DAY 12: Decide How to Price Your Offer

Pricing can be a challenge even for experienced hustlers. Use the cost-plus model and follow two easy guidelines for much higher odds of success.

The side hustle world is different from the startup world for lots of reasons. [sustainability, scalability, etc.]. Another reason is that the way you think about money *and* your time can be different.

So first things first, what is your time worth?

Next, let's break this module down into pricing for both products and services.

Pricing a Product:

❏ Determine how much it will cost to provide the product.

❏ Consider how much income per sale would make that sale worthwhile to *you*. Consider your costs as well as the time you'll spend developing the product.

❏ Determine your projected volume: whether you hope to sell a small (low volume) or a large (high volume) number of products. For higher volume products, you can charge a price just slightly above cost and still make a profit, but for lower volume products, your margin will need to be much higher

Selling a Service:

❏ Start by deciding on your minimum acceptable hourly income. Be sure to consider the time that is spent actually providing the service + any needed prep time or "lost" time that you'll spend on the work that won't go onto an invoice.

❏ Determine your minimum accepted hourly income. Should be at least what you make per hour in your day job, and probably more. Since you'll be working on the project in your spare time, the income you earn needs to be worth the leisure time you'll be giving up.

Follow these pricing pointers to the bank:

❏ Design your hustle with recurring revenue in mind.

❏ Consider offering pricing tiers, where customers can pay more to get more.

❏ Don't be too clever—leave the gimmicks to the home shopping networks.

❏ Don't stray too far from market prices.

Call to Action: Understand what your time is worth, and make an initial decision about what to charge for your new product or service.

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