



HOW MUCH TO CHARGE FOR

PHOTOBOOTH RENTAL

The most crucial thing you need to get right before truly getting anywhere with your business, is understanding how much you need to be charging customers, so that you're able to reap the maximum benefits. Rather than finding yourself not making enough money to survive.

WHY YOU CAN CHARGE MORE

On average in the UK, photo booth rental businesses charge somewhere around £150 to £250 an hour, with most rental businesses requiring a minimum 2 or 3 hour booking - so anywhere between **£300 - £750** is to be expected. But every business is different. Your business will be different - because you will have different needs to cater to.

The most important thing to take into consideration is your **cost-to-serve**. Your cost-to-serve (CTS) is the total amount you are spending to service a customer. So big things like PAT testing, public liability insurance, storage units, paying any staff that you have, etc.,



But also things you probably don't realise you're funneling money into. Factors like paper and ink, props, and the cost of fuel to drive you to and from the event. These costs should be covered by how much you're charging.

X COMPETITION BASED PRICING

Some businesses take advantage of competition based pricing to gauge their costs, but this is a completely ineffective pricing method for your business. Pricing based on other business leaves you reliant on them having the same business model and expenses that you have. At the end of the day, your pricing needs to be able to support your business, and cover your salary, your costs and expenses, and your lifestyle.



SO WHAT SHOULD I CHARGE?

When calculating how much you need to charge there's a couple of things that need to be taken into consideration.

The first is to calculate your living costs.

How much money do you need to keep up the lifestyle you've made for yourself? Anything that you can think of that you need to pay off outside of the business likely comes under this grouping,

FOR EXAMPLE:



Food Housing Clothing Utilities Childcare



Etc. etc., the list goes on. Like we said, anything you can think of to maintain your current lifestyle. Tally all these expenses and make note of your approximate monthly total. Make sure to consider occasional expenses like gifts and the like.

Business expenses

Next are your business expenses - your CTS - that we previously mentioned. Your insurance, props, advertising, website fees, fuel for your vehicle, staff, so on and so forth. You can use BoothBook's calculator at <http://boothbook.com/calculator> to figure this out.

Numbers of events

Something you should also note is how many events you think you'll be holding over the course of a year. Your predicted work rate is a difficult thing to calculate, because presumably you're not a time traveller and can't identify exactly when you are and aren't getting business coming in, but a couple of years or so in you should be able to have a better idea of what this number would be.

It is important to remember that this will only take into consideration the time spent on those leads that actually convert to a customer and pay you money. There should also be some thought put into the time and resources spent on lost leads



Now armed with a solid knowledge of your costs and an idea of how many events you'll be billing for, all you need to do is some quick calculations to figure out exactly how much to charge to maintain the lifestyle you've made for yourself.

An ideal formula would be taking your **CTS - we'll call it C**, adding it to your **living expenses - L**, and then dividing it by the **number of events you expect to hold - E**.

So: $(C + L) \div E$

FINAL THOUGHTS

Pricing is a difficult thing to get right and figuring out a solid pricing strategy may take a little time and a little trial and error, but now that you know how to charge you can use it as a means to take advantage of market opportunities, and secure the success of your business going forward.