



*EXPLAINED*

# PRICING METHODS

HERE'S A LIST OF THE FOUR MOST COMMON PRICING METHODS USED BY INTERIOR DESIGNERS TODAY. EACH METHOD COMES WITH ITS OWN PROS AND CONS. READ ON TO LEARN MORE ABOUT EACH APPROACH AND DISCOVER WHY RACHEL BALAN DESIGN HAS CHOSEN TO ADOPT THE **HYBRID PRICING MODEL** (PG.2).

## *FIXED FEE PRICING*

FIXED FEE PRICING INVOLVES SETTING A PREDETERMINED PRICE FOR THE ENTIRE PROJECT, WHICH MAY SEEM APPEALING FOR BUDGET PLANNING AND MINIMIZING SURPRISES. THIS PRICING STRUCTURE CAN SOMETIMES RESULT IN EXTRA CHARGES FOR UNEXPECTED CHANGES THAT ARISE DURING THE PROJECT. ADDITIONALLY, WHILE THE UPFRONT COST MAY APPEAR HIGH, IT OFTEN REFLECTS A GENERALIZED SCOPE, MAKING IT LESS FLEXIBLE IF YOUR PROJECT NEEDS TO EVOLVE. A MORE ADAPTABLE PRICING STRUCTURE CAN PROVIDE GREATER CLARITY AND ALLOW FOR ADJUSTMENTS AS THE PROJECT PROGRESSES.

## *HOURLY FEE PRICING*

HOURLY PRICING ALLOWS CLIENTS TO PAY FOR THE ACTUAL TIME SPENT ON THEIR PROJECT, OFFERING TRANSPARENCY AND FLEXIBILITY. HOWEVER, IT CAN BE LESS THAN IDEAL DUE TO THE RISK OF ESCALATING COSTS IF THE TIME REQUIRED IS UNDERESTIMATED. WHILE IT SIMPLIFIES BUDGETING IN THEORY, CLIENTS MAY FACE UNCERTAINTY ABOUT THE FINAL COST, ESPECIALLY IF THE PROJECT SCOPE EVOLVES. THERE'S ALSO THE POTENTIAL FOR "SCOPE CREEP," WHERE ADDITIONAL TASKS INCREASE THE TOTAL HOURS BILLED, LEADING TO HIGHER-THAN-EXPECTED EXPENSES. DILIGENT TRACKING IS REQUIRED, AND CLIENTS MAY EXPERIENCE INITIAL STICKER SHOCK WHEN FACED WITH THE CUMULATIVE TOTAL.



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## *SQUARE FOOTAGE PRICING MODEL*

THE SQUARE FOOTAGE PRICING MODEL OFFERS A STRAIGHTFORWARD APPROACH FOR CLIENTS AND DESIGNERS ALIKE, PROVIDING CLARITY AND PREDICTABILITY IN COST ESTIMATION. WITH THIS METHOD, CLIENTS CAN EASILY UNDERSTAND HOW PRICING CORRELATES WITH THE SIZE OF THEIR SPACE, FACILITATING BUDGET PLANNING AND TRANSPARENCY. HOWEVER, WHILE THIS MODEL SIMPLIFIES INITIAL COST ASSESSMENTS, IT MAY NOT ACCOUNT FOR UNIQUE PROJECT COMPLEXITIES OR VARIATIONS IN DESIGN PREFERENCES, POTENTIALLY LEADING TO DISCREPANCIES IN PRICING ACCURACY. CLIENTS SHOULD CONSIDER DISCUSSING THE SPECIFIC SCOPE OF WORK AND ANY POTENTIAL ADDITIONAL CHARGES TO ENSURE ALIGNMENT WITH THEIR EXPECTATIONS AND BUDGET CONSTRAINTS.

## *THE HYBRID PRICING MODEL*

THE HYBRID PRICING METHOD ADOPTED BY INTERIOR DESIGNERS SEAMLESSLY COMBINES THE BEST ASPECTS OF EACH PRICING METHOD, ENSURING CLIENTS RECEIVE OPTIMAL VALUE AND FLEXIBILITY. BY SETTING A FIXED FEE (PER SQUARE FOOT) FOR THE INITIAL DESIGN PHASE, CLIENTS BENEFIT FROM CLEAR COST EXPECTATIONS AND BUDGETING EASE. SHOULD UNEXPECTED CHANGES ARISE DURING IMPLEMENTATION, THE HOURLY BILLING COMPONENT PROVIDES TRANSPARENT AND FAIR COMPENSATION, GUARANTEEING THAT CLIENTS ONLY PAY FOR THE ADDITIONAL WORK REQUIRED. THIS APPROACH NOT ONLY FOSTERS TRUST AND TRANSPARENCY BUT ALSO EMPOWERS DESIGNERS TO DELIVER TAILORED SOLUTIONS WHILE EFFECTIVELY MANAGING PROJECT SCOPE. WITH HYBRID PRICING, CLIENTS ENJOY THE ASSURANCE OF COMPREHENSIVE SERVICE AND COST CONTROL, ENSURING A HARMONIOUS AND REWARDING DESIGN EXPERIENCE FROM START TO FINISH.

**PRICING METHOD  
USED AT RACHEL  
BALAN DESIGN.**