What should I charge?
The iMarketer's quick guide to calculating project rates

When it comes down to it, determining project rates is simple math! Here's what you need before you start number-crunching:

1. **Subcontractor quotes**. You need to know what each subcontractor will charge to complete the job. This number is their personal hourly fee multiplied by the number of hours they estimate the work will take them. (Sometimes the actual work time will go a little over or a little under their estimate. Regardless, they will invoice you for this agreed-upon amount.)

    ➔ Example: A subcontractor charges $50 per hour and the job will take them 5 hours. $50 x 5 = $250.

2. **The hourly fee for all work produced**. This fee is what you'll charge the client as an hourly rate, regardless of what services are being provided. It must be high enough to cover your subcontractors' hourly rates, and ideally should build in a bit of margin for the iMarketer.

    ➔ Example: You charge $100 per hour for each service you provide to the client. That's $100 per hour for copywriting, $100 for design, $100 for web design and so on. If your copywriting sub charges $50 per hour, the other $50 is profit. If your design sub charges $75, you'll make $25.

3. **Your project management hours.** This is for everything you'll be doing to provide the vision and strategy for the project, client communications and leading your subcontractor team. It should be the same rate you charge for all services (in this example, $100 per hour). For smaller projects, you'll need roughly the same number of hours your subs have quoted. As a project grows in hours, the management time is reduced to about .5 hours to every 1 hour of subcontracted time. There's no magic formula here; the more you do this, the better you'll get at determining how long it takes to manage different projects.

    ➔ Example: Your copywriter estimates 2 hours to write that brochure copy and your designer estimates 3 hours to make it beautiful. You'll need to factor in about 5 hours of project management time on top of that.

Ok, it's time to start crunching! First, we'll give you an example:

Profit example for a website project

Subcontractors Needed for Project	Quoted by Sub to iMarketer	Quote by iMarketer to Client	Profit on Subcontracted Work and Project Management
Copywriter	$1000	$1800	$800
Designer	$1500	$1800	$300
Web Developer	$1600	$1800	$200
Project Management			$2700
TOTAL	$4100	$5400	$4000

*Project was simplified for example purposes.

Now, you try!

Determine your rates

Subcontractors Needed for Project	Quoted by Sub to iMarketer	Quote by iMarketer to Client	Profit on Subcontracted Work and Project Management
TOTAL			