LOT. 😊 We need more people like you in this business. I wholeheartedly agree that low pricing hurts the industry and that if you bid high and lose the job, you actually help everyone else—and eventually that comes around to helping yourself. That is true in many businesses. My husband is a painting contractor and he’s always bid with that belief.

At the same time, no one could accuse you of
greed. You constantly share your inventiveness and talent with our neck of the web community. Thank you so much.

**Todd** said on **September 6, 2011**

Wow. This is so helpful. Thank you.

Question:
We all send our contracts and quotations as PDFs, which means it's kind of complicated to get a signature from the client (or even from both parties on one document).

Is it essential to have signed contracts, or is an agreement to a contract though email considered binding?

Do I need a lawyer?

Thanks again.

**Jessica** said on **September 6, 2011**

I sign pdf contracts a lot with acrobat's signa-
ture thingy, though it's usually best to get a hard copy and file it away if you think there's trouble ahead. A lot of folks I work with require hard copies anyway, so I have to sign and fedex back. Seems ar-
chaic but whatevs. Emails agreement should be find in most circumstances, though contracts are usual-
ly more clearly written and will probably be better if you ever have to defend yourself. I haven't needed a lawyer yet, but if you want to draw up your own contract from scratch, it might be good to consult with one or to check out the sample contracts in the GAG ethical pricing guide.
Dan said on September 6, 2011

Nice post!

How would you go about adjusting your rates for a Startup? Have you ever been in a situation of getting paid in equity?

Jessica said on September 6, 2011

i haven’t ever been paid in equity, but i’d have to REALLY believe in the company in order to do so. As Start-Ups aren’t charities, the pricing structure would be similar but the numbers might be a bit less aggressive. There are about a thousand considerations that go into pricing a job, so I couldn’t say “when I think about start-ups I multiply by 2 and subtract 1000” or anything. You have to look at every new job as unique and price for whatever needs they have.

Dwayne said on September 6, 2011

Dear Jessica~ Thank you for this good essay! I have interns every quarter at my studio, and they do not have a clue about pricing. I try to help them think through pricing various projects. When young designers go out into the community and charge next-to-nothing for their work it just confuses the business community. We really need to work together to maintain our standard of living and to maintain a high-view of graphic design. This is very important!
Matt Shaw said on September 6, 2011

On first reading I thought this was one of those ideological blog posts where clients just accept whatever we say and securing the work doesn’t matter. But actually, it’s just about having respect for yourself and what you do. Your principle can be scaled to suit the client, and I guess that’s really the thing isn’t it? Know what your client can/will pay.

Stephen Lee Ogden said on September 6, 2011

Great read. I’ve been running my own show for 3 years now and feel good about my rates. Clients seem most happy with by-project buy-out branding prices and I like working toward a set-fee and not by the hour. Clients appreciate business savvy and a solid proposal goes a long way to getting a fair rate. Design is a business tool.

Thoughts on retainer? Ever worked in that situation?

Kim Gee said on September 6, 2011

Jessica, you are the perfect art school supplement. a dose of reality in a well written package! thanks a billion.

Dan Ritz said on September 6, 2011

Just wanted to add one more thing: you should still do both, regardless of which one you present to the client.
Someone using a fixed-fee approach should still track time. If you’re estimating and expect to get $100 per hour (say $1000 fee and expect 10 hours) you should confirm your assumption. You might be getting $200 an hour from one client and $10 an hour from another if your estimates on a fixed-fee project are off. This helps identify the valuable clients!

When you charge hourly you need clients to trust your judgment since they’re budgeting based on your predictions. If you can still set a baseline budget and be close to your targets, clients will be more comfortable working with you. You should never be working from a “it takes as long as it takes” perspective, even with an hourly approach. That destroys any trust they may have in your ability to estimate!

Okay, rating now over. 😊

Brooke Stauffer said on September 6, 2011

I just recently took the leap to full-time freelance and information from successful designers, such as yourself, is VERY useful. Thanks for posting. 😊

Riccardo Mori said on September 6, 2011

This is one of the best articles I’ve read on the subject, Jessica. I’m not a designer, but a writer and freelance translator — still, I think that there’s a lot of solid advice here for professionals of my sector. I’ve been freelancing for more than ten years, and pricing is still a minefield when a new client (and a possible collaboration) comes up.
Thank you.

Rick

Petar said on September 6, 2011

Great advice – first time visitor the your site and I'm in love with your simple site design and great use of fonts.. Nice one from Australia 😊

Catherine R. said on September 6, 2011

Jessica, as a young design student who does freelance work on the side, I find this incredibly helpful. We're coached to price according to our value and not just be sucked into a cool project that would give us exposure, but it can be really hard to keep that in mind! It's so great to hear it again from someone with your level of success. I see tweets about a book from you, and I would buy it in a heartbeat. Keep doing what you're doing. Both your work and your attitude are such an inspiration.

Anne C. Kerns, AIGA said on September 6, 2011

Many in your audience seem not to be aware of this topic, and it's good for you to bring attention to it. It is beyond a shame that not all design programs cover professional practices. I had a wonderful professor 20-some years ago that used the Graphic Artists Guild handbook as our textbook. (Thank you, Ruth Lozner!) It should be required reading, cover to cover for every designer or illustrator, IMO.

There are several reasons why pricing discus-
sions are avoided. One of which is that they could be considered as price-fixing and anti-competitive, according to The Sherman Act and other anti-trust legislation. (The GAG handbook avoids this by being a survey.) One email discussion list I'm on forbids pricing discussion of any sort for this reason.

Also, with a straight hourly rate for contract work, it frequently doesn't take into account all the overhead and fringe benefits that an employer would historically pay. So, people might think you can estimate salaries, but that's an incomplete picture. Health insurance, for example, is exorbitantly high for self-employed. And the S-E have to buy their own software, hardware, Pantone books, internet access, etc. As a S-E, you're also not working on paying work all the time, you have to market and bring in the clients. So, the rates should account for that. An hourly rate should be X multiple times the hourly rate paid for a full-time employee with benefits.

I've been a self-employed designer for 5 years. (Note, I am not a freelancer, I'm a business; it's a mindset.) There are tons of resources available for self-employed creatives, including these:
http://www.aiga.org/standard-agreement/
http://www.graphicartistsguild.org/handbook/
http://www.marketing-mentor.com/designers-marketing-and-pricing/home.html
http://www.creativeguidetomoney.com/
http://www.creativebusiness.com/
http://www.recourses.com/overview
http://www.aiga.org/salary-survey/

One commenter suggested a HOW lecture, but for the past 4 years now, HOW has run The Creative Freelancer Conference. It focuses on the business of being a solo creative, not the creative. Very helpful
resources and community.
http://creativefreelancerconference.com/
http://www.creativefreelancerblog.com/

...And numerous books, including this one I got an email about today:

In one of your examples, the 2 designers charging by the hour and taking vastly different amounts of time to complete the project, is why our industry garners distrust. It is more likely that the faster designer would have a higher hourly rate; or as you alluded to, they could just charge a flat fee with a well-defined project scope, and charge by the hour for overages that are client-induced. Experience as well as talent (or skill) and demand for your talent are also factors in pricing; and knowledge of professional practices that are important to your clients. (I once saved a client from likely being sued by one of the big comic companies because I understand the basics of trademark law and steered them away from a design that was risky.)

Self-employed Illustrators and designers definitely need to think of what they do as a business. Or partner with someone who does, to cover the business aspects.

Sorry for the long comment, I hope the links are helpful.

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**Melissa** said on **September 6, 2011**

Hi!

Wonderful article. I was wondering if I could have permission to print it for my design students?

Thanks!
Jessica said on September 6, 2011

Hi Melissa, sure...OR direct them to the site so they can see it in context along with all of the insightful comments people have been writing. Saves paper and more content.

Jen Derks said on September 6, 2011

I would love to hear your opinion on crowd sourcing sites like Crowdspring and Minted. Mainly because I love how you write when you smell an injustice. I agree on all fronts, and thank you for continuing to be an advocate for design and illustration as respected careers.

candee clark said on September 6, 2011

Thanks so much! This is actually the first time this has been explained to me! I'm a recent grad so I'm always searching for info to help the learning curve. I'm sharing with my online community as well...we NEEDED this!

Jennifer said on September 6, 2011

Thank you! Super insightful and great to hear these words from you rather than a pricing book!

Tony Antunovich said on September 7, 2011

Great article, Jessica. You nailed it!
I have to say that I find it very insulting when clients do not value our work as designers, developers, illustrators or whatever. I have had clients that even ask me to do minor things for free, and I reply with “Do you go into McDonald’s and say ‘Hey, I’d love a Big Mac, but can I have it for free?’” There is usually silence after that.

Clients that do not value good work should not even be considered as clients. My advice is to just walk away from them and acquire clients that actually RESPECT your ability to do what you do.

Hernan Valencia said on September 7, 2011

Thank you Jessica for taking the time and effort to actively help others along their career paths, no matter where they are. You’re truly appreciated by thousands of silent voices. I am proud to own a print of one of your designs in my office.

Tom said on September 7, 2011

Great blog post!

A long time ago I was looking at pricing certain photography jobs flat rate as packages but gave up as I found clients started taking advantage.

In the end I had to go back back to assessing each job individually and quoting accordingly either as a flat rate or hourly based with usage as a separate item (very much in line which what you outlined).

One thing of note is that when you deal with corporate clients directly they often will want to see an hourly breakdown regardless. It’s usually the finance people inside the company that make the
rules in regards to that. It's mostly so they can compare different quotes.

Having worked out my operating costs (talk about a boring exercise) I pretty much know how low I can go on a job I really want to do. I have had budgets offered where I knew I'd actually lose money if I'd do the job. In those cases I usually tell the client if the other studio can deliver at that price to the same standards they should take the offer. 9 out of 10 times they end up coming back to me with the next project. That 1 client that doesn't come back is usually the difficult one you don't want to work with anyway.

Jonathan Patterson said on September 7, 2011

Superb read! I have not done any dabbling in licensing illustration work but I will certainly start now! Thank you a million times.

Brian Gossett said on September 7, 2011

Jessica, I read your brilliant article. I have been in the motion graphics industry for nearly 10 years now as a designer/art director. When motion took off the few studios who were doing this were charging too little for too much and worked around the clock to finish projects. Clients grew to expect it and now we feel the need to continue this tradition. What's more troubling is that our projects are becoming more and more complex as we are now merging motion graphics with live action, vfx, editorial, post production, and original content. If nobody is willing to open up and share information
then it will continue to be this way. I write on occasion for motionographer.com, and we are discussing ways to better our segment of the graphic design profession. If we begin to share info, such as you have here, I believe it will be a step in the right direction.

In terms of the designers who work in my field, the studios have set up a standard of day rates for everyone. I personally charge by the hour. At times we have 1 week to design, 2 weeks, or 2 days. Sometimes in those 2 days we could possibly produce up to 10 images/styleframes for presentation purposes. If we were to start asking for usage fees we'd get a blank stare from a producer. This is something I am going to make an effort to change.

Thanks again for taking the time to write such a great article!

Erik J. said on September 7, 2011

Jessica,

A very well written post with valuable insight on what can be a tricky and daunting facet of freelance. It was a pleasure to read!

Mike Healy said on September 7, 2011

Nice to read an article with some 'concrete' about the taboo topic of money & design.

I'm not of a (professional) illustration background and I have a question about pricing the presentation only component.

Why is the client's brand a factor in pricing for presentation? My intuition would be that if the artwork is only going as far as being considered, and
actual usage rights are sold separately, that the size and reach of the client's brand wouldn't be relevant at that stage.

In other words if the artwork doesn’t get used why would it matter if the presentation were for MegaGlobal Corp or Mrs Smith’s second hand teapot store?

I’m also curious about how clients might negotiate usage rights. They know there’s no incremental cost or effort required from the designer to grant more rights (US, North America, World...), so does that put them in a good position to bargain for those rights?

Thanks for this post, most enlightening.

sarah hankinson said on September 7, 2011

Thanks Jessica
Wow i have been underpricing..
It was great to hear your advice

Drew said on September 7, 2011

Jessica –
Wonderful. Congratulations and thank you.
Would you have any tips on how a similar model might be used for web designers?
Currently I charge a fixed amount per job and charge for additional revision rounds but would be interested in knowing if there are other “scenarios” that might be relevant to my area.
Thanks in advance,
Drew
Eri said on September 7, 2011

Thank you so much for this article! It is most helpful! And you’re right it is a topic that is not taught at most schools and it is very important… I loved that you said we should value our talents so other people values it the way it should be! Thank you so much again! Cheers

Arunan Skanthan said on September 7, 2011

Dang it! If only this had been published a few years ago… I’d have made > $50 for a logo… lol.

Thank you for opening up this info to us! It’s something I never knew/ considered.

Rafael John said on September 7, 2011

Thank you very much, now I know I was right when I turned down some clients cause I knew it won’t work out some time ago… thanks!

Alex said on September 7, 2011

It’s truly the best article I have read on this topic!

I have a question.
3 weeks ago I was ask to design a Trifold for a health care business, been my third freelance project, I charged a lousy $40 dollars (I had no idea how much to charge, even though I went to Graphic Design college, and at the moment and I got nervous)
the client didn’t liked my first nor second proposal and I’m considering walking away from this particular job.

Do you think it’s proper to do so?
Would you be so kind to give me some advice,
Thank you very much 
(pardon my grammar, English is not my first language)

**Jonas Bodtker** said on September 7, 2011

Loved it! Thank you for writing this!

**James Ewin** said on September 7, 2011

Absolutely invaluable, eloquently written advice.
As a co-founder of a recent start-up business I can relate to every problem highlighted in this article regarding pricing, licensing and, ultimately, client relationships.
I must admit to being guilty of lowering my rates once or twice for the promise of ‘exposure’, and I can also admit that it hasn’t really brought me the respect and exposure that I deserved.
This advice has been incredibly helpful and I will be forwarding it to my business partner and any other friends within this industry.
It’s nice to finally read an article which makes me think ‘there may just be hope for us designers yet’.
Many thanks

**Damon Sharp** said on September 7, 2011

http://www.jessicahische.is/obsessedwiththeinternet/andhelpingyougetpaid/the-dark-art-of-pricing
Very nice article. As I continued to read though, one thought kept creeping into my mind...

How do I keep track of all the different licenses I've given out?

Yes, there are clients who will pay for one license tier or timeframe and abide by the rules, and then there are those that will not. It seems to me that this opens it up to more legal headaches, or at least having to keep up with the variety of licenses distributed to clients.

Anyone have thoughts on this? How do you handle it? Ever had anyone purchase a year's license and try to go longer, etc.?

Chanelle Henry said on September 7, 2011

This post was needed and life-changing. As a mobile app designer, I know that I charge WAY too low (especially after reading this post), and I feel that at this point of my freelancing career, if I am struggling financially I must be doing something wrong. Which I am...not charging enough and especially per use. Thank you for taking the time to write this, I hope to start changing a lot of my work and pricing in the next couple of months, and stress less and live more.

Pete Ryan said on September 7, 2011

Really outstanding article – so concise!

Kostandinos said on September 7, 2011

Right on. Us "creatives" really need to stop mak-
ing logos for $100 and working 30 hours on revisions... it sets us back too far. In my experience, smaller clients are harder to work with, often wanting something for nothing or for almost no money at all. Also, there’s so much to be said about The Art of Saying No. It’s never too early to start thinking about “the money stuff.” I was lucky to have Matt Busch as a teacher in college, and he talked openly about his experiences with licensing and contracts. Don’t be afraid to ask someone with experience for their advice. We’re in an industry where it’s an unwritten rule that we have to give back.

abraham rodriguez said on September 7, 2011

thanks for the advice, i think its a little hard to live from illustration here in mexico, but i’ll keep on going.

all regards from tampico mexico.

Michelle said on September 7, 2011

Hello Jessica,
Great Article. My friend forwarded it to me because he knows I am constantly going back and forth about how to price our work. My question is about rights licensing for videos. We are traditionally a video production company who make videos for web and television and have a hard time deciding on prices when a client wants to use a web video for television or vice versa.

Thanks,
Michelle
Helen said on September 7, 2011

Jessica, I've been running my boutique design firm for 15 years and this is spot on. Great read and excellent advice and examples.

Andy Gillette said on September 7, 2011

Great work, Jessica.

I would say, to the web designers in your comments: all of the above still applies. Web design is definitely saturated, but talent is still talent. Clients who go for bargain bin design will get just that, and they'll be knocking on your door in a few months.

I'd also add that you're not just hurting the community and confusing business owners when you price too low. You're not doing yourself any favors, either. You are not a drug dealer. You can't rope them in with a freebie and then start charging a lot.

Andy Brown said on September 7, 2011

Thanks for making me stay up til' 3 a.m. reading your article, very helpful and well written!

E. Silva said on September 7, 2011

Thanks for giving us n00bs some solid (if daunting) advice! This is terribly useful!
Laura Zarrin said on September 7, 2011

Great, well written article! Thanks for the advice.

jess smart smiley said on September 7, 2011

Jessica, this is a great overview of the challenges we're up against as designers and illustrators. I love how willing you are to help the rest of us and share what you're learning—the ins and outs of creating and selling our own work shouldn't be kept secret! Thanks for all your help.

I wonder how you'd feel about writing something on judging your own work and recognizing the level of quality in it. It's a problem that I see a lot, where people are excited to create and share their work, but somehow seem unable to recognize the quality of what they're doing (for better or for worse). In some cases people don't know they could be doing much better, while in others, they could open new doors by readjusting their methods and processes. I'd love to hear your thoughts on knowing your work and where it stands.

In any case, thanks again for championing freelancers everywhere—it's so great having your support and not your competition 😊

Anne Emberline said on September 7, 2011

Awesome! It's so great to see an article on pricing that has ACTUAL examples with numbers. You're right, people don't like to talk about pricing,
and as a result, a lot of other articles give tips but don’t actually show any examples with numbers. They’ll say, “Don’t price hourly” but never give more information than that. Thanks for giving more information! Much appreciated.

Matt Welch said on September 7, 2011

A thousand times over, I read your posts and learn so much. Thank you for sharing your AMAZING depth of knowledge Jessica!

cris said on September 7, 2011

Okay. This is awesome. Your work and writing are both so inspirational. Thank you!

Gold said on September 7, 2011

It is almost as if they are ashamed when freelancers are asked to answer the question “Why are you in business?”

Of course the answer is “To make a profit!” But they won’t say it. they will tell all sorts of unrelated things. But profit is the only reason. All that other stuff can come from the profit you made.

If you accepted that you are in business to make a profit maybe pricing would not be such an antagonizing activity.

Justin said on September 7, 2011

I think working with recruiters is another dark side of the pricing world. I constantly get offers
from recruiters to do work for big companies and get paid very little. I've even worked with companies directly and had recruiters try to book me with that same company for way less than they paid me. Gotta be vigilant and stand your ground so you don’t get taken advantage of.

Mark said on September 7, 2011

Smart and Talented. A deadly combination.
Cheers!

Lisa said on September 7, 2011

I know I’m echoing a lot of the previous comments, but this post came at the right time for me. I finally got up the nerve (this AM) to explain to a large client of mine why we’d been undervaluing my work, put forth an acceptable (read: self-respecting) bid to them and am ready and willing to let them walk away. I sometimes forget that just because I get to work with friends when I work with that client, that I do not owe them any favors. My work is worth it.

Pavel said on September 7, 2011

I loved reading this. A very bright and realistic perspective of the day-to-day white collar aspect of our artistic endeavors. Thanks 😊

Chris said on September 7, 2011

I’ve been designing for over 20 years and I’ve re-
The real trick is to know/guess what the client can afford or has budgeted. You really have to get in the heads of your clients and know what they are up against. The best way to do this is to make friends across the table that can share information with you. This comes with mileage and experience.

But I also wonder, is somehow there is a way to pool this information among designers? Right now we each know what our clients pay for what but no one else can benefit from that knowledge. In a perfect world there would be a type of wiki that categorizes and anonymizes clients and their budgets giving designers in the dark a little something to work with.

**Fuzz** said on September 7, 2011

Thanks for the wonderful blog post. I have re-posted it onto the Graphic Artists Guild blog- I hope that is OK... Cheers,
Fuzz
Chapter Administrator
Graphic Artists Guild
Northern California

**Rich Hall** said on September 7, 2011

With 20+ years in the artist representation business, and now as EP at Related Grey, this is one of the best summaries of the situation I've ever read or heard. Newcomers and old-timers, read, believe, and act accordingly. Thanks, Ms. Hische!
Chris Favazza said on September 7, 2011

Just a lil FYI I have forwarded this to many of my designer friends...you are 100% right! When I graduated from design school it was at the “right time” for designers. I learned it was BS, but took up freelancing on the side of my day to day sales job. Along with starting my own graphic tee biz it has proved useful.

Now with your guidelines I have a little more confidence in what I can present to future clients.

Cheers! Thank you.

Jenni said on September 7, 2011

Fantastic article, this has really opened my eyes to what I should really be charging. I haven’t had any large clients, and have gotten myself stuck in a rut by agreeing to do extremely low-priced work for friends and acquaintances in the marketing industry. Any advice on how to start raising my prices to more “normal” rates for these people?

Luis said on September 7, 2011

Brave article. I remember in art school others saying the last thing they would want to become would be a graphic designer. Thanks for caring.

Daren said on September 7, 2011

Expletives aside (they just weren’t needed / didn’t add to the content), your article was well
written, thorough and completely worth the read; full of very useful insights and advice. Thanks!

**Monica** said on September 7, 2011

Bravo! Such a well-written, insightful article. It shares not only knowledge, but also gives confidence which is important. I've been doing freelance design for 5 years (5 years!) and still misjudge some jobs at the starting point. Thanks for sharing your experiences.

**Charlotte Turtle** said on September 7, 2011

Jessica-

This is really helpful! I didn't get much advice on pricing during college (I just graduated in May) and I am learning now by trial and error. Its so helpful to hear from someone who has been so successful in the field!

Thanks for fighting for all of us who want to be like you!

**Helen Anna** said on September 8, 2011

I was very lucky it seems to get a full course in business management in design school. I didn't realize other schools didn't teach it.

**Andy Senn** said on September 8, 2011

I am not a designer/developer/illustrator or artist of any kind. I have a few friends that are in the industry. This article is very practical and kept
me engaged until the end. I am a real estate agent. I think this advice, if applied properly, will keep your industry from going the way of sales. I have never felt more worthless for doing hundreds of hours of work and never getting paid for any of it. It's not right in any industry to work for free or for less than a fair price for that matter. Great article!!

Dennis said on September 8, 2011

Thanks so much for these great tips. After 15 years of professional work in a far from major market (Arizona), It's incredibly rare to find a client that will pay actual prices for quality design. I've had 2 out of market clients, both of which went out of business months after design completion. (even the pricing guide, AZ folks have to cut prices in half). All clients I have simply want something that's good enough for the money they are willing to pay in the time frame they allow – and my job is to find the best potential versions of this scenario to produce work that is successful for the client and I can be (occasionally) proud of.

Dennis said on September 8, 2011

my hourly rate is $75/hr – i use that as a guide for flat rate estimates. With change order clauses based on scope creep (inevitable) or project stalls (possible).

António said on September 8, 2011

For me it's THE RIGHT way to think, and every
designer should apply it everytime when working freelance. I don’t know much about overseas markets (bad) habits but here in Portugal, there’s more and more underpricing practices, from both client and provider, damaging the design market value and making it almost impossible to live only from freelance. But then again our reality is different – small market vs massive number of newly design graduates coming out every year.
So this undervaluing practice is becoming more frequent not only in freelance but in contract jobs with long unpaid internships becoming a trend. But again, that’s a reality we will always have to try to invert and your article couldn’t inspire more to do it.
Again, congrats on your words and your portfolio! All the best!
PS: Just a question, did you ever had to deal with a conflicting client that tried to break the contract? I’m curious about this because when freelancing you won’t be having that legal “protection” an agency often has.

Jessica said on September 8, 2011

you still have the legal “protection”, you just have to be the one to assert it. That’s why it’s incredibly important to define “jump-out” points in contracts incase you or the client doesn’t feel that the project is going as planned. Hopefully an amicable solution can be reached before you have to involve lawyers, but you have as much a right as a freelancer to take legal action against clients that have broken contracts.
Stephanie said on September 8, 2011

Thank you so much for actually posting real numbers! I know it can be a touchy subject, but I always get frustrated when I hear people talking about how the industry is being degraded by people ‘undercharging,’ when it’s hard for a new designer to know (or find) what a standard rate is for a project.

Jo said on September 8, 2011

Funny that I read this post last night, thought it was very interesting, but I usually don’t create the type of work that pays for usage. And then today an opportunity came up along these lines and I was so glad I had this advice in the back of my mind!

Stewart said on September 8, 2011

Great stuff Jessica, and loving your writing style. Humour is always a good ingredient to throw into the mix of an article like this which deals with a tedious but essential subject. The lucid explanation of the licensing process was a real eye opener! Thanks- keep up the good work.

Jessica Lee said on September 8, 2011

Oh, wow...this was a great read! Thoroughly-written and very informational. Also, you are a great writer!

I remember making extra bucks while in col-
lege, doing some freelance design work for acquaintances. This was about 5-7 years ago and I charged only $16/hour (I think the minimum wage in California was about $8 back then).

I've been working as an in-house designer for the past few years now. However, if I ever decided to go freelance, I would never charge so little. I just didn’t know any better back then when I was in college.

Thanks, Jessica, for taking the time to write this blog post. I bookmarked it!

Phil Nunnally said on September 8, 2011

So, so good. This pricing model is way out of the domain of my work, but I learned a lot regardless. Hope you share more like this!

Peggy said on September 8, 2011

how timely to find this article, after I am rubbing my bruises for doing a logo for a ‘friend’, basically on spec, and getting totally screwed. tanx so much

rachel dooley said on September 8, 2011

“If you really put a small value upon yourself, rest assured that the world will not raise your price.”

Good article. Makes me realize while karma is great, and good things may come my way some day... essentially I am just poorly paid designer. It is hard in today's economy when there is such a saturated market of designers and websites out there
that will design logos for $200... and while we are worth money, it is hard to figure out just how much and how to build on that. Great article though, especially as I am deciding on whether to move forward with yet another low-balling client...

Dennis said on September 8, 2011

How do retainers work into this? A common request I get from a firm or client: “Do you have availability for next week or two to work on this ________ project. We need ___ comps to present to our client. We don’t have much detail yet, will know soon. Oh and we’ll need you for revisions as well.”

Typically I say yes to these as i can judge 10-15 hours / $75 a week for how ever they need to get ______ done. Or in many cases it’s a firm hiring me to do the design so they can pitch or present my comps. I don’t really understand retainers, I just know it’s a good idea to have them. And on some level they constitute the lion share of my work.

Angelo Borges said on September 8, 2011

Nice and valueable words Jessica. You just won a follower. Tnx n sucess!

Michelle said on September 9, 2011

Great article! As a new illustrator articles like this are like precious, precious gold. The more information of this caliber we newbies can get our hands on the fewer people there will be offering to work for peanuts because they don’t know any bet-
ter. Thanks for sharing your wisdom and I hope there will be more articles like this one in the future!

Eileen said on September 9, 2011

What a refreshing article! It was very helpful to me because even though I've been doing freelance design for years, I only started taking on freelance photography work less than 3 years ago, a short enough time period that I'm still encountering new scenarios to price. For some reason starting from a beginner stand point again gave me a mind block on what to charge.

Thanks for the reminder!

Kris X said on September 9, 2011

You are an angel, thank you =)

Christopher said on September 9, 2011

I'm a product design student but I found this very helpful. The business of design has always been a subject in a few classes but never this detailed. Thank you for sharing your experience and lessons learned.

Rachel Stone said on September 9, 2011

Thanks for a wonderfully-written article, smart and funny as per usual! Pricing has indeed been shrouded in mystery. I agree wholeheartedly that as creatives we ought to all support our community by
raising the profile and also sharing information as generously as you have.

Vincent Lampa said on September 9, 2011

Excellent piece. I found it to be highly enjoyable, informative, and fair. Even though I don't work as an artist myself, as a game programmer I work with a number of good artists and I respect the work they and other artists do, regardless of medium, and as such, they should be paid properly. Sadly, there are a number of pure bean counters out there who see artists as expendable, replaceable workers and thus they try to lowball, especially when they're talking to new artists looking to make a dent and throwing around words like “exposure” and “portfolio”. I hope this piece makes the rounds over the internet so artists can collectively raise their wages.

I'll be sure to pass this around my own small network of friends, and hopefully it gets passed-on to others. Thank you for this piece. 😊

jacob said on September 9, 2011

Awesome advice for anyone doing freelance, just starting out or at it for years. Thank you!

Crystal said on September 9, 2011

Thanks so much Jessica! I forwarded this to my client (green magazine publisher) to help explain the value of the creative design we do for her advertisers.
Sid Saldanha said on September 9, 2011

Not only has this article followed my career from start to present day, but probably paved the way for the future. But, the best part of the article is the line:

“When you're offered a very low budget by a very huge client, you can always feel good about turning it down knowing that you are helping to raise the standards of pricing for others.”

Statements like this help designers achieve nirvana. Thanks Jessica.

Donald Wooten said on September 9, 2011

I, Like most of the above commentators, have read many an article/book on pricing in my day. I can say, with some certainty, that this is the most gangster piece I've read thus far. You clearly have seen the business end of a war torn trench which leads me to believe you more than an overly theoretical approach to the most common practice in a freelancer's life: Pricing

I don't want to gush, though I did shed an illustrated tear when I finished reading. What I hope rings clear with everyone, is the concept that devaluing a product affects the entire field. I've done it and regretted it. I robbed myself, my colleagues and miseducated the client. Whether we choose to admit it or not, we give away pieces of ourselves with each project. In that regard, why wouldn't we price accordingly and be prepared to defend the price set with conviction?
...And you addressed the Haters in your closing. Brilliant. RSSed and will pass on! Thank You!!

Maggie said on September 10, 2011

As a young designer who is completely clueless about pricing for my freelance clients, this has been really helpful. It’s so difficult to try to adapt pricing advice from other professions because the licensing and specific aspects of our field are so uniquely interesting and almost no one addresses them! Thanks again for a great post.

Mimo said on September 10, 2011

I have battled and still do about what we (graphic designers) should get paid. To any trainee I had in the past I have always preached that their talent should be rewarded with good pay and never, do a job for free. Good article and I hope that the youngsters coming into this business will learn from it.

Ste Hitchen said on September 10, 2011

Such a helpful article for us trying to make a start, thanks very much for this.

Guy Pearce said on September 10, 2011

A fabulous article with great attention to so many different details. A superb, engaging read. Wow, design sounds just like consulting!
**KIB** said on September 10, 2011

Thank you very, very much for this intelligent, clear break-down of the pricing process.

**Brad** said on September 10, 2011

Thanks for the great post Jessica!! Pricing is a very difficult subject for me to wrap my head around and this article provides a nice template to help point me in the right direction. Thank you for being so candid with your wisdom and experience!!

One problem I always seem to come across is clients that claim to not require “brand development” and so therefor, don’t want to pay prices over $500 for a website (Ughhhhh, Grrrrrr, #@!!!). They say they just want a “simple website”. Has it ever paid off to try and rationalize a higher price tag for these clients and to explain why “not requiring brand development” doesn’t make any sense... or should I just duck and cover when encountering logic like this? lol Duck and cover right? I suck at negotiation and pricing lol.

**sara** said on September 10, 2011

I only envy you on the environment you’re surrounded by. People actually understand the value of advertisements and design in general over there. They appreciate your skills. It’s all the opposite here. People are stingy and would rip you off easily ’cause of no copyrights!

I have implemented all that you’ve written above.
with my clients, but no one really is bothered to read any proposals or emails. They just want an email that says: Dear... the price is ... will deliver on ...
Sad but true!
Good luck with all. Great article above.

Sara L. said on September 11, 2011

Thanks so much for writing this, Jessica! I love it when you write about this stuff because you do it so well and it is always extremely helpful and informative. I just graduated and started what I think of as “professional freelancing,” and this is exactly what I needed to hear. Thanks so much.

Lydia said on September 11, 2011

This is a wonderful article, Jessica. And it’s come at the perfect time for me. Invaluable advice. Keep it coming, please!

George Hammerton said on September 11, 2011

Wonderful article, thanks so much for sharing your experience, I’ve just learned a lot very fast 😊

Ingrid said on September 11, 2011

I was looking for some form of sensible pricing guideline all of last week. A friend ended up being the most helpful. But this is the best thing I’ve seen online so far!
Maryanna Hoggatt said on September 11, 2011

As always, a big, bright, shiny light in the murky darkness. Thanks for sharing this invaluable information.

The conversation here reminds me of similarly eye-opening article by Bill Mayer, in which he shared the horrors of doing a cover illustration for $300 – only to have his artwork changed entirely. The weigh-ins from his peers are worth the read alone.

http://www.drawger.com/billmayer

Cheers!

Kurt lo said on September 12, 2011

Great Read! Thank You.

Aimee said on September 12, 2011

So good. Thank you.

So what do you do when a potential client wants to negotiate down the fees you quote?

RAWLS said on September 12, 2011

Fantastic!!! Kudos to you Jessica for a wonderful breakdown. I know a lot of new and up and coming artists that would greatly benefit from lessons like this and I will definitely share it with them. Well done my friend.

One question though....

When you use the “usage” pricing for clients, I
think an important point for you to discuss would be, “who” then becomes the watcher of these contracts and stipulations! Who keeps an eye on the clients to make sure they are keeping their end of the bargain and who alerts both client and artist when, say, the 1 year term is up? Often, it is the ‘artist’ that becomes not only a business man in this matter, but also an administrator, a producer, public relations officer, a master of paper work and filing and taxes, and a handful of other hats that a young artist never even dreamed they’d ever have to wear!

**Theresa Decker** said on September 12, 2011 REPLY

THANKS! for being bold enough to talk money and for being patient enough to sort it all out. Hope to see you in SF.

**Arthur Mount** said on September 12, 2011 REPLY

Well-written article, thank you Jessica. Pricing is always a moving target as so many factors come into play.

The nugget that range truest to me: If a client accepts the first quote, the price was too low. If there isn’t negotiation, I know I missed out. Rarely do clients ever walk away from a high quote, so why not test the waters. They may talk you down, but they’ll rarely talk you up.

**Amanda** said on September 13, 2011 REPLY

Wow. Clearly you’ve hit a strong chord here and
I can see why. This is an amazing article. I'm still in first few years of my working for a business because I get health insurance 😊 but this is a great read since I can’t wait to eventually go freelance. Thanks so much Jessica!

Justin said on September 13, 2011

Wow what a great article! Thanks for posting this. I have been struggling on my prices and its nice to see how the rest of the industry does it. This is a big learning curve for me. Makes me think that freelance is actually possible.

Kris said on September 13, 2011

Sure wish this was around ten years ago, but invaluable to new graduates. Thanks for sharing what is on all of our minds!

David said on September 13, 2011

This is golden – thanks for sharing.

I don’t know if you ever caught the “F you pay me” talk on contracts, but that might be useful to some of your readers asking about kill fees etc.

I’d still much rather someone else handled this stuff – I have no ability or desire to take care of it and paying someone else to let me do what I do best actually makes financial sense if they can earn “us” substantially more.

Sarah said on September 13, 2011
Just getting started as a freelancer...perhaps I should consider purchasing the ethics manuel that you mentioned! Once the pricing is decided, do you ask for 50% up front? In addition, how long of a payment period? I imagine that the response varies from project to project (these may be rhetorical questions).

Dealing with my first client, I randomly tacked on a 30 day period to their invoice and I find it odd and potentially sketchy that they are waiting the full 30 days to pay me (for a relatively small project). In addition, they hired me for more projects in this 30 day period. Should I have insisted that they pay me for the first project? Now I have 3 small projects with payments in 30 day limbo and again, I find this sketchy.

**Leonor Graça Moura** said on September 13, 2011

Wow Jessica, this is amazing. No one ever talks about real numbers, it is a tabu that I never understood. This is so helpful for people that are very willing to work and eventually make mistakes when pricing because they have no idea whatsoever what the standards of the industry are. Thanks for sharing, bravo!

**Brittanny** said on September 13, 2011

Great article. I am a photographer but I can definitely relate some of your points to my business. I definitely struggle with pricing.
Brian Stauffer said on September 14, 2011  

A very generous post, Jessica. Knowing how to respond to an offer depends entirely on being able to accurately understand if the client is a tightwad or a nice paycheck. I'd recommend that folks shouldn't hesitate to seek the advice of a seasoned “pro”. Walking away from low-ball work and negotiating for fair fees is a tricky art that really benefits from the confidence one would gain through a little one-on-one advice. Run the numbers by trusted colleague for their perspective. You'll be glad you did.

Angela said on September 14, 2011  

Thank you so very much for putting the effort in to writing this. For little beginning artists like me, who have absolutely no idea where to even begin when it comes to pursuing an artistic career, this helps shed some light on my ignorance, and urges me to learn more and more. Keeping this in my bookmarks for sharing, and for coming back to over and over again.

Renee Kurilla said on September 14, 2011  

Thank you SO much for taking the time to write this. It does make your head spin, but it’s so important and the hardest part of our job as illustrators. I don’t think I’ve ever really been successful with making a profit on any job I’ve had so far, but I’m always learning from my mistakes. Just wondering when those mistake will stop adding up! Thanks
drew said on September 14, 2011

aww.. bloody nailed it. thanks for the delicate sharing jessy!

Jeff said on September 14, 2011

I love these articles, they are always encouraging. I've learned a lot from this post and others like it that I too can be paid more than minimum wage. They help me put value in my work, and also in myself as an artist. I'm a newbie and I know the pain and regret of accepting the “cool” job and being severely underpaid. But I've been learning from my mistakes and from helpful posts like these, and soon I will be doing what I love, for a paycheck that I will love as well.

Jen B said on September 15, 2011

As a design student, I am feeling incredibly ill prepared for how to handle freelance price negotiations, and your article really helped to put some of those lingering questions to bed. I will bookmark this and refer to it again when I'm getting ready to start pursuing freelancing. Thank you for the time you took to write this up and for not skirting around the question of what to charge. I'm so sick of hearing generalized answers that don't ever really get to an answer. Great post Jessica!
Jessica Bell said on September 16, 2011

Oh how I wish I had read this two months ago. Thank you so much for taking the time to put this together. It has proved invaluable to me.

Justin Parra said on September 16, 2011

First of all this is a great article so thanks for putting your neck out and talking about pricing. There are tons of reasons why designers don’t talk about it but I think it should be discussed more. In the end I think discussing pricing will only lead to designers being payed more fairly. Secondly, you can read a million other articles about pricing and project based vs. hourly but in the end only experience will help you figure out what is best for you. I suggest everyone try both at least once.

Tiendas said on September 18, 2011

Great article, especially with how difficult it is to discuss prices

Pim said on September 18, 2011

It is always a delight to feel what I believe – that information is inspiration. Thanks for sharing.

Michelle said on September 19, 2011

Thank you Jessica! This is exactly what I needed
to hear. Brilliant article.

Angel said on September 19, 2011

I work on 12% to 15% cost of goods to selling price ratio + ancillary costs (fees, advertising, rent, packaging) = final price (rounded up and add a dollar or two)

ancillary costs – cost per sale if purchased with credit card, cost of packaging, price tags, business cards, display materials, transportation.....

so that item that cost $1 raw materials could retail for $10 or $12 if a very desirable object
then you can afford to give a wholesale price if need be

Marcos said on September 20, 2011

You keep helping the working class lady!!

Chuck Green said on September 20, 2011

Haha... tangled web.
Your observations and the comments thereafter point to the wide diversity of practices in our field. The conundrum is, much of pricing is dictated by how others perceive and value a particular person's work — it's THE most critical element of the pricing model yet it's the one thing that is impossible to generalize about.

I agree completely that setting high standards and insisting on reasonable payment and terms establishes value for everyone. I just don't want designers and illustrators to feel as though, if they are
unable to negotiate similar terms, that they are somehow less capable or guilty of undermining our business.

Variable such as timing, competitive forces, the market, your level of notoriety, your experience, and so on, in the end, dictate pricing — the magic is finding where you fit.

Jolby said on September 21, 2011

Brilliant, Jessica. Thank you!

Megan Isabella said on September 21, 2011

Thanks Jessica, as a young person starting out on the forlorn freelance path this information was invaluable to me and just the little reminder I needed to keep me going! P.S I'm a massive fan of your work.

selina maitreya said on September 21, 2011

As a consultant to photographers for the last 30 years and as a founding member of the Boston Graphic Artists Guild I am thrilled to see such an extensive post that speaks volumes. Thanks for taking the time to post such and intelligent and informative piece of information for all visual artists. The client is not enemy. It is we who have the power to lift ourselves up and speak our truth and talent through the value offering we put forth and through intelligent pricing. Go forth my friends, work your talent, put it forth, price fairly and intelligently and choose relation-
ships that bring value to you and then bring value to your clients. Get ready to THRIVE!

Shane Durnford Design said on September 21, 2011

Great advise for junior and senior alike. Ineffective business practices can follow a career like a a bad smell. Thanks for taking the time to share your experience. It helped

Michael Cousins said on September 21, 2011

Wow, an in-depth article on one of the most hard to in down subject in this field – thanks so much for taking the time to write this!

Raina said on September 21, 2011

Jessica, Thanks so much for writing this article. It’s tiring searching the internet for good advice on the art of freelancing and the business behind it. Touchy subjects like this are not openly discussed and it’s hard for a new designer to get a grip on how to do things. Really well written, and the example is pretty much a nugget of gold.

Hans Lijklema said on September 22, 2011

Hi Jessica! Great article! One thing what you show in your sample quote, but is key to highlight, is that you (the creative) should very clearly de-
scribe what you will do and the amount of revisions for the price your asking. If the client goes beyond that there should be an additional hourly fee. This has worked always best for us. Flat rate for a job, which includes the time and territorial rights the client needs at that point. Extra fees for rights that were not foreseen in the original agreement and an additional hourly rate for corrections that go beyond the contract. For example: we always charge extra when a client gives us the wrong version of a text that we needed to use in a design. In our contract it says that we expect to receive final materials before creating the final artwork. I feel that’s important to highlight that there always should be an additional hourly rate mentioned in any contract, because even a good flat rate, can become unreasonably low when a client drags on a project forever. Be fair to you client, but bill them for every bit of work you do!

**Eric Zentner** said on *September 22, 2011*

Best article on the subject BY FAR. Every designer (veteran + rookie alike) should read this once a year. Keep it up.

**David** said on *September 22, 2011*

You have explained the pricing dilemma in a nutshell – but I find the difficulties often arise when trying to raise the prices for existing clients. Try and raise them too far and you are in danger of losing them – keep them low and fail to make a living.
Ben Weeks said on October 1, 2011  

David, It's healthy to turn down lower paying projects if you're busy with higher paying ones. Essentially what's happening is clients are bidding on your time and interest in their project. It took my business a year or two before I started to feel ok financially. One early project for a charity took months for no money. But the amazing samples won me work and awards 6 months later. Once you have several well paying clients competing for your time, that's when you start hiring helpers!

Kris said on September 22, 2011  

Great stuff Jessica! Thanks.

Sarah Leigh said on September 23, 2011  

Thank you so, so much. I've always wondered why the pricing work was so hush-hush. The fact is, I love what I do and I'd do it for pennies, but life is a helluva lot easier/better when you are getting paid what you're worth.

Karma said on September 23, 2011  

Holy cow. Great article, but I feel compelled to be a hater. $14,000 to use a logo for one year? That's an entire year's salary on minimum wage for one job, not counting the actual pay for the work. Or looked at another, way, you could do one logo a month for three months and easily be set with a
nice standard of living for the next seven months.

I’m not saying your prices are not standard, I’m saying they’re not fair. I am a writer and I can’t imagine getting that kind of pay. I know people who got $2,000 advances to write whole books “work for hire.” And getting a book deal is a bit of a holy grail for most writers!

FTW–I’m gonna become a designer!

The thing is, while these numbers seem big, jobs like this don’t come around often, usually just a couple times per year and the rest of the year is full of smaller bread and butter jobs. If you figure someone can get three 20k jobs per year, and then fill the rest of their time with smaller jobs, by the end of the year they’re still making under 100k (probably closer to 80k). While that is a lot of money compared to what the national average salary is, why should artists not have the opportunity to make decent money when businessmen and lawyers can make 200k-350k a year? I think most artists that are making good wages are probably working double the hours that most white-collar workers put in.

Unfortunately writers have it VERY rough. I think writing is one of the hardest industries to be paid well in, and a lot of it is because so many people are willing to write for free for high profile sites and magazines in order to get their name out there. It’s the same problem that hurts the design and illustration industries, but on a much larger scale.
Lynne said on September 25, 2011

Fantastic article! You have amazing talent and are such an inspiration to many! Thank you for sharing!

Luke Jones said on September 27, 2011

Amazing advice here. I know you’re talking about graphic / print design, but I’m trying to come up with an idea in my head about how to license a website or whether that “license” is built into the price of the website already.

The only way I can think of it is a tiered system on how the site will be used. For example, if the site is going to be an intranet, an online store or a data collection page value each one differently.

Thank you so much for the article, it’s really useful. Going to send it across to the financial director where I design as payment has been a big issue recently for us. Not getting paid itself, but working out a fair way to structure our pricing.

Anna said on September 29, 2011

This is an extremely interesting article – I had a bad experience working for a company as a ‘freelance intern’ and have had to learn about some of the licensing issues the hard way. Now I’m working in house and doing some freelance on the side, so this is really valuable for me for those little side projects.
Do you have any opinions when it comes to doing
jobs for friends and family? On how much of a discount, or none at all to give them?

**Keith Lambert** said on September 29, 2011

Awesome advice. Would you mind if I use some of these examples when I speak to graduating graphic design schools?

**Rusty** said on September 29, 2011

Hey Jessica, this is an incredible post! You've given me a handful of informative glitter! Thanks so much!

**Kristin** said on September 29, 2011

Thank you for sharing. It’s advice that hits close to home. Reminds me of what my teacher was talking about early this week about pricing. It's great to hear it from another source, explained in such detail.

**Keith Lambert** said on September 29, 2011

Awesome insight and info! Can I use some of these examples when I talk to graduating designers from colleges (I will give you credit)?

**Jessica** said on September 29, 2011

definitely!
Steph said on September 29, 2011

This applies to every creative. We need a voice like this in the world of animation. I've been shocked at the rate I've had to settle for because a show that I'm doing concept art for “hasn't been picked up yet.” Different media, same “spec work” approach. I'll apply this advice on my next job!

Mike said on September 29, 2011

I would love to know the justification behind why you should maintain the rights to your work. I am a web developer, and I have developed reusable components and frameworks which I use across projects. I spent more time creating reusable items than the customer has paid, so they are not given the source code for them.

When you are hired to do creative work for a company, they are literally paying for the time it takes to create that work. I can't imagine that you get a lot of reuse out of custom creative projects, so why should you get paid more or less when you have still done the same amount of work?

This type of thing really bothers me with people like wedding photographers. I hired the person to take pictures at the event, why should I pay more for extra prints when they aren't doing additional work?

Ben Weeks said on October 1, 2011

The justification is copyright law. That's the
same law that protects you from a client decompiling your code and selling it as their product. You don't want them to do that, neither does an image maker.

Time isn't the only way to measure value. Let's say you make some interesting code for a charity website for free. Microsoft sees this and wants to use your code in Windows. Should that not cost them either?

Imagine an artist's work for an ad campaign increases sales of a new company by 400%. The next year the client wants to pay the same they did before for more work but they want to spend $10 million more on buying ads. Would the artist be wise to agree?

What would you think if you read someone saying, “This type of thing really bothers me with web developers. I hired this person to develop my site, why should I pay more for the source-code if they aren't doing any additional work?”

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**Michael** said on **September 29, 2011**

Thanks a lot for sharing this post, great info!

**Andy P.** said on **September 29, 2011**

Thanks for the article! I really appreciate the example scenario. I also really love all the comments. Clearly this is an important topic and everyone wants to learn more about pricing and quoting. I always thought if I worked hard and demonstrated to clients skill and commitment then fair financial compensation would follow. It seems like the business of design is not as much of a focal point as it
should be for designers and illustrators. An open dialogue like this is a great start!

**Wendy** said on September 30, 2011

Hey Jessica,

Something I wondered about for awhile is this: say client agrees to only use your work for a 1 year national campaign. Couldn’t they easily go beyond that parameter without telling you after 1 year is over? And especially if it goes beyond national borders...Unless you’re constantly keeping an eye on the circulation of your image and have watchdogs abroad, what are the chances you’d find out if they went beyond the initial agreed-upon usage?

Thanks!

**Sarah** said on September 30, 2011

Thanks Jessica. I'm often frustrated by the lack of honest conversations about pricing. While an “employee,” I found it helpful to have conversations about price points with my account team. As a freelancer, my greatest resource has been my past colleagues/former classmates/network who are thankfully not afraid to share at least a range of pricing to help me out. I'm grateful to them for that. Great read!

**Jenica** said on October 3, 2011

Fantastic article Jessica!! Thanks for writing such an in depth article about pricing – a topic that’s so difficult to find good info about.
Thanks!! And hope you’re settling to your new place after the big move!

Jessica said on October 7, 2011

Thanks for writing this! It's incredibly helpful and informative.

Lise said on October 7, 2011

Thank you so much, Jessica! I'm senior GD student, but I've had my fair share of working experience. Your article is great... and more people should read it! You're helping me get over my fear of pricing my work.

Jakki said on October 10, 2011

This is a FANTASTIC post!! Finally – a designer who tells it like it is. Thank you for your honesty and great blog – you are a true inspiration to all us creatives out there!

Martin H said on October 10, 2011

I have been running my own business for 22 years and would have loved to get this article at the start where business decisions are the most vulnerable. There were a few resources available and I tried to learn and experience as much relevant advice as I could. When I began adding photography services to my existing design business, I again tried to absorb as much as I could from any viable source (some were less than helpful, but a lot became invaluable;
John Harrington became a common name in my searches.

As a business person, you can never stop learning so it is good to see knowledgeable people providing sound reasoning and practices for those starting out and even those who are veterans. This may have been referenced before, but I love the presentation and the basic idea that the reason we do this—or any business for that matter—is to get paid. Here it is...

http://fstoppers.com/fck-you-pay-me-a-guide-to-contracts-for-the-creative-professional

Mike Henry said on October 13, 2011

Excellent write up. Happy to see such good practices and happy to have learned some things.

-M!

Khristian A. Howell said on October 16

Perfectly brilliant read! Well done! Thanks!

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