



★ MEMBERS ONLY ★

# How to Price Your Products

Use these steps to price your custom products for profit & growth.

Approach	Steps
Top-Down Approach	<ol style="list-style-type: none"><li><b>1. Materials</b> - Note cost. Experiment with bulk purchasing materials.</li><li><b>2. Overhead</b> - List non-item expenses, calculate per item. Experiment with changes.</li><li><b>3. Labor</b> - Calculate your time, set a target margin for list price. Experiment with changes.</li></ol>
Bottom-Up Approach	<ol style="list-style-type: none"><li><b>1. Market Research</b> - Compare prices, analyze competitiveness and your shipping costs.</li><li><b>2. Target Audience</b> - Understand spending habits, occasions for purchases. Consider tiered pricing.</li></ol>
Gross Profit Margins	Subtract cost of goods, divide by sale price, multiply by 100 for <b>margin percentage</b> . Useful for decisions and understanding profitability.
Experimentation	<b>Experiment!</b> Prices aren't fixed; adjust based on factors like material costs. Seek feedback, conduct A/B testing.
Create Goals	Use base prices with a healthy margin for <b>growth marketing</b> . Factor in techniques for objectives like customer acquisition and retention.
Test the Market	For new businesses, aim for a lower profit margin initially. <b>Embrace experimentation, adjust over time.</b> Prices are a continuous work-in-progress.