

THE SINGLE
GREATEST
GUIDE TO wedding
photography
PRICING
THAT **EVER** WAS
AND WILL BE



Written by Stacy Reeves

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PROLOGUE

Setting your pricing is one of the most influential things you can do for your business. It determines your market, your business style, your priorities, your competition, and of course, your profit potential. For this reason, pricing has become a source of incredible stress for many photographers. The most common question I hear from photographers starting their business or attempting to take their business to the next level is how to create their pricing and packages.

There are a lot – A LOT – of misconceptions about pricing, the first of which is that you can simply create a pleasing set of packages and apply an arbitrary number to them and still reasonably expect to turn a profit. This is the exact opposite of what you should be doing, and if that's how you achieved your current pricelist, throw it out immediately!

A bad pricelist will not only cost you money, it will also destroy your business. It can and will make you seem desperate, unprofessional, unintelligent, and possibly even unethical. It will force you to work endless hours for very little pay, and will eventually kill your passion for what you do. A good pricelist, on the other hand, will woo clients your way with its simplicity and ease, and will build a very profitable system that will grow with your business.

There is good news... I have the solution! I have put together the most comprehensive guide to building a smart pricelist that you will ever find. It is a compilation of knowledge from a number of different photographers from different backgrounds and different markets. The primary reason that I decided to give this packet away rather than sell it is because these are not specifically MY secrets or MY techniques – it's just

good plain smart business sense. The more people who discover it and are able to make a living doing what they love, the better off the world will be.

I caution you though – this is a long, involved pricelist that requires a massive amount of business planning and number crunching. There are no shortcuts, no “simplified” methods, no “works every time, for every one” answers. Everyone’s pricing will be different, and should be different. I will show you the path and give you the tools, but at the end of the day, only you can determine what is right for your business.

I will also warn you now that the numbers you calculate are likely to be much higher than what you were expecting, especially if you are new to the business. If you’re used to charging \$1,000 per wedding, you’re in for a huge shock, because the Professional Photographers of America benchmark study estimates (and in most cases the numbers agree) that the average wedding photography business needs to make approximately \$5,000 per wedding in order for the business owner to make a reasonable living. That doesn’t mean that if you’re not to that point yet that you can’t still run a profitable business, but you will most likely have to push yourself to stop giving away your services for free and start charging what you’re actually worth. If you go through these exercises and you’re alarmed at the numbers you’re seeing, don’t freak out. I will provide some tips and suggestions at the end for adjusting your numbers to get a price you feel more comfortable with.

CHAPTER ONE

Determining Your Cost

Before you can set any prices, you must first calculate your costs. Cost can be divided into three categories:

1. Cost of Running a Business (CRB)
2. Cost of Shooting a Wedding (CSW)
3. Cost of Providing a Product (CPP)

The Cost of Running a Business is the largest category, and includes everything you spend to keep your business going year in and year out that is not tied to any specific client or job. This can include but is certainly not limited to: studio rent and bills, marketing, office supplies, equipment repairs and purchases, workshops and seminars, computers, software, accounting and legal fees, websites, bridal fairs, association dues, sample albums, contest entries, travel for business trips not paid for by a client, and website membership fees (such as Flickr, DWF, WPJA, etc.). This isn't a little mini-spending-spree.. Try to really think about the things you need to have to make your business work, and cut out anything that isn't a necessity. "Maybe" items can always be purchased with your profit money if your business does better than expected. Add all of these things up to get your total yearly CRB.

The Cost of Shooting a Wedding is anything you do for a standard wedding that is not related to a specific product. This includes the cost of meeting with and booking a client, welcome packets, gas, client gifts, proofing system fees (i.e.: fees from providers like Exposure Manager

or Collages.net), and anything else you know you will spend on a wedding. This can also be personal, for example some people like to go get pedicures or massages the day after they shoot a wedding. If you expect to spend it, add it in. Add all of these numbers to get your per-wedding CSW.

The Cost of Providing a Product is anything tied to a specific product, and this amount will vary from product to product. Most of the time this will include the manufacturer's cost and shipping , but it can also include design fees or packaging fees as well. This also includes things like fees that you will pay assistants or second shooters.

HOMEWORK TIME

Before you go any further, take some time to sit down and figure out all of these numbers, including the CPP for everything you offer. Don't try to skimp or underestimate – you will only cost yourself money in the end. Be generous with these numbers, and pad them a little bit when appropriate. After all, it's better to have a little extra profit than to not have enough to cover your costs!

CHAPTER TWO

Determining Your Business Plan

Now that you have your business costs determined, it's time to set your business plan. Your business plan is a set of projections for the following year that you must base everything else on. This is without a doubt the most crucial step in the process, because everything you do from this point on will be determined by the decisions you make. There is a lot to say about creating a business plan, but most of that has been discussed in-depth already by others who are smarter and more capable than me (Laura Novak is the master of business plans, check out her Strategy Avenue set for some incredible advice), so I will stick with the questions you need to answer in order to effectively price yourself.

1. Are you full-time or part-time? If part-time, would you like to go full-time in the near future? If so, how soon?
2. How many weddings will you shoot next year? Keep this number conservative – if you want to book 30 but only think you can make it to 15, you should probably only plan for 12. A good benchmark to use is what you shot this year, unless you want to make a drastic increase or decrease. This is a crucial question, because if you project for more weddings than you actually book, you will lose a substantial amount of your profit from the weddings you do shoot.
3. Who is your average client now? Where do they live, how much do they spend, and what do they value most?
4. Who do you want your “target client” to be? Are you yearning to get in with the old money country club set, or would you rather book the young trendy fashionista brides? It's okay if you don't have your ideal

client narrowed down that much, but try to think of the things you really love to see in a client, and make a list of those. Also, is there anything that your current and ideal clients have in common?

5. What products and services will you be providing? Create a list of every item you want to sell, as well as any upgrades or add-ons associated with those items. This will form the content of the à la carte pricing list you are about to create.
6. What are the most important products that you wish to sell? Do you want to focus on providing just your time, or the digital negatives, or flushmount albums, or large canvas prints, or something else entirely? Obviously we all want to sell as many of these things as possible, but we have to determine what our primary selling points will be in order to build effective packages.

HOMework TIME

Think about these questions for a little while and really give them some thought and soul-searching. As I mentioned before, this is the most important step in the entire process, so the more honest and realistic you are here, the more effective your prices will be later.

FOR FULL-TIMERS

If you are full-time or plan to go full time, you need to figure out a fourth cost, and that's your Cost of Living (COL). Your Cost of Living is what it takes for you to live, and includes (but is not limited to) rent, utilities, bills, student loans, food, gas, health insurance, car payments, and anything else you need to survive if you plan to live solely off the income of your wedding photography. Don't pad this with fun things like entertainment or clothing – your profit will compensate for that.

CHAPTER THREE

Creating Your À La Carte Pricing

The biggest flaw I see in most people's pricing is that they don't have a good à la carte system. This baffles me, because it's the most essential part of your pricing. Your à la carte pricing is the thing that gives value and worth to all of your products and services. If someone offered you a big box of camera equipment for \$3500, but they wouldn't tell you how much each individual piece of equipment was worth, would you do it? Probably not. You would want to know the value of everything in that box so that you could determine whether that \$3500 was a good deal. Well, the same concept applies here. We can't expect our clients to fork over thousands of dollars for a collection of products if they don't know the value of each thing that they're getting. Your à la carte pricing will give them that value, and it will also do all the math for you when determining your package pricing.

The first price that you should set is your hourly rate. Contrary to popular opinion, this is not a number that you just pick out of thin air. This number is mostly made up of the CRB that you determined in Chapter One (as well as your COL, if you are Full Time or going Full Time), divided by the number of weddings you plan to shoot next year that you determined in Chapter Two, plus your CSW.

So, if my CRB (plus COL, if applicable) is \$10,000 and I plan to shoot 10 weddings per year, then I end up with a \$1,000 per-wedding overhead. Then I add my CSW to that, (in this case let's just say my CSW is \$75) and I now know that I need to make \$1,075 per wedding to cover cost.

Now I need to divide that number by the average number of hours I plan to shoot per wedding. For most people, that will be about 6-8 hours. It's best to stay on the conservative side, because like I said, it's better to have extra profit than to not cover your cost. For me, every wedding I shoot includes eight hours of coverage, so I'm going to divide \$1,075 by 8, and I get \$135. That is my per-hour cost of running a business. For every hour that I am photographing a wedding, I have to make at least \$135 just to break even! Crazy, huh?

Next comes the rule of three. Think of it as the businessman's rule-of-thirds. The absolute LOWEST price you should ever charge for any item is three times the cost. Why, you ask? Well, one third of that price will obviously be your cost. Another one third will go to taxes (even if you have a great tax advisor who helps you pay less than 30%, you should still set aside that much, to be safe). The remaining one third is the profit that goes in your pocket. For many items you will go much higher than that (for example, loose prints are usually 15-20 times cost or more), but one third should be the lowest. To calculate your hourly rate, multiply the per-hour cost that you just calculated in the previous paragraph times three. For me, \$135 times three is \$405, which means that I should be charging at least \$405 an hour as my base fee.

If this number is too low for your tastes, feel free to increase it to whatever number you'd like. On the other hand, for a lot of people (especially full-timers) this number can be frighteningly large, sometimes upwards of \$1,000 an hour. Although I don't recommend doing this for ANYTHING except your hourly rate, if the number you get here is terrifyingly large, you can cut it in half. This will cover your cost and taxes, but will leave no profit for you. Hopefully you will make up for that lost profit in

other items, but keep in mind that in the future you need to keep this number as close to the “cost times three” number as possible (or higher!).

Good news! You now have your first price, and you’ve also just made enough money to run your business. Even if you never sell another item, you are making enough with your hourly wage to pay your bills and taxes and turn a profit. Everything after this is just icing on the cake. Woohoo! Success!!! Doesn’t it feel amazing to know that with this one number, you can run an economically self-sufficient business?

HOMWORK TIME

As awesome as that is, we still have a lot of work to do. You need to go down the remainder of your products on your à la carte list and calculate the price you wish to charge for each one of them. Remember that when using the “cost-times-three” method, you will be making a profit that is equal to the cost of the item. Thus, if an item costs \$100, and you use cost-times-three to get an à la carte price of \$300, you will be turning a profit of \$100 on that item (equal to your cost). For items with a low cost, you will need to increase the price substantially to turn a profit that is worthy of the time it takes you to provide that product. A great rule of thumb is to decide how much money you would like to make on an item, add it to the cost, multiply that sum times 1.5 to cover taxes, and that number will be your price. So, if something costs you \$5 to provide, but you want to make \$20 off of it, you would multiply \$25 times 1.5 to get \$37.50, and that’s the price you should charge. I highly recommend starting a spreadsheet that has a list of all your costs, profits, and the amount that goes to taxes in three separate columns for each item you sell. This spreadsheet will come in handy when managing your finances later.

CHAPTER FOUR

Building the Contents of Your Packages

Now that you have your à la carte pricing determined, you are ready to start building what will go in your packages (assuming that you want to have packages.. if not, go straight to Chapter Six). Ultimately, this process is something you have to determine entirely on your own, and any advice I would give would have to be specific to each individual person's business. This is where the business plan that you created in Chapter Two will start to really come in handy. Think about the type of clients you're booking now, and the type of clients you want to book in the future. Think about what's important to them, and what they are most likely to spend their money on. Similarly, think about the products that you rarely sell, or the products you don't enjoy selling.

There are three basic methods to creating wedding photography packages. The first method is to have one, all-inclusive package that includes everything the bride and groom will need for one large, inflated price. Usually this includes unlimited hours from one or two photographers, one or two portrait sessions, digital negatives, a large album, and a print credit of some kind. This system is favored by high-end wedding photographers, but it can also be effective for photographers serving the upper-middle class, as well.

The second method is to have a semi-all inclusive base package that has everything involved in shooting the wedding, such as full hourly coverage by multiple photographers, a portrait session or two, and digital neg-

atives, but leaves the more tangible products such as albums, canvases, or prints for higher packages. This is the system I use, and has worked really well for me. My base package includes eight hours of coverage (which is enough for 95% of brides), two photographers, a portrait session, and the digital negatives. Anything less than that really isn't worth booking to me, unless the date is super close and I am not likely to book it otherwise. Since I have decided that albums are the cornerstone of my business, my subsequent packages include small, medium, and large albums, as well as small, medium, and large print credits. Although this method is fairly uncommon, it is being seen more and more.

The third and most common method is the ascending package method, where you start with one small package, and the contents of every subsequent package increase across the board. For example, Package 1 might have four hours and one photographer, Package 2 might have six hours and two photographers, Package 3 might have eight hours and two photographers and an album, etc. I am not a huge fan of this method because all too often you end up with tiny packages that no one wants and large packages that include a lot of fluff and filler solely to make them look bigger, rather than building packages that make sense for you and your clients. If you choose to use this method, I encourage you to really think about the progression you take in each package increase. If your lowest package isn't something you would want to sell, change it so that it is. Similarly, if your highest package is full of a lot of extra hours and albums and prints that the majority of people would never want or need, adjust it so that it makes more sense and is more desirable to the average person.

If you choose the second or third method, it's best to keep the number of packages fairly low, usually around 3-5 packages total. In your base package, include the absolute minimum service you are willing to provide to take a day off of your calendar. If you don't think it's worth booking a date for four hours of coverage, then don't include a package with four hours on your price list. Remember, if you have a prospective client who comes to you with a special situation, you can always customize a package for her (using your handy dandy à la carte pricing), but when determining your standard packages, keep the "every client" in mind, and don't worry about the exceptions. Also, don't include anything in a package that isn't quantifiable, such as "unlimited hours," because it's impossible to place a set financial value on such items.

At this point, don't worry about the prices of these packages. Right now we are only concerned with the content, and building packages that make sense. We will discuss pricing these packages in the next chapter.

HOMework TIME

Build a system of packages that you truly believe in. Remember that your bottom package should be the absolute minimum service that you're willing to provide in order to take a day off of your availability calendar. Compare your packages to those of the most successful photographers in your area (if you can get access to their packages) and see how your packages relate to theirs. Show your proposed new packages to some random females, and ask them (without knowing how much each package is) which packages they would be interested in, and which packages are not desirable at all. Revise as necessary, until you have 1-5 packages that you are truly confident in.

CHAPTER FIVE

Setting the Prices for Your Packages

This is probably the easiest step in the process, because this is all just simple math. However, it's also the step that causes the most heart attacks and emotional breakdowns, because once you do the math, you're likely to end up with numbers that are much higher than you expected, and maybe much higher than you are comfortable charging. Try to go into this with an open mind, and remember that if you set reasonable, profitable prices on your à la carte pricing, then you will end up with reasonable, profitable prices for your packages. If you're shocked at what you see, it's probably because you have been charging WAY too little for your services in the past. Buckle your seatbelt and prepare yourself for a brand new world of getting paid what you are worth!

For each package, you need to determine the Sum of All Products. Basically, go through each product you provide in a package, find the price you assigned to that product on your à la carte pricing, and add up all of those prices. This sum is the retail value of each of your packages.

In a perfect world, this is the price that you would charge for your packages. After all, there's really no need to discount your packages. Doing so only cuts into the profit that you assigned to each product. On the other hand, people have been conditioned to expect a package discount, and it does have the benefit of encouraging clients to build bigger packages when they book so they can avoid paying full price for items after the wedding. However, remember that if your package discount is 33% or higher, you will completely eliminate the profit for any items that you

used the “cost-times-three” method to price. It’s best to keep your discount no higher than 25% at the very most. Remember that you can always decrease your discount percentage as time goes on, getting you closer to your ideal prices. I started my discount percentage at 25%, and have lowered them a couple of percentage points each quarter. This allows me to slightly raise my prices as time goes on without having to change all of the prices that I set on my à la carte pricing.

If you’re not good at determining discounts, use this formula, where S is your Sum of All Products and D is the percentage discount (i.e.: 25 for 25%) you wish to apply: $(S * (100-D) * .01)$. You can paste this formula into a Google search box, and just replace the D and S with the corresponding numbers, and Google Calculator will do the work for you.

HOMework TIME

Determine the discount you will apply to your packages, and calculate your new package prices. When discounting your packages, you can choose to either have one flat rate or an ascending discount. An ascending discount is a discount that increases with each package (i.e.: the lowest package has a 10% discount, the next highest has a 15% discount, the third highest has a 20% discount, and so on). Either one is acceptable, and I recommend doing the number crunching for both methods to decide which set of numbers you prefer.

CHAPTER SIX

Numbers Too High?

At this point, you're basically done. You've determined a profitable price for each product, built a system of packages that make sense for your business, and calculated the appropriate discount for each package. You should now have an awesome, amazing, kick-butt, and most importantly PROFITABLE pricing system. Mission accomplished!

For some of you, even with a steep discount, these numbers may be higher than you feel comfortable charging. It's important that you realize that if you feel that way, it's only because you have not been charging what you are worth, and you have been allowing customers to take advantage of your lack of confidence in your own work. Even someone who has never shot a wedding before deserves to charge enough to cover cost, taxes, and still turn a fair profit. If you ever hope to make photography more than just a hobby, you need to start charging what your service is worth.

That said.. If you are freaking out right now and thinking, "There's no way I can charge this much," there are a few things you can do. The first and best is to make your business more efficient. If you can lower the costs of running your business, you can then lower the costs for providing your products, and in turn lower the prices you charge your clients. Go back to Chapter One, where you determined your CRB, and see what numbers you can eliminate or reduce there. You can also research vendors, and try to find album or canvas providers that are substantially cheaper than the company you're currently using (I recommend using Forbeyon albums (www.forbeyon.com) – they are the most inexpen-

sive flushmount albums I know of, and also the highest quality, which is an amazingly lucky combination). If you currently farm out services to other people, such as post-processing or album design, consider bringing those back in-house so you can charge less for that product and still make the same profit.

If you've found that your hourly shooting rate is very high and is driving up the cost of your packages, remember that that number is based on the number of weddings you shoot per year. If you shoot more weddings, the per-wedding overhead that you calculated in Chapter Three will be significantly lower, so your hourly shooting fee can be lower as well.

The third option is my favorite, because that option is to “suck it up” and deal with your new, better prices, and start marketing yourself to a better market. Just because the people who have been booking you thus far refuse to pay more than \$1000 for a wedding photographer does not mean that the rest of the world, or even the rest of your community, is that cheap. The worst phrase you can ever utter is, “The people in my area won't pay more than \$X.” Photographers like Jeff and Julia Woods, Kelly Moore, Lauren Clark, and Bruce Dorn have established very successful businesses in small towns that are a substantial distance from a large city. Admittedly, they do a lot of traveling, but if you're attempting to build a profitable wedding photography business in a tiny town, you're going to have to get used to the idea of spending a lot of time in cars and planes if you want to make serious money. Middle and upper class clients flock in droves to the major cities to find their wedding vendors, so if that's where the clients are, that's where you need to be (or at least where you should be marketing).

Besides, you will be amazed by what people will pay when they truly believe a service is worthwhile. I once met with a couple who were both

still students and had minimum-wage part-time jobs. They told me that they were paying for the wedding themselves with very little help from their parents, and they had budgeted only \$1,000 for their wedding photographer. Within a week they had signed a contract with me for a \$5,500 package. I don't think that I necessarily did anything to persuade them to spend over five times their budget, they simply came to the realization that they found something they wanted, and they would figure out a way to pay for it. If your customer service and your personal marketing are good enough, you will never have a hard time finding clients who will pay any price. And if those things are not good enough, then your business is doomed no matter what you're charging. So stop worrying about your prices, and start worrying about how you're running your business!

CHAPTER SEVEN

Managing your Finances

Although this isn't strictly tied into setting your prices, this system of pricing essentially divides up your income into three categories: cost, taxes, and profit. I strongly recommend that you keep good records of how much of each of those things you make, and every time you get a payment, put the appropriate funds into separate accounts. I have a "Tax Escrow" savings account that holds all of the money I have allotted for income taxes in my prices as well as the sales tax that I collect when applicable. I also have a "Cost" checking account where I put aside all of the money for cost that I have built into my prices. I also take 10% of everything I make and put it into a general business fund. I use this fund to treat myself to special purchases such as vacations, seminars, cameras or lenses that I want (as opposed to equipment I need, which is purchased from my cost account), or emergencies. Whatever is left over (approximately 40-50%) is my profit, and that goes into my personal account. The worst mistake that I see photographers making is when they simply cash every check they get, and never put the appropriate funds where they belong. Then their money gets spent on various things, and when it comes time to pay the second shooter or order an album, that money has to come from a personal account, rather than a cost account, where it should come from.

Obviously you should consult your accountant or financial advisor to set up the account system that works best for you, but I believe that this method of pricing will substantially help you in keeping your finances smart and streamlined (especially if you made the spreadsheet I suggested at the end of Chapter Three).

CHAPTER EIGHT

Marketing Based on Your Packages

Believe it or not, your marketing should be substantially based on the content of your packages. Your advertisements, blog, website, marketing materials, and especially your prospective client meetings should all be centered around the content of your packages (because the content of your packages should be reflective of the business you want to run).

For example, someone who loves to travel might build a system of all-inclusive packages focused on traveling distance (an out-of-town package, out-of-state package, out-of-country package, and out-of-continent package). They could then use those packages to market themselves to destination wedding brides, travel agents, overseas venues, etc., with the selling point of being able to say “This is how much it will cost for me to shoot in (fill-in-the-blank-location).” For many people who hate being nickel-and-dimed or hate having to negotiate a package and then deal with miscellaneous vendor travel fees, this flat-rate system would be a dream, and would be a huge selling point that they should focus on in their marketing.

On the other hand, a different photographer might enjoy being extremely high-volume and booking three or four (or more) shoot-and-burn weddings in a weekend. This photographer might build a system of packages that focuses solely on hours of coverage, or provide substantial discounts to clients getting married on Fridays, Sundays, or early Saturday mornings. This photographer would be better served marketing these aspects of his business, focusing on budget or DIY brides who simply

want a quality photographer who will show up, shoot the wedding, and turn over the files for a reasonable price.

For me, albums are the most important product I offer, and that is what I focus my business on. All my packages are identical except for the size of the included album. I mention my albums frequently on my blog, often posting photos of new albums when they arrive, and when I meet with a client I bring 10 or more sample albums to show them my work. I explain to them the importance of these albums and how, at the end of the day, the album is the best way to tell the story of their wedding day in a format that people will actually want to look at. As a result, 95% of my clients purchase an album of some sort, and many of them purchase the largest, nicest album I offer. I have sample albums made for coordinators I work with, and for all the major venues that I enjoy shooting at. Since most of my clients are referrals from past clients or coordinators, 70% of the people I book have seen my albums in some way, shape, or form before they ever even contact me, so they come to me knowing that an album is something they should expect to purchase.

Look at your packages and decide what sets you apart from your competition, both in terms of who you are and how you run your business, and determine some ways to incorporate those things into your marketing.

CHAPTER NINE

Adapting the Method for Portraits

I am a weddings-only photographer, and I always have been, so I can't pretend to know the secrets to running a profitable portrait photography business. That said, there are some similarities - for example, the advice given in this guide on setting à la carte prices from each product based on cost, taxes, and desired profit is applicable to everyone in every industry - but there are also some methods that can be adapted to fit photographers who primarily shoot portraits.

The biggest difference is that in this guide, I encourage people to factor in their CRB and COL into their hourly wedding fee. Portrait photographers, on the other hand, will need to factor in your costs into your session fees. Let's say that your CRB is \$24,000 per year and your COL is \$30,000 per year, giving you a total amount of \$54,000 that you need to make that year to break even. At this point, you need to think seriously about the number of paid sessions you expect to do that year. Just as I mentioned with weddings, it's crucial that you not overestimate this number, because if you do, you could potentially come up short when it's time to pay your bills. If you plan to do 10 paid sessions a month, that's 120 sessions annually. Divide your total annual cost by the number of sessions you expect to do (in our example, $\$54,000 / 120 = \450) and that will give you your per-session overhead. You should also calculate the portrait photographer's version of the CSW, a CSS (Cost of Shooting a Session - any costs that are directly attributed to shooting each session, such as the cost of the welcome packet or the cost of the proofbook you provide). Add your per-session overhead and your CSS, and that is the MINIMUM amount you should be charging for your session fee.

Earlier, I encouraged wedding photographers to multiply this number times three in order to build in a substantial profit into their time. With portrait photographers, this is not as necessary. Most portrait photographers make anywhere from \$500-\$3000 (or more) in additional sales after the session. This is where your primary profit is going to come from. Whereas your session fee is going to keep you out of the red, by ensuring that you have the money you need to pay your rent, purchase insurance, pay your employees, etc., the additional sales that you make after the wedding are going to determine how much you actually profit each year.

As I mentioned in Chapter Seven, setting up a good system of accounts will help you keep your payments in order. The three accounts I suggest are a tax escrow savings account, a cost checking account, and a business general checking account. The amount that you've calculated for cost (for example, the \$450 from your session fee we calculated earlier, or the CPP for each item you sell) should go into your cost account. Thirty to forty percent of everything you make (after subtracting cost) should go into your tax escrow account, as well as all of the sales tax that you collect. I also recommend putting at LEAST 10% of your payments into your business general account as an emergency/petty cash fund. The rest you can pay out to yourself as profit!

EPILOGUE

Remember that the point of owning your own business is to make money. The industry we are in is too expensive and too time-intensive to survive for any meaningful amount of time without ensuring that we have a steady, reliable stream of profit.

Hopefully this guide has helped you come up with a comprehensive set of pricing and packages that will take your business to a new, more profitable place. I really do believe in this system, and all the people I have shared it with so far have told me that it has turned their business around and brought them out of the red and into the green.

Huge thanks to Anne Ruthmann and Jillian Kay for being such an inspiring example of how photographers should give back to the photography community and share their knowledge. Their blog Photo Lovecat (<http://photolovecat.blogspot.com>) is a must-read for every photographer, and they have killer advice on pricing, as well.

Thanks also to Timco Photo, Kristel Wyman, Jason Huang of Table4Photography, Scotty Perry of Think!Photographics, Sarah Anne Strong, Cesar and Tanya of Perez Photography, the members of Flickr's Starting a Wedding Photography group, and my darling boyfriend Jason for contributing to the production of this guide in various ways. Your help was invaluable!

ADDITIONAL HELP

If you would like some personalized help with this process, or would like me to take a look at your new pricing and see what additional assistance and suggestions I can provide, I do offer one-on-one pricing consultations for \$250. This includes an in-depth review of your à la carte pricing as well as your packages, a design critique of your pricing materials (what you send to clients when they inquire about a wedding date), and suggestions on how to use your new pricing to market your business. I will also send you a copy of my current pricing as well as a spreadsheet template to help you manage your business finances. It is 100% satisfaction guaranteed, so if you decide you didn't get your \$250 worth, I will happily refund it to you. To purchase this service, please contact me at www.stacyreeves.com.

I also strongly recommend getting involved in an online photography community, such as Digital Wedding Forum, Open Source Photo, or Flickr's Wedding Photography or Starting a Wedding Photography Business groups. These groups are full of smart, talented people who are all willing to give their knowledge and expertise freely. They are an invaluable resource and will help you grow faster and stronger than you ever could on your own.

Best of luck to you in your business, and remember - with smart pricing and great customer service, ANYONE can be a profitable photographer!