

Price it right, *profit* on every sale.

Most makers price by gut feel or by copying the shop next door. Then fees, shipping and the hours they never counted quietly eat the profit. This guide shows the simple method the calculator uses, so you can see exactly where your money goes and charge a price that pays you.

The 5 layers of a handmade price

Every price you charge has to cover these five things, in this order. Skip one and you're paying for it yourself.

1	Materials	Everything that goes into one unit: wax, yarn, wire, jars, labels. Work it out per unit: pack price ÷ pack size × how much one item uses. (Materials + Recipes tabs.)
2	Your labour	Minutes to make one unit × an hourly rate you'd accept for the work. Batch time ÷ items in the batch, plus packing. If you don't pay yourself, it's a hobby. (Settings + Products.)
3	Overhead	Bills you pay whether or not you sell: shop plan, software, tools, studio, marketing, booth fees. Spread across the items you sell in a month. (Settings.)
4	Fees & shipping	Platform, payment and listing fees, which are mostly a % of the price plus shipping, plus what the shipping label really costs you. (Settings channel table.)
5	Profit margin	What's left after all of the above, as a % of what the buyer pays. This is the business's reward, separate from your wage. 30–40% is a common target. (Settings.)

THE FORMULA IN WORDS

Price = (fixed fees + total cost + your shipping cost) ÷ (1 – fee % – target margin) – shipping you charge

Add up everything one sale costs you. Divide by what's left of each dollar after the platform's % fees and your profit margin. Take off the shipping the buyer pays you. Round up.

Is a \$22 candle *underpriced*?

The sample shop sells a lavender soy candle (8 oz) on Etsy for \$22.00, charges \$6.50 shipping and pays \$7.20 for the label. Here is what the calculator does with it.

One Lavender Soy Candle (8 oz)	Per unit
Materials (soy wax, fragrance oil, cotton wick, amber jar 8 oz + lid...)	\$4.90
Labour: 12 min at \$18.00/hr	\$3.60
Packaging (box, tissue, sticker)	\$1.20
Other (breakage & test-burn allowance)	\$0.30
Overhead share (\$209 a month ÷ 250 items)	\$0.84
Total cost per unit	\$10.83

Step	Working	Result
1. Add up one sale's costs	\$0.45 fixed fees + \$10.83 cost + \$7.20 shipping label	\$18.48
2. What's left of each dollar	1 – 9.5% Etsy fees – 35% target margin	0.555
3. Divide	\$18.48 ÷ 0.555	\$33.31
4. Take off shipping charged	\$33.31 – \$6.50	\$26.81
5. Round up (.99 ending)	Suggested price	\$26.99

Check: at \$26.99 the buyer pays \$33.49. Etsy takes \$3.63, you've paid yourself, your overhead and the label, and \$11.82 is profit: 35.3% of what the buyer paid. At \$22.00 the profit is only \$7.31 (25.6%). The \$4.99 gap × 60 sales a month is **\$299 a month** left on the table.

Same candle, every channel

Fees and shipping change the price you need. Price Check shows this table for any product:

Channel	Price for a 35% margin	Profit per sale at that price	Profit per sale at \$22*
Etsy	\$26.99	\$11.82	\$7.31
Etsy + Offsite Ads	\$39.99	\$16.62	\$3.03
Shopify (Basic plan)	\$23.99	\$11.27	\$9.34
Amazon Handmade	\$29.99	\$12.98	\$6.19
Craft fair (card reader)	\$17.99	\$6.54	\$10.44
Wholesale	\$16.99	\$6.16	\$0.17

*Wholesale row uses your wholesale price (50% of retail = \$11.00). Craft fair and wholesale ignore shipping.

How to use *each tab*

Tab	What you do	What you get
Start Here	Read the 4 steps and the colour key.	Yellow = you type. Green = calculates. Grey = helpers.
1. Settings	Hourly rate, monthly overhead, items sold per month, target margin, rounding, wholesale %. Check the channel fees.	Overhead per unit, total fee % and fixed fees for each channel.
2. Materials	Each supply: pack price, pack quantity, unit (oz, g, each, yard...).	Cost per unit, e.g. a \$38.99 bag of 160 oz wax = \$0.24/oz.
3. Recipes	For each product, pick a material and type how much one unit uses. One row per material.	Material cost per product. The Check column flags typos and missing prices.
4. Products	Main channel, minutes, packaging, other costs, shipping, current price, expected sales.	Total cost, suggested price, profit, margin, Underpriced / On target, wholesale price & profit.
Price Check	Pick a product. Type a test price and a monthly profit goal.	Where the buyer's money goes, every channel side by side, and sales needed per month for your goal.
Shop Summary	Nothing to type.	Underpriced count, money left on the table per month and per year, top 10 price gaps.

Good to know

- **Google Sheets:** File > Import > Upload, or upload to Google Drive and choose Open with > Google Sheets. Everything works the same. **Excel:** if you see a 'Protected View' bar, click Enable Editing.
- **Start with the sample.** Open the SAMPLE edition to see a finished shop, then use the BLANK edition for your own. Type your product names on Products first so they appear in the Recipes dropdown.
- **Minutes matter.** Time a batch, divide by the number of items, and add packing and listing time. Most makers underestimate this by half.
- **Expected units / month** drives overhead per unit and the 'money left on the table' figure. A rough guess is fine; update it as you learn.
- **Margin override:** give a product its own target (e.g. 50% for prints) in the optional column on Products.
- **Free shipping?** Type 0 for shipping charged and the real label cost for your shipping cost. The suggested price will include it.
- **Fees change.** The channel fees are defaults as of Oct 2026 for US sellers. Check each platform's fee page and update the yellow cells in Settings. Selling outside the US? Type your local fees.
- **One item per order:** per-order fees (like Etsy's \$0.25) are counted once per item. If buyers usually order several, your real profit per item is a little higher.

AVOID THESE

5 pricing *mistakes* that cost makers money

- 1 Forgetting to pay yourself.** If labour is \$0, every sale is you working for free, and you can never hire help or take a break. Put a real hourly rate in Settings, even if it's a side hustle.
- 2 Copying competitors' prices.** Their materials, speed and goals aren't yours. Some are hobbyists, some are losing money. Start from your own costs, then decide where you sit in the market.
- 3 Ignoring fees and shipping.** On Etsy roughly 9.5% of the price plus shipping goes in fees, plus about \$0.45 per sale, and 15% more on Offsite Ads orders. 'Free shipping' isn't free: it comes out of your margin.
- 4 Leaving out overhead.** The shop plan, design apps, tools, booth fees and samples are real costs. Spread them across what you sell each month so every product carries its share.
- 5 Never raising prices.** Material prices creep up every year. Re-check your prices every few months, and use the Price-change simulator to see what a small increase does to profit and sales needed.

WHOLESALE VS RETAIL

Can your price *survive wholesale?*

Retail is selling to the person who uses the product: on Etsy, your website or at a market. **Wholesale** is selling in bulk to a shop that resells it. Shops usually pay about 50% of your retail price (sometimes 40–60%) so they can double it.

That means your retail price must be high enough that half of it still covers your costs. The Products tab shows a **Wholesale price** (your retail price × the wholesale % in Settings) and the **Wholesale profit** per unit. If it's negative, you'd lose money on every wholesale order.

In the sample shop, the chunky crochet beanie would wholesale at \$28.50 and lose \$0.43 on every unit. Options: raise the retail price, make it faster, use cheaper materials, or keep that product retail-only.

- Keep one retail price everywhere. Shops won't stock you if you undercut them online.
- Set a minimum order (e.g. \$150 or 6 of each design) so packing a wholesale order is worth it.
- Price Check's Wholesale row shows the price a shop would need to pay for your full target margin.

Important. This guide and the calculator are educational tools, not tax, legal or financial advice. Results depend on the numbers you enter. Fee defaults are estimates as of October 2026 and change often; check each platform's current fee page. Sales tax and VAT are not included. Sample products and costs are illustrative only.

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