

Bottom up Pricing Model: calculate the cost of everything that goes into making the product, and add a fair margin on top.

How much time does it take – really – to make your product?

- Fabrication time
- Design time
- Shop for materials time
- Bookkeeping time
- Inspiration time

What are your materials costs?

- Cost of every component and supply per piece
- Display costs
- Packaging costs
- Percentage galleries charge (general rule is to assume you'll pay 40% - more in large metro areas)

What are your overhead costs – and, yes, every artisan has overhead costs?

- Percentage, by square footage of your home that is used solely for your work
- Membership dues
- Show application fees
- Display materials
- Advertising, including business cards, website maintenance (apply a fair hourly rate for time you spend here.)

These represent your REAL costs.

Add something respectable for profit – you deserve to make a profit!

These considerations and calculations get you to a MINIMUM price.

Now, what else is there to consider?

Who are my competitors?

- Same medium – who's working with your chosen material
- Same purpose of product – who's work is filling the same need/use as yours?
- Same customer demographic – who's after the same customer's bank account?

How does my work compare to my competitors?

- Quality of materials
- Quality of technique
- True uniqueness of my product

What will the customer find in my work that represents something meaningful to them?
What is the story of the work that will connect with my customer?
How does my work enrich the life of my customer?

Other guidelines

Price consistently

Same for gallery as for show as for personal sale

Consistency across your product line

Generally, don't have sales or drop prices

If you are selling one-of-a-kinds, you owe your collector clients to not devalue their purchases by reducing your price.

Sales, unless you are extremely careful about how you run them, can lead to the "department store" phenomenon – folks will become conditioned to wait for a sale.

Be proud of yourself

You should never be embarrassed if you can make your work quickly and sell it at high prices. Rather than a stigma, it is a blessing. Understandably, you may not advertise the time spent creating the piece, but you shouldn't undervalue your work because you created high-quality work in an efficient manner either.

*Barney Davey, Guest Blogger at
<http://www.reddotblog.com/wordpress/index.php/time-motion-discover-simple-ways-create-artwork-efficiently/>*

Unless you are confident in your work and feel good about putting a respectable price on it, you should not offer it for sale. If you want to get confidence in your work, start with the chapter jury process.

A dead giveaway that you are undervaluing your work is if you can't keep up your inventory. If you're selling as fast as you can make, you're not charging enough!