



ROGUE ARTIST'S SERIES OF BOOKS

ART PRICE COMPUTATION

One of the most common questions we get from artists seeking advice online has to do with pricing. This is because there are countless formulas on how to price your work, and ultimately, it doesn't matter which one you choose to come up with your price.

When I first started showing my art however, I didn't concern myself with any of this pricing formula crap. To be honest, I was just excited to share and finally sell my art. My prices were low because no one knew who I was and I hadn't formed any reputation yet. I think a lot of artists who are just starting out make this whole process confusing by doing too much research into pricing.

Ultimately, it's your art, you get to price it at whatever price you feel like pricing it at. Most art materials are not very expensive, so if you pay for your art materials and make some money on the art, any price you put on it will be a good price.

Listen, everyone is going to have a different opinion on price. I have had people at art shows tell me my prices are too high, followed by someone saying they are too low. Everyone has a different perspective on what is too much and what is too little, so you might as well come up with your own way to calculate your prices. Just make sure YOU are comfortable with how you price your art.

All that being said, I think you should familiarize yourself with different formulas and tweak them to work for you.

Method 1 - The Square Inch Method: (primarily for paintings)

Multiply a painting's width by its length to get the square inch. Then multiply the square inch of your artwork by a dollar amount. You want this dollar amount to reflect where you are in your career.

For example, A 16x20 inch painting would be calculated at $16 \times 20 = 320$ square inches. Let's say your set price is \$1.00. You would multiply 320×1 and get \$320. Now add your material costs. This is the cost of the canvas and an estimate of any materials you used. Let's say it is \$20 for this example. This will bring up the price to \$340.

If you are planning on being in a gallery, you may want to add the percentage the gallery will charge. You may want your prices to reflect gallery prices, so you don't run into problems in the future. A gallery may take up to 50%. If they do, multiply your price by 2. This would put your painting at \$680.00

If you have the painting framed, add the framing costs.

Let's say it costs \$100 to frame this piece. Because framing requires additional transportation and steps, I usually multiply that number by 2. So, the framing cost is \$200. This brings the total price to \$880.

ARTIST PRICE SUGGESTION

- BEGINNER (3 YEARS) .40-.50 CENTS A SQUARE INCH
- OUT & ABOUT (5 YEARS) .60-.70 CENTS " " "
- DOING IT! (5+ YEARS) .80-.90 CENTS " " "
- SEASONED (10+ YEARS) \$1.50-\$2.50 " " "
- INTERNATIONAL (LOTS OF YEARS) \$4-\$5+ ↑ " " "

- THIS IS FOR ARTISTS WHO ARE FULL TIME

* PLEASE NOTE: THIS IS MERELY A SUGGESTION
OTHER FACTORS LIKE HOW MUCH ART YOU CREATE & HOW OFTEN YOU PUT YOURSELF OUT THERE - ARE NOT CALCULATED.

If your art sells through a gallery that takes 50%, you will make \$440 on your painting. If I'm selling through a gallery that charges that much in commission percentage, I make sure that my relationship with the gallery is a partnership. They need to *earn* half of the price. This means that the gallery is marketing boldly and has its own loyal collector base. Usually, smaller galleries will not charge that much. However, not all galleries are created equal, and we will talk a little more about that later in the book.

When I sell the painting myself, either in person or on my website, I make the total amount, paying myself for my marketing, transportation, taking the work to shows, and my overhead. So, this is where you calculate the stuff you do that you don't get paid for.

Depending on where you are in your career and what the economy looks like will help determine your prices. When I first started, I was charging 20 to 25 cents a square inch.

Then, as the demand for my work started going up, I raised my prices. I also reduce the square inch price for larger pieces and sometimes increase it for smaller pieces.

Honestly, people swear by this method, but I mostly use it when I am doing a quick estimate for a commission.

Method 2: Calculating Overhead Method

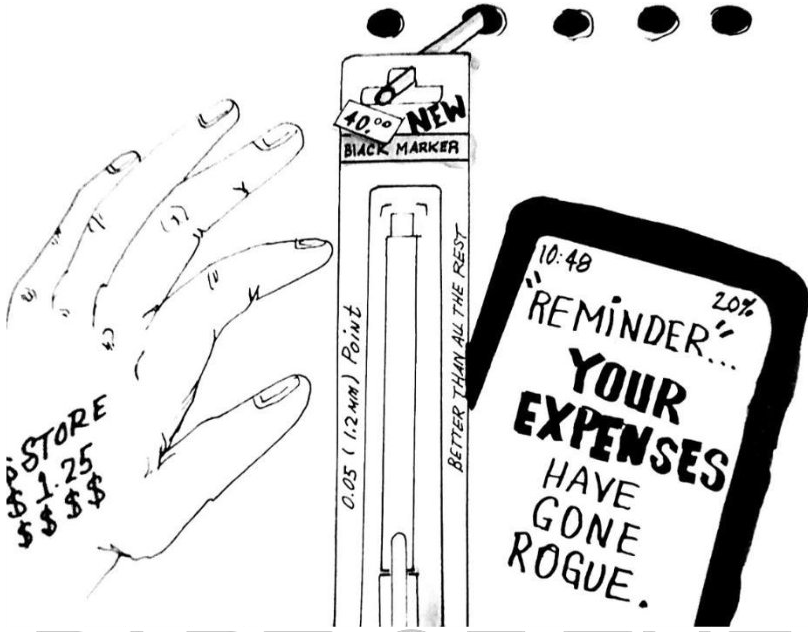
For this to work, you have to pay yourself a reasonable hourly wage. Let's say you charge \$15 an hour. If you worked on a painting for 20 hours, that would come out to \$300.

Next, we calculate our overhead. Add up your studio rent and utilities for the year. Divide that by your average total studio hours spent for the year. If you spend an average of 40 hours a week in your studio, multiply that by 52 weeks for the year. That means you spend an average of 2080 hours a year in your studio.

For example, if your total rent and utilities come out to \$9600 a year, divide it by 2080. Your hourly studio overhead is \$4.61 an hour. Multiply this hourly rate by the 20 hours it took to work on the painting, and your overhead is \$92.00 rounded.

The total price is \$392.00. Keep in mind that some people will add marketing costs and other charges to their overhead, so this number may be more significant.

Add the cost of materials. For example, if the materials cost \$20, add that to the total price. So far, we are at \$412.00 and will then multiply for gallery pricing. If you are at 50%, then you would multiply by 2. In the end, the painting will have a total price of \$824.00 regardless of the size.



Method 3: Keystone Pricing (For Artists and Creators)

This method works a lot like the overhead method, but it can be helpful if you work with expensive materials, or you have a fluctuating material cost. For example, precious metals, exotic woods, or unique textiles.

This calculation is typically used in jewelry making, specialty products, and manufactured goods.

Keystone is based on knowing the material cost of the piece, your hourly wage, and your overhead. There are a few different ways to calculate keystone, but in general it looks like this:

A piece costs you \$60 in materials to create and takes you 4 hours to make (let's say your hourly wage is \$20) so \$80 hourly wages, with an overhead cost of \$20 (\$5 per hour for 4 hours). Your cost is \$160

\$160 is what it costs you in time, materials, overhead to make the piece. This is your Keystone.

You would take that cost number and multiply it by 2 or 3. This is called double or triple keystone pricing. At double keystone, you would price the piece at \$320. At triple keystone, you would price the piece at \$480.

Usually, double keystone is what would be considered your *wholesale* price. Triple keystone is usually considered your *retail* price. Some businesses go up as high as quadruple and quintuple keystone. There are variations of this method, but this is it in simplest form.

The main thing to remember here, is to keep an eye on your material costs and pay yourself a fair wage. Klee keeps an updated sheet of her precious metal costs because they constantly fluctuate.

Method 4: The Rogue Artist Method Of Pricing Art

I personally have a much simpler method than all of these.

I like figuring out the price of my art using the square inch calculation and maybe the overhead calculation as well. I might even venture into keystone pricing if my materials are expensive. This way, I know what my costs are and what price the piece *could* be if I calculated it.

Then I throw those numbers out and price the art at a price that would feel fair to me and fair to the person buying it. Sometimes the price is higher, sometimes it's lower, but it is always fair.

I will always factor in my material costs and then make sure that the money I am making is fair for the time and energy I poured into the art. There are certain aspects of creating art that cannot be calculated no matter how hard we try.

People worry so much about pricing their art, and at the end of the day, you have to figure out what you are comfortable with.

Like I said before, When I first started, I had no formula. I priced my 16X20 canvas for \$40 because that was just slightly outside of my comfort zone.

I had never sold art before, and when I sold my first work for \$40, I celebrated. Pricing art is a fluid thing, and it will evolve and grow organically as you grow as an artist.

You can't get it wrong. All you can do is become more confident in your pricing strategy as you go, but it will be whatever you choose. There is no "right" answer.

I know someone out there reading this is going to say, "NO, you CAN get it wrong!!" and I'm sorry dear reader, but you are misinformed, don't believe everything you read on the internet.

When you are pricing your work, value your time and energy. Being fair to yourself with your pricing means that you are giving yourself the ability to do what you want with your life. Ultimately the greatest intrinsic value money has is its ability to provide you with control over your time and your life, so price accordingly.

When being fair to someone else, it means you are looking forward to forming a relationship with this new collector. You are not just trying to make some fast cash.

Ultimately, the pricing of your art is up to you. You brought it into the world, you struggled to create it, you chose to show it, and YOU are the ONLY one equipped to come up with a price that works. No calculation is going to give a full representation of what your art is worth to you.

DO IT YOUR WAY.

Rogue Pricing scribbles

SQUARE INCH

16x20 Painting

16x20 = 320 sq inch

\$ 320 x 1.00 x 2 \$640 GALLERY

OVER HEAD

15 Hrs
x 20
300

OVERHEAD
\$4.61
x 20
92.00

MATERIALS
\$20

300
92
+ 20
412.00

x 2 \$824.00
GALLERY

\$640 OR 824.00

Rogue

\$750

BOOKS