

## PRO TIPS (EPISODE #3): HOW TO PRICE YOUR CREATIONS?

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### Astuces de pro

## COMMENT FIXER LE PRIX DE SES CRÉATIONS ?



Les Pies Bavardes



0 minutes

### *How to calculate the selling price?*

Welcome to our video series in partnership with Les Pies bavardes! In this fourth episode, Mélanie gives us her friendly advice on how to calculate the right selling price for her creations.

This is a tricky question, dreaded by many creative entrepreneurs! Because as you will see in this video, the price of a creation is not set by chance!

Selling a product means setting a price! Too much or not enough? It is difficult to determine the right price for your creations, it can even become a real nightmare.

Too high a price? That's what you say! Few jewelry designers dare to set prices that they consider high. And yet, there is nothing to be ashamed of!

Remember Melanie's previous videos on the positioning of the company, the artisanal creations concern the middle of the range, or even the top of the range when it comes to unique pieces.

Not expensive enough? That's where the problem lies! You won't be able to make a living from your activity. And, in the long run, your micro enterprise risks bankruptcy.

### *How to set a good selling price?*

To calculate a selling price, you have to take into account the economic reality:

- the cost price, also called cost of production, i.e. what it cost to create. It corresponds to the fixed charges in proportion to the creation (rent, electricity, Internet, telephone...) + the cost of the material used + the working time (salary) the working time (the salary),
- the margin (profit of the company),
- the variable charges (bank charges, TPE charges...),
- the miscellaneous expenses,
- the URSSAF.

What salary when you are an auto-entrepreneur ? Yes, you have to think about the salary you want to pay yourself, because being a jeweler (even part-time) is a job!

To calculate the desired salary, you will need to know your hourly rate. And it is up to you to set it! Again, it's not easy to set a fair wage, but would you accept not to be paid for your work if you were employed? No ? Well, it's the same!

As microentrepreneurs, women creators often choose to apply a minimum wage, i.e. the SMIC. But, as a business owner, with responsibilities, why not claim a higher hourly rate, like in any other company? The Chatterboxes recommend setting it at a minimum of 20 euros per hour.

Do you think that's too much? However, this hourly rate only corresponds to the creative time and does not take into account the sale, the photo shooting, the writing of product sheets, the updating of the website, the animation of social networks...

What margin for a craftsman? When we talk about margin, it is the profit of your business. Know that in the craft trades, all areas combined, it ranges from 50 to 60% of the cost price.

The margin will be used to invest in your business and in future projects, exhibitions, to buy equipment and, why not, to pay yourself a bonus from time to time.

It would be so simple, if we stopped there. But no! This is where a second point comes into play: the emotional aspect! It involves self-esteem, the fear of being judged, the fear of being criticized, the fact of not assuming high sales prices... And it's especially the one that prevents you from setting the right price for your creations. Being comfortable selling your handcrafted creations, okay, but also think about the profitability of your business.

You will have understood it: the calculation of the selling price is not so difficult as that, the economic aspect must take precedence over the emotional aspect. You just have to know how to put your emotional baggage aside (easy to say!). But that will be the subject of another video from Les Pies Bavardes!

### *Result*