STITCH PEOPLE®

PORTRAIT PRICING GUIDE

How to price custom cross-stitched portraits & other considerations

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PORTRAIT PRICING GUIDE

How to price your cross-stitched portraits, and other considerations for selling

E-BOOK

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About Stitch People:
Stitch People was founded in 2012 by Lizzy Dabczynski-Bean and Spencer Bean. What started as a small, customized, cross-stitched family portrait-making service has expanded into a thriving community of tens of thousands of creative and inspiring stitchers around the world. In addition to custom portraits and custom portrait patterns, Stitch People now offers a vast library of hundreds of mix-and-match, totally customizable cross-stitch family portrait patterns which are available both in physical book form and digital download.

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info@stitchpeople.com | StitchPeople.com | @stitchpeople

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GETTING READY TO SELL PORTRAITS

When you feel completely hooked on a new hobby, it is totally natural in the 2020's to think of ways to monetize. Maybe you should get onto Etsy! Start an Instagram account! Offer to take commissions!

In all the excitement it's easy to look past the reality of starting a small business, not the least of which is the reality that many artisans and hobbyists find that when they turn their hobby into a business, they wind up doing more "business" and less "hobby."

Additionally, it's easy to undervalue your time and work if you've never made and sold products before or been involved with a small business or start up.

There's a lot to consider, so much so that Stitch People used to offer a course about it! (It has since been retired for various reasons.) In lieu of that, this non-comprehensive guide is meant to help you understand how to price custom portraits and ask a number of other questions to help you on your way to selling!

UNDERSTANDING THE "WHY"

It's important for you to consider why you'd like to make a business out of cross-stitching. This will help you define your boundaries around what you're doing, create a structure around it, and give you a litmus test against which to make decisions.

Take some time to think about why you want to do this. Journaling helps! What's it all for? There is no right or wrong answer but it will certainly guide your efforts.

Do you need an additional source of income? How much do you need to make? Do you simply want an excuse to create more portraits? Are there any other ways to do that? Tough question - do you feel pressure from crafty friends or online influences? Does it seem like it's just the next natural step but you haven't considered if you actually want to do it or not?

Let your "why" be your guide!

CONSIDERATIONS

There are many things you'll need to consider to start a craft businesses. We highly recommend you search far and wide for other resources to guide you on your way. It's very important to know what you're getting into, so you can be prepared! Talk to other small business owners, especially crafters and makers!

BRANDING, MESSAGING, COMMUNICATION

What do you want your business to convey? What mood and feeling? Are you diplomatic or friendly? Fancy or casual? Trending or unique? How do your company name, logo, branding, colors, packaging, and style of communications relay what you want to convey? Do you need to work with a designer to help you? How do you primarily communicate with your customers? Do you need to set up new email addresses? How do you get the word out? (Locally, online, advertising, etc.)

TIME & SKILLS

How many orders can you take at once? In addition to designing and stitching portraits how much time do you have to devote to customer service, social media, photography, graphic design, accounting/bookkeeping/taxes, website/shop maintenance, packaging and shipping, etc.? Make a list of everything involved, assess your availability, and schedule your time accordingly. Do you have the skills to execute 100% of what it will take to run your business? Do you know people who do? Contact them and ask about their rates and availability so you can work that into your budget.

LEGAL STRUCTURE

In the US, if you make more than $600 from a certain activity you must pay taxes. How do you want to structure your business? C-Corp, LLC, Sole Proprietorship? How do you want to file taxes? Do you want to take care of bookkeeping on your own or hire that out? How about year-end taxes and accounting? Do you know anyone who can help point you in the right direction? Wear out Google with your searching, and look for Small Business Development Centers in your area who can help you with the legal side of things.

HOW MUCH IS A PORTRAIT WORTH?

What is important, above all else, is to understand how much a custom, hand-made cross-stitched family portrait is worth. *It is important not only for you to value your skills and time accurately, but to accurately represent the hand-crafting community at large and help reinforce the perceived value of handmade goods.* You're part of a community.

The following page outlines the approximate cost of the different elements that are required for a custom portrait. You can use this information as a starting point, but certainly take some time to finesse the numbers to adjust to what a custom portrait is worth for your purposes. (Reference your "why" from earlier to help you!)

Resist the urge to undervalue yourself, your skills, your time, and hand-making traditions. Yes, even if it's for a good cause like a charity event, or even if you don't need to make a lot of money from selling custom portraits. It will likely be difficult to resist undervaluing yourself.

Remember: not every customer is your customer. If your prices are too high for someone, let them go somewhere else. Your customers will find you.

RAW MATERIALS

Each Stitch People portrait requires certain materials including floss, fabric, maybe some backing material, and a frame or embroidery hoop.

APPROXIMATE TOTAL FOR BASICS: $8

OVERHEAD

This is costs incurred that aren't directly related to the production of a portrait, including your phone and Internet service, necessary tools to make the portrait (like scissors and needles), Etsy fees, website fees, advertising costs, accounting fees, business registration fees, taxes, etc. It can be tricky to account for this per portrait, but it's better to add something than nothing. Let's say $10.

APPROXIMATE TOTAL: $10

DIRECT EXPENSES

There are costs directly related to your product but not specific to each portrait, like Stitch People books and patterns, design software, your computer/ipad/laptop, etc. Let's add $5/portrait.

APPROXIMATE TOTAL: $5

SHIPPING & PACKAGING

Will you be shipping the finished product to the buyer? How? What will you use to package the portrait? Will you include anything like a hand-written note or tissue paper?

APPROXIMATE TOTAL: $20

TIME & EXPERTISE

What is your time worth? If you're ready to make portraits to sell, chances are you've been stitching for a while. In context of the time it has taken you to develop your skills, and the amount of time it takes to stitch a new piece, starting wages at various franchise establishments and federal minimum wage limits, I'd argue...

APPROXIMATE RATE PER HOUR: $20

PRICING A CHARACTER

Approximate how much time it takes you to design and stitch a character. Build in time for floss/color switching, fixing mistakes, tackling difficult designs and stitches, and so on. Don't underestimate pets.

If you're unsure about stitch time, set a timer and cross-stitch a 1-inch x 1-inch square. Then multiply that time by 3.5, as most adult-sized Stitch People characters are around 1-inch x 3-inches.

If you're unsure about design time, design a new, complex character from scratch with a timer on.

PRICE PER CHARACTER:

APPROX. DESIGN TIME: 1 HR
APPROX. STITCHING TIME: 2 HR
AT $20/HR = $60/CHARACTER

MINIMUM PORTRAIT COST

Using the information above as a starting point, each portrait should have a **baseline cost of $43** to cover materials/shipping/expenses/etc. **Plus $60 per each character**. (Don't forget to add additional charges for the cost of designing/stitching any text, accessories, background elements or florals.)

1-CHARACTER PORTRAIT: $103
2-CHARACTER PORTRAIT: $163
3-CHARACTER PORTRAIT: $223
AND SO ON...

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STICKER SHOCK?

If the suggested pricing makes you nervous, keep in mind the estimates are based on minimum, and logical elements. At best you can shave off a few dollars if you're a fast stitcher or fast designer (but there will always be characters and elements that take more than your speediest time). Committing to fast design/stitching might adjust the pricing as follows:

PRICE PER CHARACTER:

APPROX. DESIGN TIME: 30 MIN.

APPROX. STITCH TIME: 1 HR

AT $20/HR = $30/CHARACTER

SPEEDY PORTRAIT COST

- 1-Character Portrait: $73
- 2-Character Portrait: $103
- 3-Character Portrait: $133

This doesn't include any text, accessories or florals, and you'll be losing money on any character that takes you longer than 30 minutes to design or 1 hour to stitch.

At a certain point you cannot adjust your pricing further, as many costs are out of your hands (overhead, shipping, etc.)

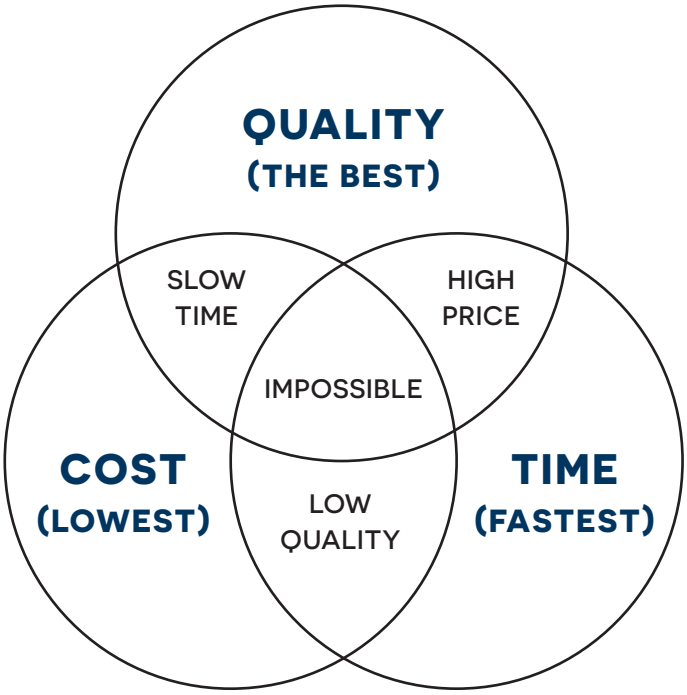
IF YOU CHARGE LESS

- You eat away at you hourly wage and may lose money
- You risk operating at a loss

Another way of saying this is: you'll be *paying your customers* to order portraits from you. That's pretty backwards.

PRIORITIES

With projects of any kind, there are three constraints: Cost, Quality and Time. Based on your "why" and your branding strategy, you must choose what to prioritize.



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GATHERING PORTRAIT-RELATED INFORMATION

Custom portraits require a lot of details. Here are some things to think about.

SET EXPECTATIONS

With some detail, explain the process for creating a custom portrait. People like to know what to expect. Tell them how long it will take to complete their portrait, how large they can expect the finished piece to be, and how it will arrive (by USPS, FedEx, etc.) Make sure they know whether or not they'll hear from you in the meantime. Will they get to see the design? Can they request edits? Will you send photo updates?

Make sure they understand you can't start their project until all custom details have been confirmed with them.

GATHER DETAILS

Ask customers for photos and be sure they know the details you'll need from them. You may want to consider creating a free Google Form for this purpose, so customers can easily submit photos that way too.

Details include, but aren't limited to:

- Names and ages of all characters included
- Specific hairstyle notes (if different from photos)
- Specific outfit notes (if different from photos)
- Any particulars about height differences or the order of character placement
- Desired text underneath (Provide them with some ideas so they know their options!)
- Desired floral embellishment colors (if that's part of your offering)
- Mailing address for the portrait
- Ways to pay/donate, if not associated with a specific silent auction or something similar

LEGAL FAQ

We understand there are some fine lines and confusing things to address. Hopefully this can help!

CAN I SELL CUSTOM PORTRAITS?

Yes. You may create cross-stitched portraits based on Stitch People patterns and sell them. These are your artistic creations!

CAN I SELL CUSTOM PATTERNS?

No. Any patterns based on Stitch People designs in any way are considered "derivative works" by copyright law and infringe on Stitch People's intellectual property/copyright. This does apply even if you make your own patterns that aren't directly in the Stitch People books (an outfit or hairstyle, etc.)

(Think of it like this: drawing your personal take on Mickey Mouse, even in an outfit he's never been drawn in before, is still a drawing of Mickey Mouse. Plus, it's likely because Mickey Mouse exists in the first place that you want to draw a new outfit for him! So, it's crediting Mickey Mouse that leads.)

CAN I CALL THEM "STITCH PEOPLE" PORTRAITS?

No, but you can call them "Stitch People-style portraits," or "portraits in the style of Stitch People," or specify in your captions and descriptions that you utilize Stitch People patterns in your design-making. If you're here because of Stitch People, we'd absolutely love the shout out - we just need to keep brand clarity tidy.

(We know this one's tricky. Think of it like this: what might you expect to see if someone is selling "a Van Gogh Painting" vs "a Van Gogh-style painting?")

Don't forget - by tagging us on Instagram and Facebook #stitchpeople and/or @ stitchpeople we can see what you're up to and share across social channels!

WHERE CAN I LEARN MORE?

Check out Episode 8 on The Stitch People Podcast with Stitch People's very own Intellectual Property lawyer!
CLICK HERE or StitchPeople.com/Podcast

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SHARE YOUR EXPERIENCES WITH US!

SHARE WITH US

Be sure to post photos of what you're up to on Instagram and Facebook using the hashtag #stitchpeople and tagging us @stitchpeople so we can see what incredible things you're doing and share with our audience so others can cheer you on, too!

THANK YOU

If you've read this guide, that means you're a Stitch People fan and that's something I really appreciate! Thank you! Your communities needs you. Whatever you decide about selling, don't stop making or creating!

Best of luck in all you do,

Lizzy

Lizzy Dabczynski-Bean

Founder of Stitch People

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