

Hourly Versus Project Pricing - Reference Sheet

Reference Tutorial: [Freelance Rates: Guide to Hourly Versus Project Pricing](#). By: Julia Melymbrose.

How should you charge clients as a freelancer? By the hour? By the project? By off-the-shelf packages? What if the work you do is completely custom and there are no "packages"? What's the best way to present your fees to attract the most clients? Use this reference sheet as your guide to the five most common types of pricing schemes freelancers use to find which one is best for you.

1. Hourly Rates

Pros	Cons
Display a low price point number on your website.	Your hourly rate may appear high.
Maintain flexibility for custom projects.	The client may start treating you like an employee.
Avoid price and time underestimations.	The client will probably underestimate how long it takes to do your work.
	You may end up punishing yourself for being good at what you do.

2. "Starting At" Rates

Pros	Cons
You provide the client with a baseline price right away.	The customer gets stuck on the "starting at" price.
You automatically set basic project parameters.	Leaves the client feeling uncertain about what the final price may be.
You maintain flexibility for customizations.	The client may start requesting an itemized price lists for additions.

3. Ranging Prices

Pros	Cons
Offers the client a clear minimum and maximum investment possibility.	The minimum price in the range creates a strong anchor point.
Remain flexible to accommodate customizations.	It caps your earning potential.
Offer packages with stepped price increases within that range.	Stepped prices within a range require clearly outlined package descriptions.

4. Past Project Scopes and Costs

Pros	Cons
Show authority and experience.	Demands more detailed discussion and negotiations with the client.
Keep your quotes entirely flexible.	Your sample prices may appear high.
Offer a gauge rather than an anchor.	Requires that you have past work to show.

5. No Prices

Pros	Cons
You're free to set the price for each client separately.	No price often means "expensive" in the client's mind.
You won't scare anyone off with your quotes.	Leads to a slew of price negotiations.