PROFESSIONAL AND CREATIVE SERVICES

A playbook for consultants, designers, marketers, accountants, photographers and other service experts: pricing your time, finding clients and growing beyond yourself.

TYPE: PLAYBOOK REVIEWED: NOVEMBER 2026 TIME: 12 MINUTES LEVEL: BEGINNER

AT A GLANCE

- Service businesses can start with **little money**: your skills, a laptop and a way to get paid.
- Your income depends on **price, utilization (share of hours billed) and client retention**.
- To grow beyond your own hours, use **packages, retainers, a team and repeatable processes**.

WATCH OUT

Some professions, like accounting, law, engineering, real estate and health, require licenses. Check your state's rules.

Pricing models

Model	How it works	Good for
Hourly	Bill for hours worked	Unclear scopes, early stage
Project or fixed fee	One price for a defined result	Clear deliverables
Retainer	Monthly fee for ongoing work or access	Steady clients, recurring income
Packages	Set bundles at set prices	Simplifying sales
Value-based	Price based on the client's results	Experienced providers with measurable impact

Most service founders **underprice**. See **M-07 Pricing Your Product or Service** for how to set a floor rate.

How the money works (illustrative, small agency)

Line	Share of revenue
Revenue	100%
Staff and contractor costs	40% to 60%
Software and tools	3% to 8%
Marketing and sales	5% to 10%
Office, insurance, other	5% to 10%
Profit before owner pay	**Often 15% to 30%**

Utilization

Utilization = Billable hours ÷ Available hours

EXAMPLE

Yusuf works 45 hours a week, but only **24 are billable**: 53% utilization. At **$85 an hour**, that's about $2,040 a week. Moving three small clients to **monthly retainers** and using templates for routine reports raised his billable hours to 30. He then raised his rate to $95. Once all clients were on the new rate, his billings grew to about $2,850 a week, without working more hours.

Finding clients

- Your network and past employers. See **S-08 Finding Mentors and Building a Network From Zero**.
- Referrals from happy clients
- Partnerships with firms that serve the same clients
- A portfolio website and case studies. See **L-02 Your Website: What You Need and What You Don't**.
- Speaking, writing and teaching in your field
- Niche focus, like "bookkeeping for restaurants," which makes marketing easier

Numbers to track

KPI	What it tells you
Utilization	Share of time that earns money
Effective hourly rate	Revenue divided by total hours, including unbilled time
Share of retainer revenue	Stability
Client retention	Satisfaction
Proposal win rate	Pricing and sales
Days to get paid	Cash flow

Protect yourself

- **Written contracts** with scope, deliverables, payment terms, revisions and ownership of work. See **B-09 Contracts Every New Business Needs**.
- **Deposits** before starting projects
- **Professional liability insurance** where mistakes could cost clients money. See **B-06 Business Insurance Basics**.
- **Clear change requests** when scope grows

Ways to grow

- Retainers and productized services
- Hiring junior staff or contractors, with your processes
- Training, courses or templates as additional products
- A niche specialty that lets you charge more

Common mistakes

- **Underpricing and over-delivering for free**
- **Scope creep without change orders**
- **No contract or deposit**
- **Too many small clients**
- **Doing everything yourself forever**

Launch checklist

- ☐ Set your floor hourly rate
- ☐ Define 2 or 3 clear packages
- ☐ Create a contract template with deposits
- ☐ Build a portfolio with 3 case studies
- ☐ Ask 10 people in your network for introductions

Where to go next

- **M-07 Pricing Your Product or Service**
- **I-09 Making Your First Sale**
- **B-09 Contracts Every New Business Needs**

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