

Interior Design Fee Structures

INTERIOR DESIGNER'S BUSINESS SCHOOL

What Fee Structure Is Best For Your Interior Design Business?

These are typical pricing structures that interior designers (and architects) use, but not all systems are suitable for every interior design business. This infographic will help you decide which fee structure is best for your business.

01

Percentage Based Pricing

- Prices based on a percentage of the construction fee
- Example: 10% of construction fee
- Suitable for all types of interior design business types and projects

02

Hourly Rate Pricing

- Charging your time per hour
- Example: \$200/hr for 10 hours and proven with a timesheet
- Suitable for parts of projects where the scope of work is small or unknown

03

Price Per M/2

- Multiplying your rate by the area of the property
- Example: \$5/square foot or \$50/m2
- Suitable for experienced designers who work on non-complex or larger properties or design-build

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04

Lump Sum / Fixed Fee / Package Pricing

- One price to complete the whole project
- Example: Layout, mood board & shopping list for \$500
- Suitable for small/fast projects

05

Day Rate

- A price per day to complete a project
- Example: Styling shoots for catalogue. \$400/day for five days
- Suitable for short or quick projects

06

Cost Price & Markup

- Charging items' retail/cost price plus a fee (typically a percentage)
- Example: Retail cost of sofa = \$5K plus 20% = \$6K fee
- Suitable for large projects where you're selling furniture or décor alongside design services

07

Value Based Pricing

- Charging the value that your services provide (it's essentially a lump sum fee)
- Example: Home and lifestyle transformation package \$15K
- Suitable for designers who offer a specific transformation and experience pricing previous projects profitably

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08

Time Boxing

- Pricing specific services for a specific amount to be completed in a specific time
- Example: \$5K for a design and installation completed in 4 weeks
- Suitable for designers who can guarantee completion within a specific period or focus on specific tasks

09

Retainer

- A set, regular fee to deliver repeat services
- Example: \$500/month for a design scheme each month
- Suitable for designers who need security and a regular income when starting

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Phase Pricing

- Separating your fee into phases
- Example: Concept \$5K, Design Development \$8K, FF&E/Installation \$30K
- Suitable for pricing large or complex projects

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Combination Pricing

- Using multiple methods to provide a complete fee for a project
- Example: Lump sum + Cost Plus Markup
- Suitable for medium to large projects

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Bidding

- Invited to provide a competitive price and design to win a project
- Example: Free concept presentation & fee for completing the entire project
- Suitable for iconic projects or designers wanting huge exposure

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Pricing Per Room

- A fee to complete a room, typically from start to finish
- Example: \$1500 to design, detail, source, install, and project manage a bedroom
- Suitable for small or simple projects

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Sliding Scale Pricing

- A price based on what you think the client can afford
- Example: Pro bono project for a friend or charity
- Suitable for securing the job (but typically being underpaid)

If you want professional help creating and pricing services, look at our mentorship program for start-ups www.idbs.online/mentorship