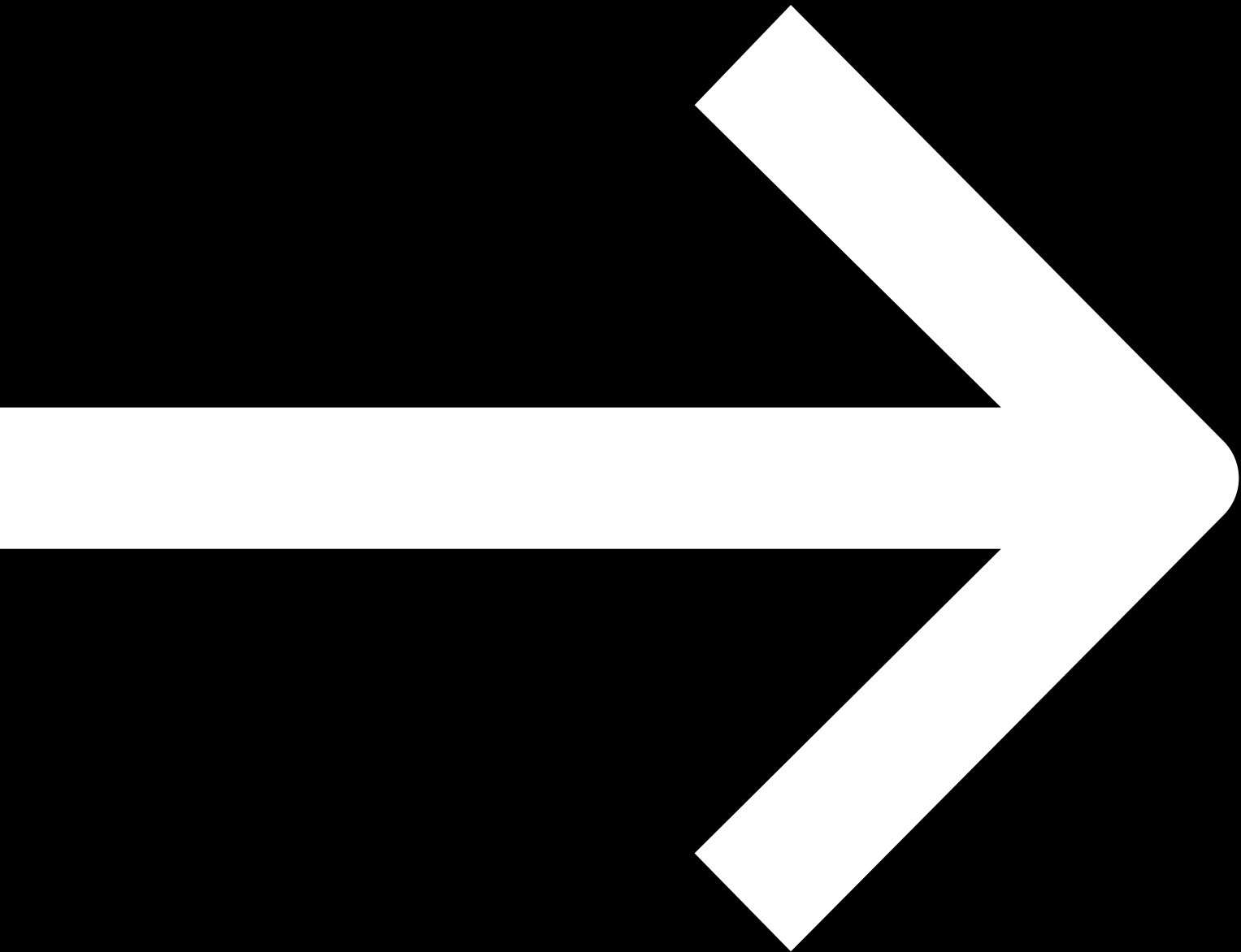# The 👁 business 📢 of freelancing 🏷 guide →

Effective strategies and tips for managing the business side of freelancing so you can continue growing your business, bottom line, and customer base successfully.

Contents

CHOOSE WHAT TYPES OF SERVICES TO OFFER YOUR CUSTOMERS

FIND NEW CUSTOMERS AND CLOSE MORE BUSINESS DEALS FASTER

MANAGE PROJECTS WHILE MAINTAINING STRONG CUSTOMER RELATIONSHIPS

STREAMLINE YOUR CUSTOMER BILLING AND INVOICING PROCESS

AUTOMATE YOUR WORKFLOW AND SAVE YOU TIME

IDENTIFY WAYS TO UPSELL AND CROSS-SELL YOUR SERVICES TO CUSTOMERS

Introduction

Running a freelance consultancy or small agency requires juggling multiple jobs and tackling an endless list of tasks. You're in charge of managing your finances, keeping your customers happy, meeting deadlines, and making sure your business runs smoothly all year round. By the end of this guide, you'll have all the strategies and tips you need to help your business grow, thrive, and succeed.

SECTION 1

What to sell and what to charge

Offer services that give your customers long-term value

The first thing you'll need to do is establish your service offerings. Determine the types of solutions you can provide your customers that will best meet their needs. The best way to ensure you're creating value for your customers is by looking beyond their questions or requests and figuring out what problem they're trying to solve.

Positioning your offerings in a way that provides the best solution for your customers will not only help you close business faster, but also help you appear more professional to your customers by showing them that you understand their situation.
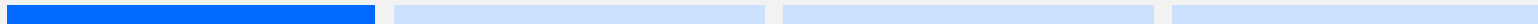
WHAT ARE MY CUSTOMERS ASKING FOR?

WHAT PROBLEMS ARE THEY LOOKING TO SOLVE?

WHAT JOB NEEDS TO BE ACCOMPLISHED TO SOLVE THAT PROBLEM?

Common freelancer pricing models

Pricing strategy is one of the most important decisions you can make in your business. Let's take a look at the pros and cons of some pricing models that freelancers and small agencies use.

Time & Materials (T&M)

The T&M pricing model is easy to understand due to its straightforwardness. However, it's harder to scale this approach as you take on larger projects. Plus, customers can sometimes fail to see the value you're delivering because they're focusing too much on how much they're paying you for each hour of work.

Project-based

This fixed-fee pricing model makes it clear to your customers that your expertise is what they're paying for (as opposed to making it a question of time, as in the T&M model). This model is also easier to scale as your project sizes increase. At the same time, it can sometimes be too easy to underestimate how much you'll charge, which can sometimes lead to more work than you originally planned for.
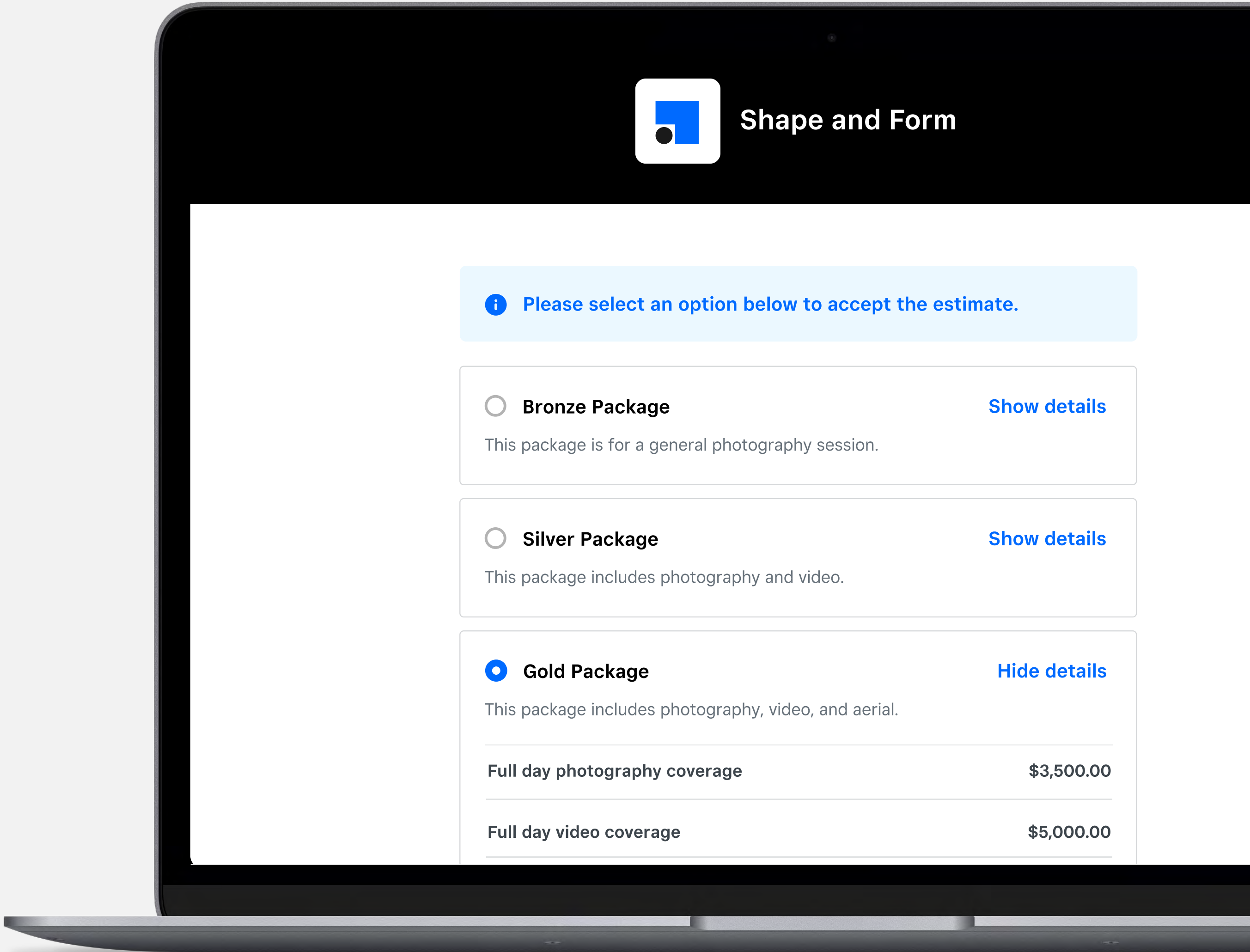
Retainer

A retainer means you get to enjoy a reliable, regular source of income while your customer is also able to easily budget for fixed costs. That said, it's not always easy to convince new prospects to put you on a retainer right away. Also, if you miscalculate the time involved for your estimated hours worked on the retainer, you could be short changing yourself.
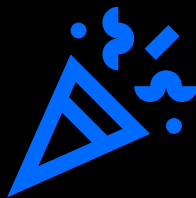
How service packages create better customer experiences

Potential customers are coming to you because you are an expert in what you do, so package your offerings in a way that will create a well-rounded experience for them. For example, project-based pricing could include different packages with multiple levels of support. You could offer gold, silver, or bronze packages that provide service or support levels for different needs.

If you're interested in offering a retainer pricing model, you can position yourself as full service, which means you would be available for them on a full-time basis, or you can provide support as needed.

Shape and Form

ℹ️ **Please select an option below to accept the estimate.**

○ **Bronze Package**   **Show details**
This package is for a general photography session.

○ **Silver Package**   **Show details**
This package includes photography and video.

◉ **Gold Package**   **Hide details**
This package includes photography, video, and aerial.

| Full day photography coverage | $3,500.00 |
| Full day video coverage | $5,000.00 |

Example of project packages in Square Invoices Plus.

Pricing tips that turn a profit

Just as important as pricing your services is charging enough for them to make a sustainable living.

01

Find out what the market will pay for your services.

When you're just starting out, it can be hard to price your packages in a way that lets you make a profit while still staying competitive. Compare your skills, experience, and packages to other freelancers' pricing to understand what you'll be able to charge.

02

Determine what you'll need to charge to make a sustainable profit.

You don't want to charge your customers an amount that just lets you break even. This is where packaging your offerings can help. Packages let you upsell or cross-sell your other offerings, allowing you to increase your profit while successfully meeting or exceeding your customers' needs.

03

Don't forget to factor in overhead costs.

Income tax, supplies, insurance, holidays, expedited or rush jobs, and other operating costs all count as overhead. Understanding what sets you apart as a freelancer can help you think through how your pricing compares to your competitors and other companies providing similar services.

04

Decide whether you charge by the hour or by the project.

It can help to charge by the project if you can tie your high experience level to a project that you can finish faster than most and still offer high-quality service. However, if your services are more focused on the time it takes to complete a task, charging hourly may make more sense for you.

05

Raise prices as you grow.

As you expand your business, factors such as supply needs and inflation may cause you to raise your rates. Raising prices for existing customers can be uncomfortable. That's why having strong relationships with your existing customers can give you insight into how to position your offerings in a way that increases their value.
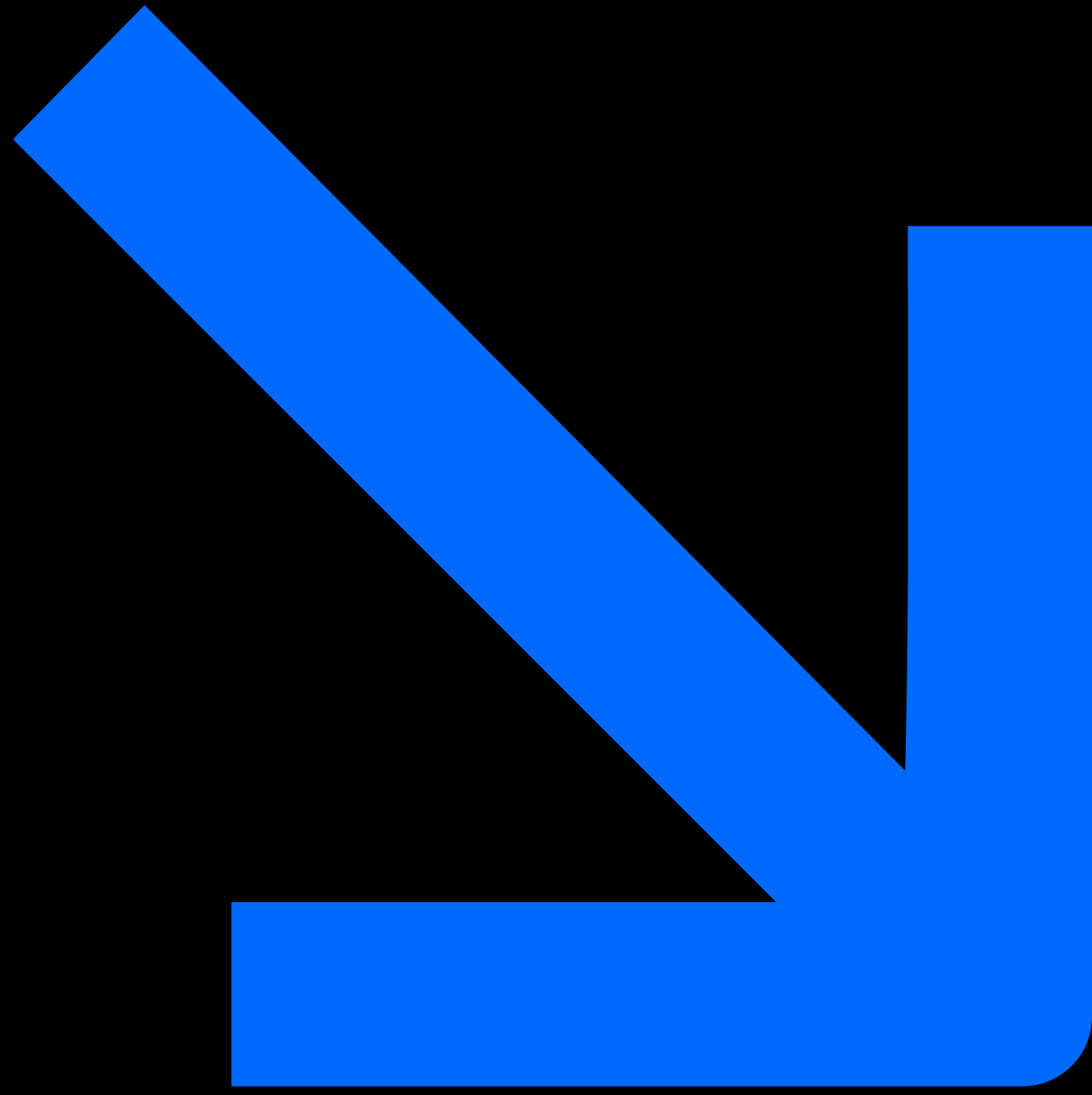
SECTION 2

How to land new customers and keep them

Prospect for new customers

Finding new customers should be about making an introduction and less about making a sale.

Whether you're cold-calling prospects or receiving word-of-mouth referrals and leads from your website, that first impression is an opportunity to create a sense of trust and that you're there to help, not just make a sale or profit. If you're just starting out and find that bringing in leads through word of mouth or your new website is not yet successful, take the time to network across your social media channels and freelance platforms, such as LinkedIn and Fiverr. Establishing new relationships with even one-time customers can help build your portfolio and referrals.

Manage your pipeline

Once you have a steady number of prospects coming in, it's time to shift your attention to turning them into customers. However, doing that while managing your operations, project proposals, and other parts of your business can be difficult.

PROSPECT

↓

☆

CUSTOMER

How to keep track of new customers

An easy way to keep track of new prospects when starting out is by adding their contact information to a spreadsheet for easy access. Standard information such as first name, last name, email address, and phone number might seem like enough at first, and it can help your long-term marketing strategy to track other information as well. If you can, include your customers' company, date of your last contact with them, dates for follow-ups, and how they heard about your business.

Customer name

Lauren Noble

Phone number

(415) 555-1212

Email address

laurennoble@gmail.com

Company name

Iris & Oynx

Referred by

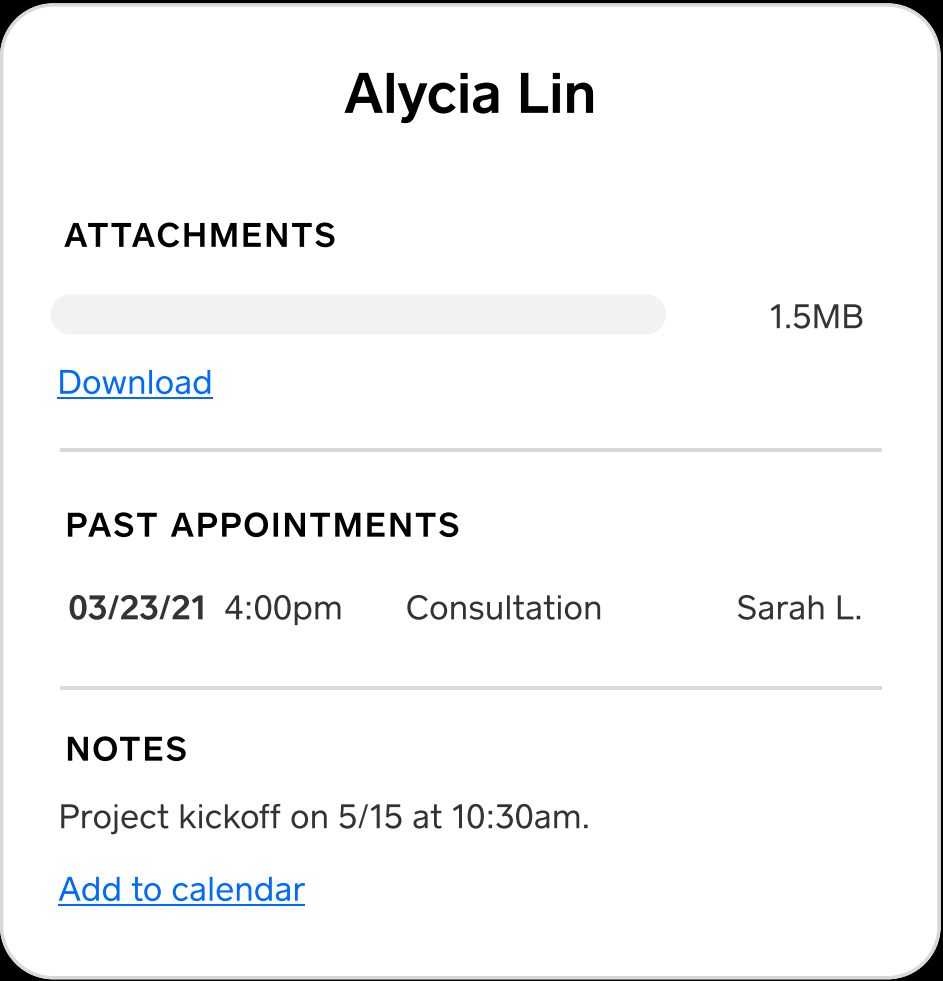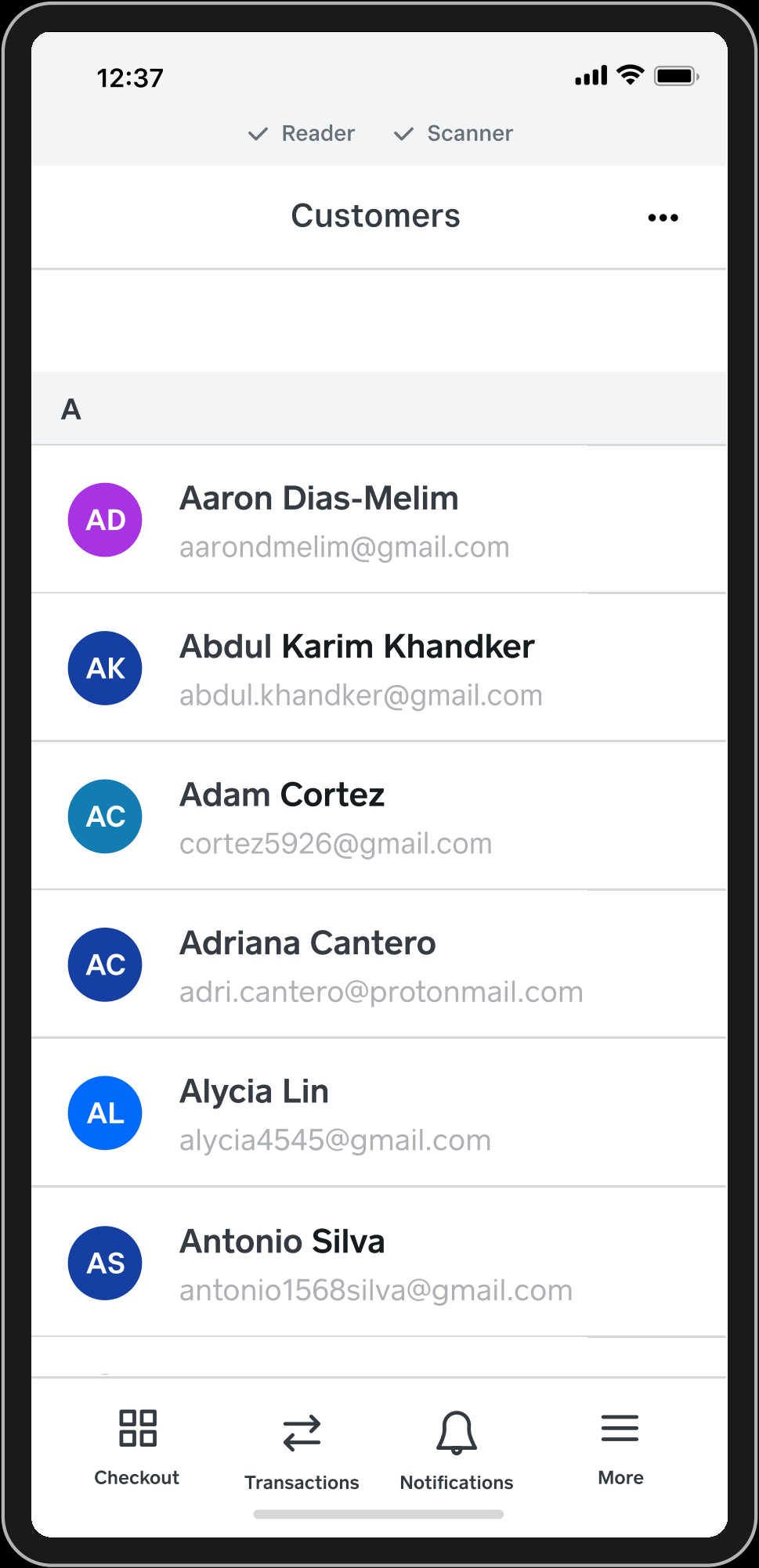Aaron Dias-Melim

Last contact date

05/21

Follow up date

07/02

Find solutions that grow with your customer base.

As you grow, you'll want to find solutions that grow with your customer base. A customer relationship management system, or CRM, can store detailed customer information such as previous projects and details, how your customers interact with your business, and insights that can help you create personalized solutions for your customers. Businesses of all types and sizes can get started with Square Customer Directory, a free CRM that lets you view and manage your customers' information in one place.

12:37	
✓ Reader ✓ Scanner	
Customers	•••

A

AD **Aaron Dias-Melim**
aarondmelim@gmail.com

AK **Abdul Karim Khandker**
abdul.khandker@gmail.com

AC **Adam Cortez**
cortez5926@gmail.com

AC **Adriana Cantero**
adri.cantero@protonmail.com

AL **Alycia Lin**
alycia4545@gmail.com

AS **Antonio Silva**
antonio1568silva@gmail.com

Checkout   Transactions   Notifications   More

Alycia Lin

ATTACHMENTS

1.5MB
Download

PAST APPOINTMENTS

03/23/21 4:00pm   Consultation   Sarah L.

NOTES

Project kickoff on 5/15 at 10:30am.

Add to calendar

Example of Square Customer Directory's contact list and customer details.

Perfect the proposal and close the deal

Want an easy but impactful way to appear professional and prepared to your prospects? Set up a discovery call, preferably via video, and discuss their project needs. You can either send them a questionnaire to fill out about their needs or review them together over the call.

After the discovery call, follow up with a recap to ensure that you understand your customer's needs correctly. You can also include the proposal and estimate. This step is where you can really shine with a clear outline and branded project proposal.
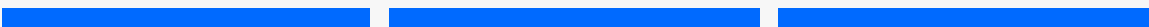
5 QUESTIONS TO ASK ON A DISCOVERY CALL

Tell me about your day-to-day role in your organization.

What was it that prompted you to get in touch/respond to my introduction?

What is your biggest challenge for this project and/or in hiring a freelancer?

How much budget have you set aside for this project?

What is your timeline for moving forward with this project?

Offer multiple packages of items or services from a single estimate

Within your project estimate, you should include details about the project, pricing, payment schedule, and customer's contact. With multi-package estimates, you can send multiple items or services from a single estimate instead of sending multiple emails or proposals. It's easy to create and send multi-package estimates with **Square Invoices Plus.** Multi-package estimates make it easier for them to see the work you're offering so you can close more deals faster.

Shape and Form

Estimate #0001

Web design

Customer
Nora James
Avenue 123
Hollywood, CA 90210
(949) 211-1100

Message
Dear Nora,

Based on our conversation, here's an itemized breakdown and a choice of two packages for your web design needs. Let me know if you have any questions.

Sincerely,
Your Friends at Shape and Form

$5,400.00   Hide package details
BASE LEVEL PACKAGE

Website redesign	$5,000.00
Design consultation	$200.00
Subtotal	$5,200.00
Sales Tax	$200.00
Total	**$5,400.00**

$10,400.00   View package details
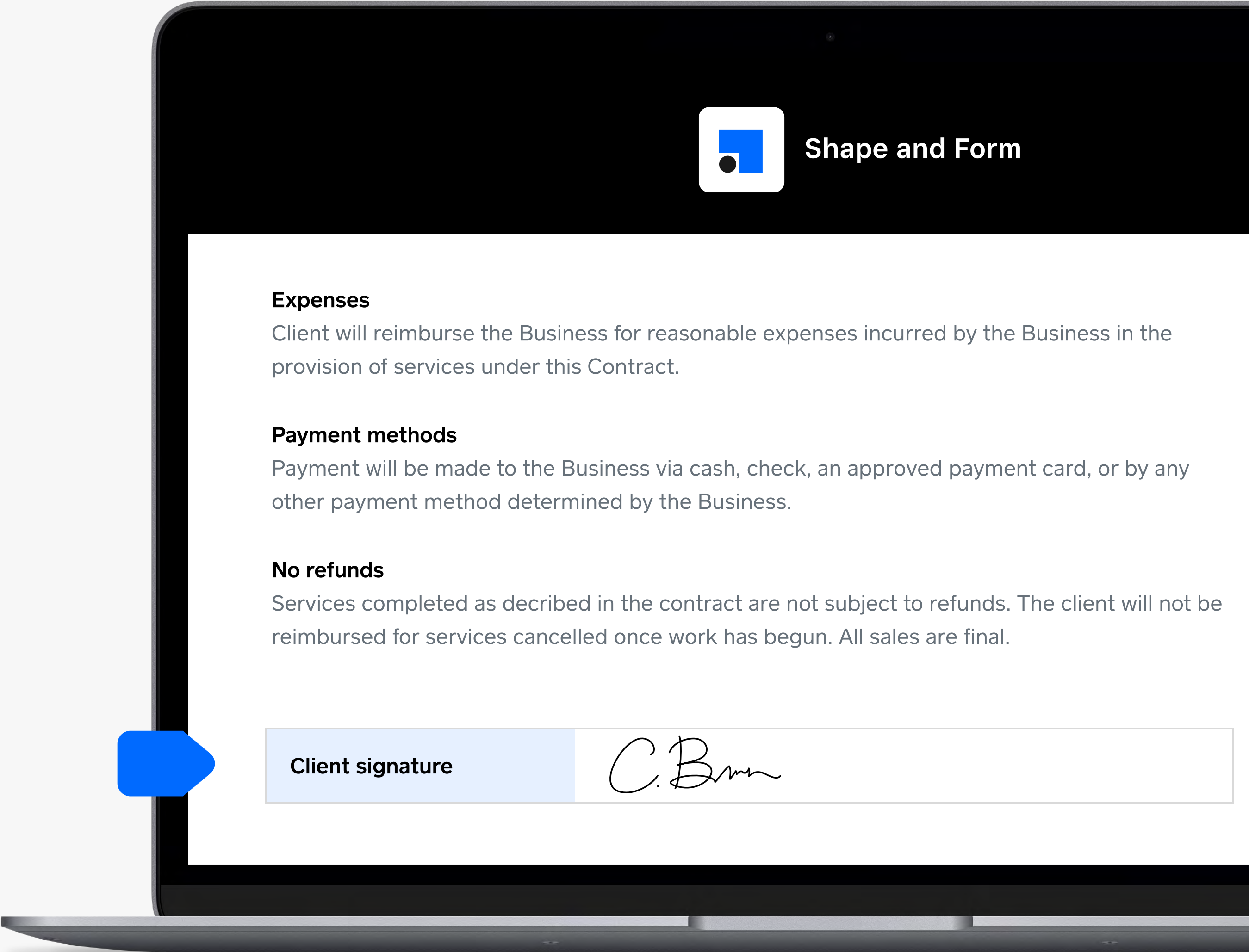PREMIUM LEVEL PACKAGE

Example of a multi-package invoice with Square Invoices Plus.

Square

① ② ③ ④ ⑤ ⑥

Contract tips for your next job

A professional contract outlines the work you'll be completing for your customer, includes payment terms and fees, and helps prevent potential misunderstandings.

If you're new to using contracts for your services, or have questions about what to include, it's always a good idea to speak with a legal professional. Square Invoices integrates directly with **Square Contracts** to provide customizable contract templates that save you from building a contract from scratch each time you need one. Since the contract is digital, customers can conveniently and safetly sign and send it right back to you.

Shape and Form

Expenses
Client will reimburse the Business for reasonable expenses incurred by the Business in the provision of services under this Contract.

Payment methods
Payment will be made to the Business via cash, check, an approved payment card, or by any other payment method determined by the Business.

No refunds
Services completed as decribed in the contract are not subject to refunds. The client will not be reimbursed for services cancelled once work has begun. All sales are final.

Client signature

Example of client agreement with Square Contracts.

Some common contracts to consider for your business include:

✓ **Credit card authorization**
This gives you authorization to store a customer's card information and charge it as agreed upon.

✓ **Services agreement**
Set clear expectations with your customers about your services before you begin with this agreement.

✓ **Completion of services contract**
After a project is wrapped, this agreement helps you obtain written acknowledgement from your customer that your services were successfully completed as described.

Credit card authorization

Service level agreement

Completion of services

New template
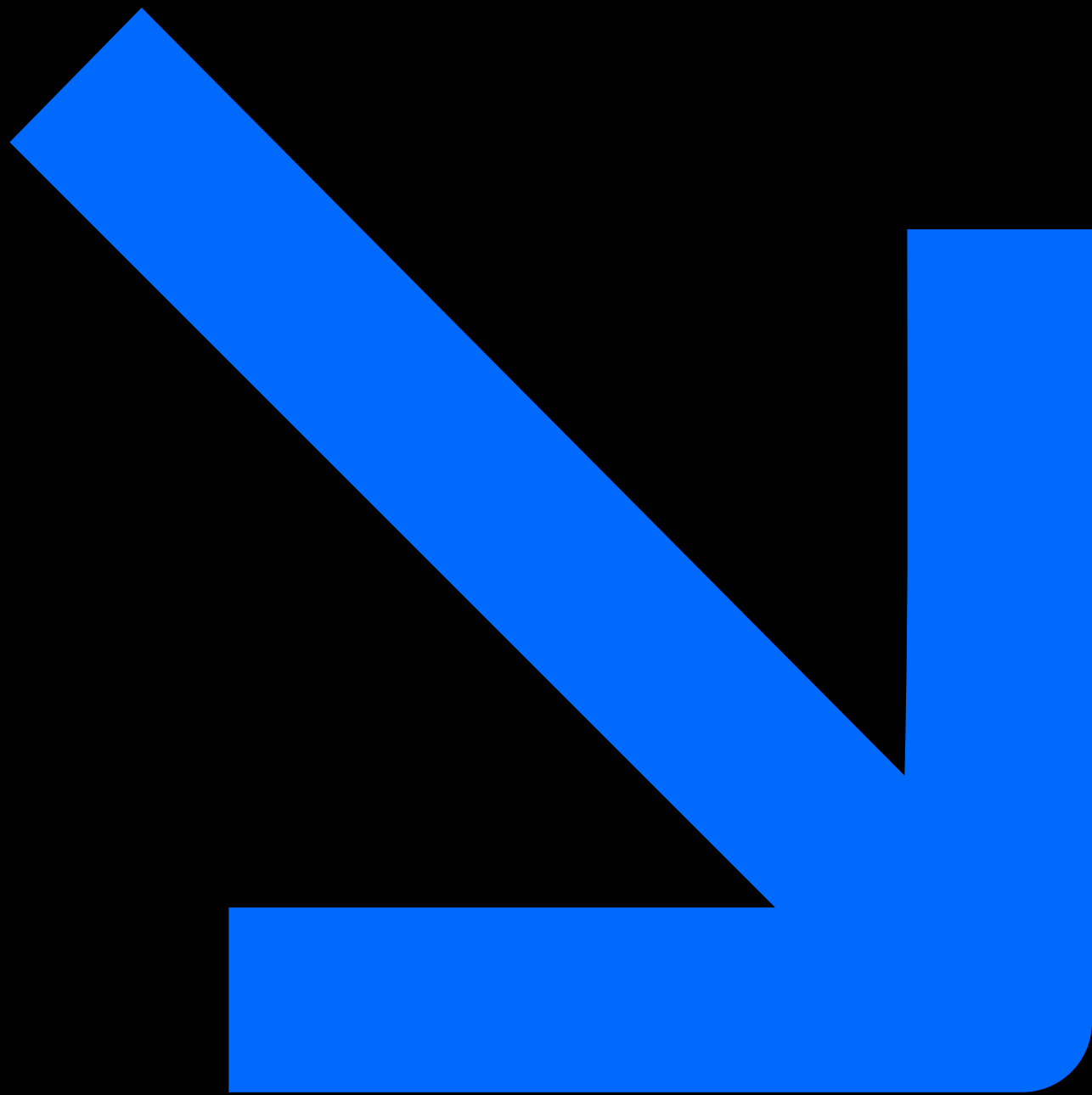
SECTION 3

Managing your workload and customers

Onboard new customers

Once the contract is signed, the work is just beginning. You've established a relationship with your customer, so now it's time to follow through. Having a consistent way to onboard new customers into your workflow at the start of a project not only keeps you and them on the same page throughout the project, but it can also instill a stronger sense of trust along the way.

Once a proposal gets accepted, begin the onboarding process with your customer. Update the contract with any details that may have been discussed within the proposal, and outline deposit and payment terms with them. Throughout the onboarding process, it's important to understand how you both like to collaborate and communicate feedback or ideas.

By onboarding your customers, you'll make them feel welcomed, familiarize them with your process, and clearly communicate expectations and needs from both sides.
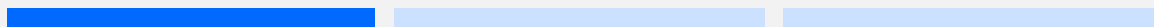
Stay organized from start to finish

Being organized throughout your project helps you to stay on track with your customer. The **Projects** feature within Square Invoices Plus is a useful tool for saving time and organizing all of your project's digital files in one place. You can easily share estimates, contracts, notes, and attachments with your customers.

Draft

Invoices

Project: 3/6—4/30

Alex's web design project

Files

Add

Estimate for Alex Jacque Modified on March 6   Draft

Low Option #01: Website Redesign

Estimate for Jessica Jones Modified on March 6   Draft

High Option #02: Comprehensive Website Build

Invoice for Alex Jacque Modified on March 11   Overdue

Invoice #0001

Contract for Alex Jacque Modified on March 11   Completed

Client Service Agreement

12:37

From: **Shape and Form** >   Hide
To: alxjcq@gmail.com >

Shape and Form

Shape and Form would like you to join a new project

View project

Oustanding tasks

| Invoice #0001 | $2,000.00 |
| Due on 03/20/22 | |

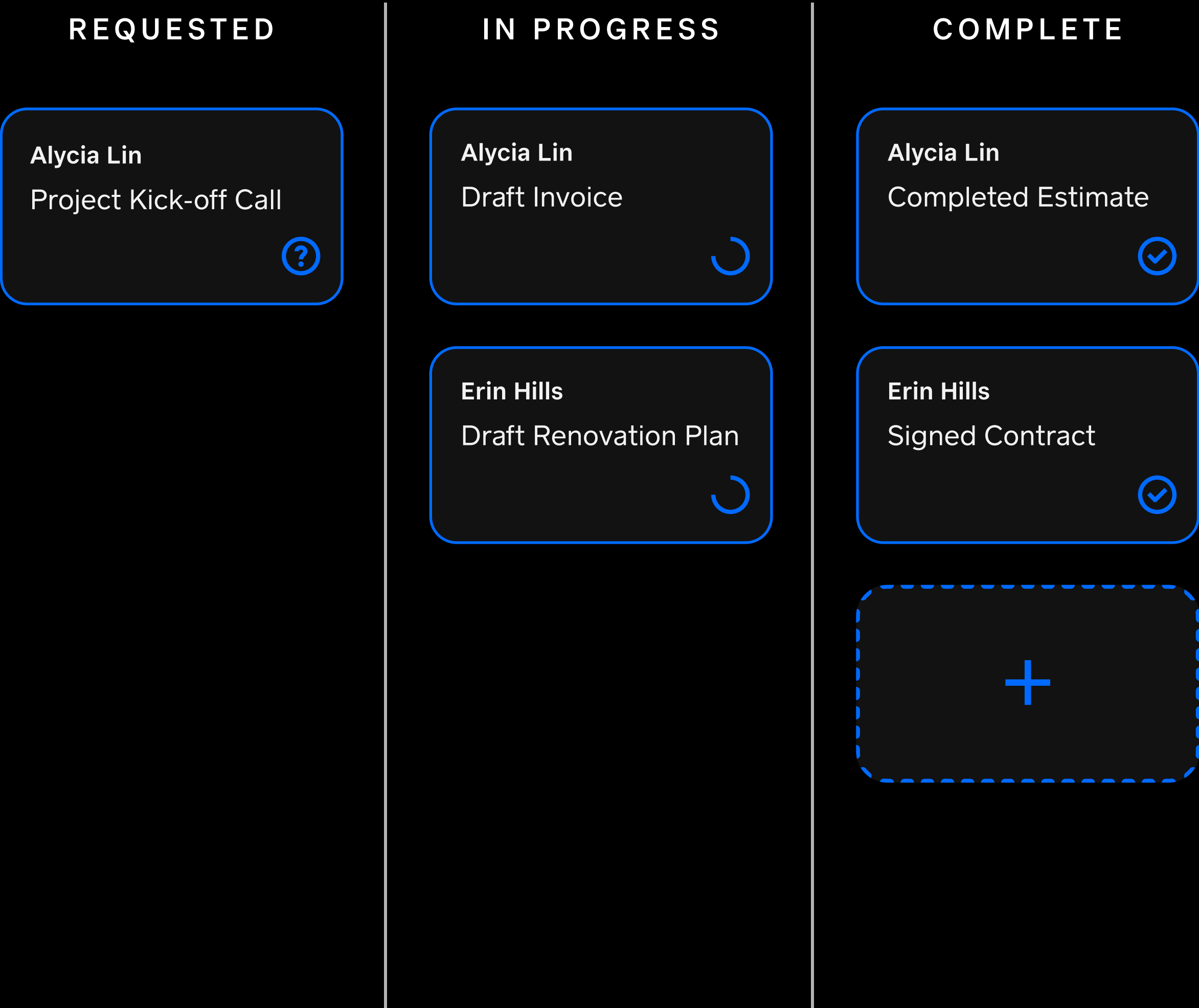| Photo Licensing Agreement |
| Due on 03/20/22 |

Share project estimates, files, and contracts with your customers in one place.
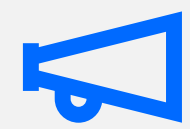
Project management tips

Breaking down each project into lists and tasks can help you keep track of where things stand, especially during busy periods. Organize your tasks into three lists: requested, in progress, and complete. This will help you establish deliverables, determine project task timelines, assign roles or responsibilities, and track key milestones.

Software applications, such as Trello and Asana, or even Post-It notes, can help you lay out your board, lists, and cards. Think of each card as a task to be done, with each list containing related tasks for a particular process or stage, and each board is a full project. This style of project management lets you easily communicate with your customers by celebrating key milestones and managing expectations through regular updates.

REQUESTED

Alycia Lin
Project Kick-off Call

IN PROGRESS

Alycia Lin
Draft Invoice

Erin Hills
Draft Renovation Plan

COMPLETE

Alycia Lin
Completed Estimate

Erin Hills
Signed Contract

+

When to outsource your work

If you're finding that your calendar is filling up and you're unable to either do the work you love or manage your customer relationships, it might be time to outsource some of the work to other contractors. As a small agency, this may feel like you could be losing out on money, but it's important to remember that higher efficiency can lead to a higher profit. Outsource work that you know another contractor can do, while your time is more importantly spent on the tasks that will truly set you apart and make a difference.

For example, if you have a branding or marketing business, you can outsource some of the smaller tasks, such as social media management or photo editing, while you focus on customer management and relationship building.
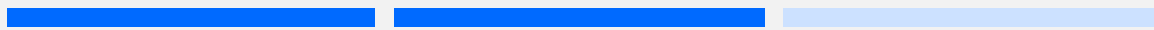
HIGHER PROFIT

↑

HIGHER EFFICIENCY

KEEP YOUR CUSTOMERS HAPPY. ✅

Understanding how to keep your customers happy while maintaining boundaries is a skill you'll want to master as a freelancer. The majority of customers will only ask for revisions as they see necessary. Be sure to complete those revision requests thoroughly to keep your customers happy.

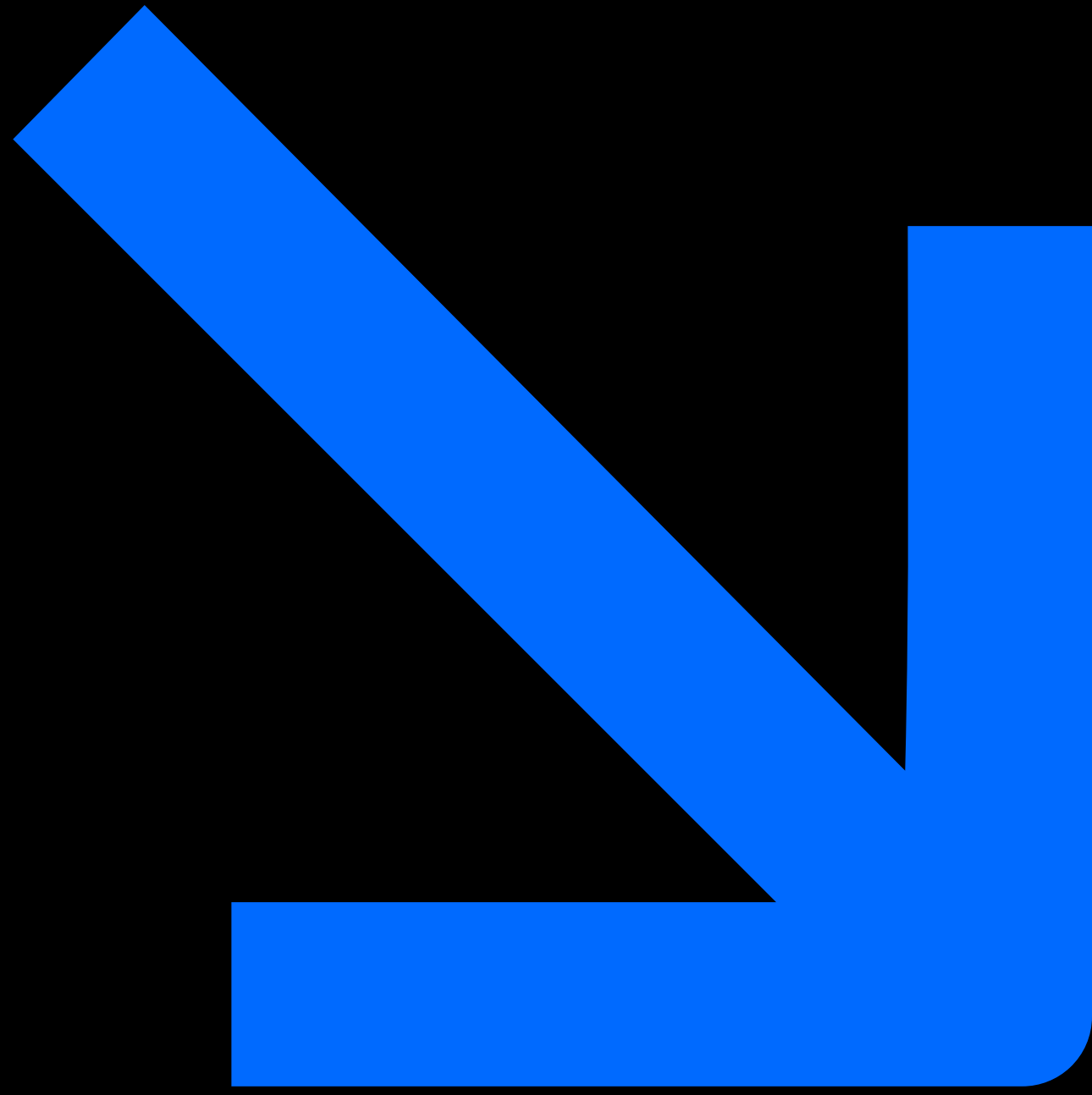## SET BOUNDARIES BETWEEN YOU AND YOUR CUSTOMERS. ✅

Some customers will tiptoe around the line of asking for necessary requests and taking advantage of your time. It's important to outline the number of revisions or changes you're willing to make and at what points in the project you're willing to make them in a contract. While you want to do your best to make every customer happy, setting boundaries can save you time and effort.

ASK CUSTOMERS TO REVIEW YOUR BUSINESS. ✅

Once you've completed the project, it's time to bring things full circle. Don't just send the invoice and move on to the next project. Follow up, say thank you, and ask for a review of your business. Word-of-mouth referrals are some of the most valuable, so ensure your customers are happy with their experience.

Managing your customers

Customer management is one of the most important parts of any freelancer's job because it's up to your customers to speak highly about their experience working with you. Word of mouth is the best form of marketing you could ask for — it's trustworthy and no cost to you. Focusing on providing quality customer service is key to scaling your business.

SECTION 4

How to upsell and cross-sell your services

Create a well-rounded customer experience with additional services

If your customer is happy with the solution you've given to them, there could be an opportunity to upsell or cross-sell some of your other offerings. As we mentioned previously with your packaged offerings, you can easily create a well-rounded customer experience by adding additional services to a project. You could add options during presale to create a more robust solution for your customer or during post-sale to get a second project.
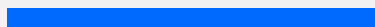
Understanding your customers pain points

If you're a marketing freelancer, your customer may be looking for a simple website redesign, but you notice that they could also benefit from new branding. You could offer this presale option to create a better experience for them within the website redesign. After the sale, you could offer ongoing content marketing projects to build up their website SEO and blog ranking.

Once you have an established relationship and understand their pain points, you can better determine additional solutions for them.

1 **UP-SELL**
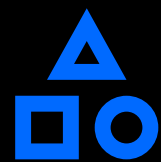

Design website
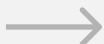
Add branding to website

**2** **CROSS-SELL**

Design website

Offer content marketing

Maintain regular check-ins

Finding the time to stay connected to your customers after a project ends can be challenging when you're busy balancing your business responsibilities and daily to-do list. Email automation frees up your time by sending recurring automated emails to your customers to check in with them after a project ends.

With **Square Marketing,** you can create personalized email campaigns and have them automatically sent according to customer groups once a project wraps up. This is a great way to follow up and see if they'd like to work with you again on a new project.
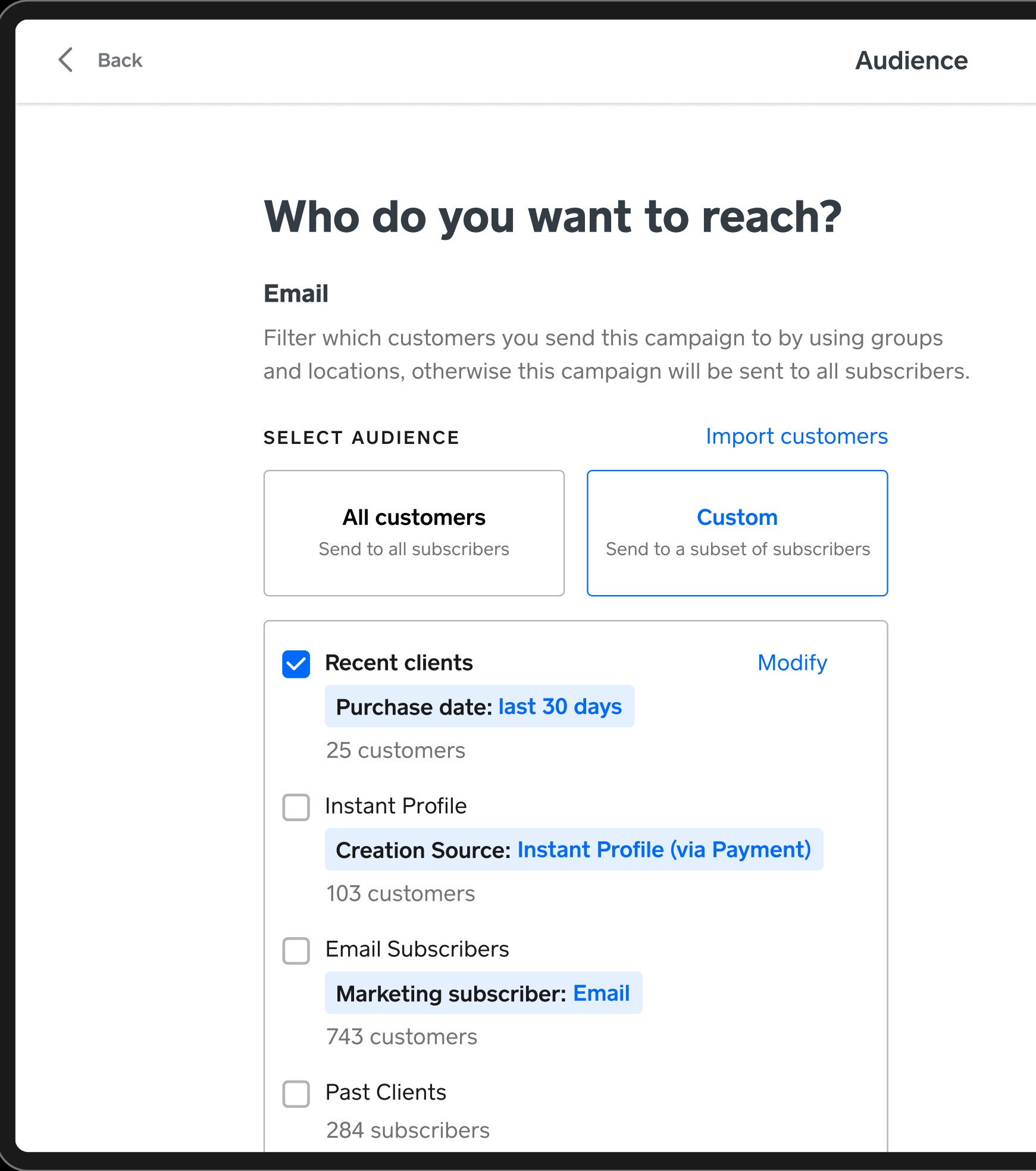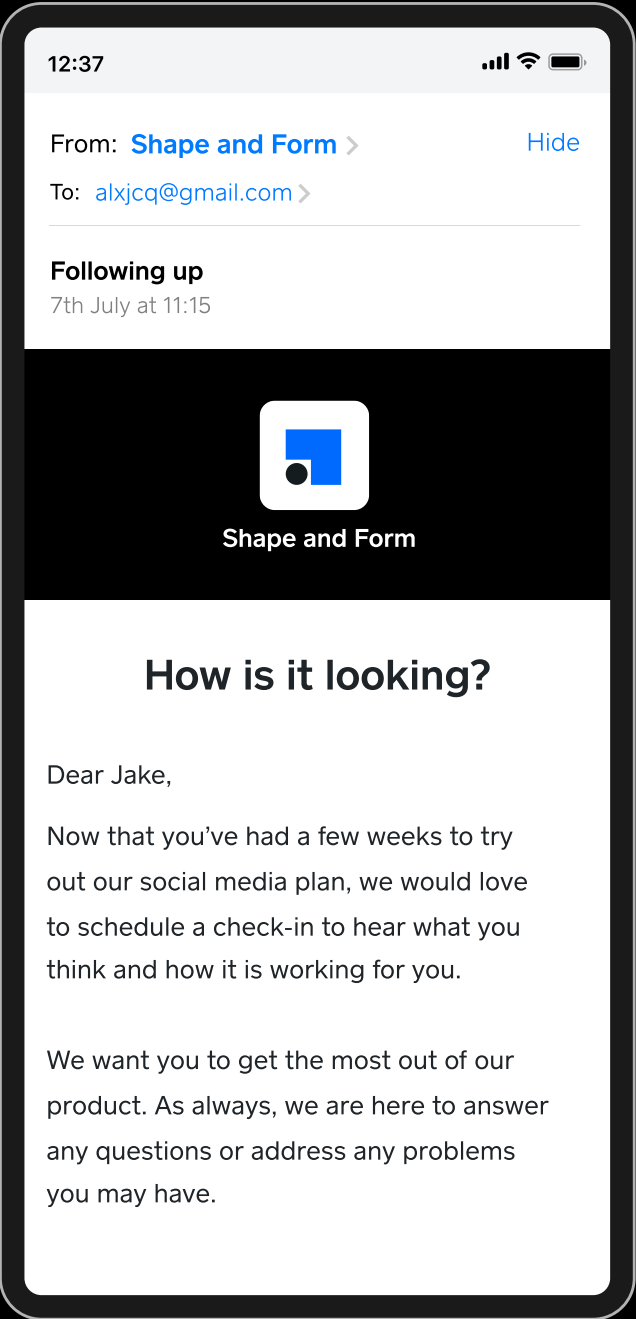
Example of an email you can send your customers with Square Marketing.
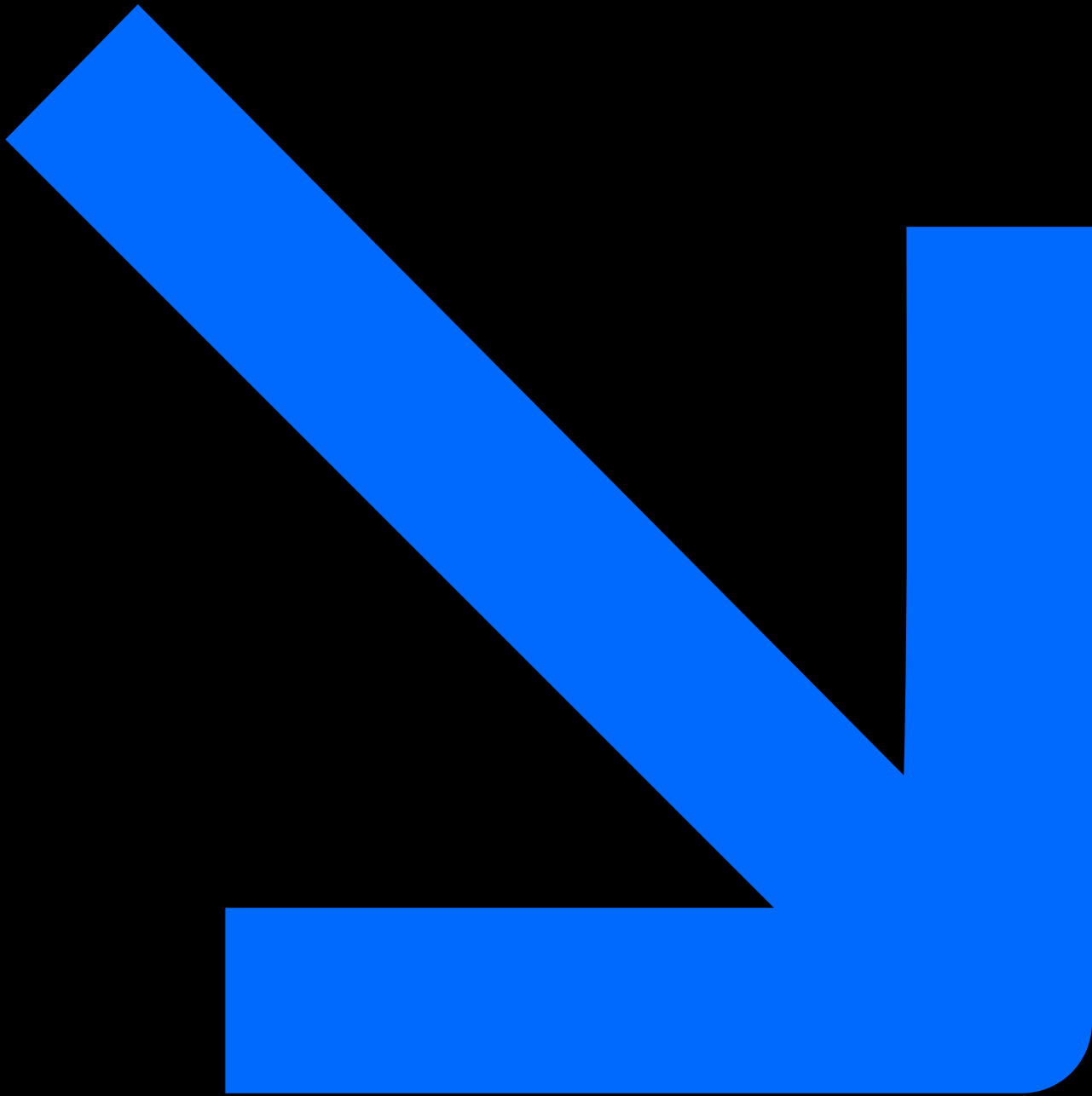
SECTION 5

Billing, invoicing, and getting paid

Payment terms and schedules

Before setting up your billing, it's important to communicate your payment terms and invoicing structure with your customer. Discuss whether you'll be requesting full or partial payment upfront, after the job is complete, or on a schedule.

PAYMENT SCHEDULE

Deposits, up-front payments, or payments by milestone

PAYMENT METHODS

Cash, credit card, gift card

DUE DATES

Choosing your payment terms

Payment terms are an agreement between you and the customer regarding the expectations of payment. You'll want to include details around payment schedules, such as -deposits, up-front payments, and payments based on project milestones. Additionally, payment terms should cover your accepted payment methods, due dates for your payment schedules, and any fees related to late payments.

TERMS AND CONDITIONS

Time-saving tips for billing customers

When you run your own agency, a majority of your time can be spent on administrative tasks. We surveyed services professionals and found that on average, they spend just **5.6 hours on project or customer work per week.*** The remainder goes to project management, finding new customers, and customer billing.

Source: Survey of 519 service professionals

01

Schedule recurring invoices

Recurring invoices let you charge your customer's credit card on an ongoing basis with their permission. With **Square Invoices,** you can set up recurring invoices for repeat customers on a daily, weekly, monthly, or yearly schedule. There's no need to chase down customers, take cards over the phone, or re-enter the same information each month. If you're always on the go, you can send them from the Square Invoices mobile app.

02

Reuse custom invoice templates

Create and save your own **invoice templates** so you don't need to start from scratch each time. Square Invoices Plus offers invoice templates that let you quickly change customer details, project costs, and due dates while making you look professional to your customers.

03

Set automatic payment reminders

Automate your billing processes with **payment reminders.** You'll want to include instructions on how your customers can pay you and details about your late fees and business terms. With Square Invoices, you can schedule reminders to automatically send when an invoice due date is approaching or past due.
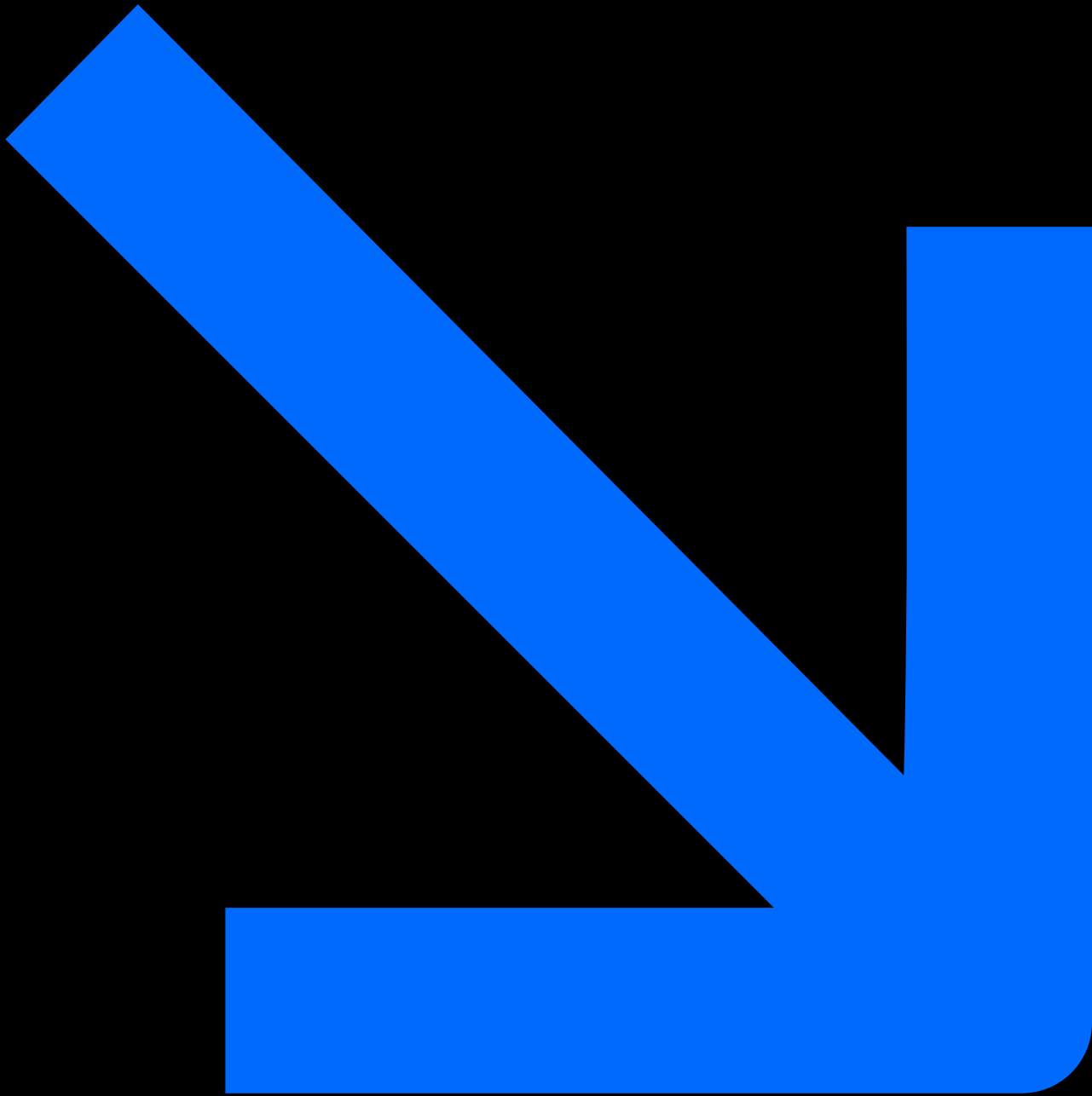
04

Request payment by text message

Are you sending invoices over email and still not getting paid fast enough? Try sending them by text message instead. Sending an **invoice via text message** makes sure your invoice is seen in minutes, rather than in days. In fact, Square Invoices are paid 70% faster by text message than invoices sent by email. It gives you more visibility and added flexibility for both you and the customer.

05

Integrate with your existing software

When it comes to taxes and accounting, Square Invoices works with **multiple accounting software programs** so you can keep your business tools and sales in one place, saving time. Integrating with programs such as Quickbooks helps streamline your end-of-year tax reporting, so no mistakes are made and no profits are missed.

SECTION 6

Keeping your business finances on track

As you scale your business, it's crucial to review your reports

Reports like month-over-month and year-over-year revenue trends are key to understanding the progress your business is making. It can also help you package your offerings in a way that benefits both you and your customers.

Understand your cash flow with reports

Being able to see what revenue has come in, what's outstanding, and what payments are overdue is crucial to being in control of your finances. Your revenue and profit help you understand if your pricing matches the amount of work you put in every project.

It can also help you project your revenue for the next few months into the following year. With this information, you can create a budget to expand your marketing tactics or hire freelancers to help with extra work. Square Invoices makes it easy to track your **finances and overall cash flow** in one place so you can always make informed business decisions.
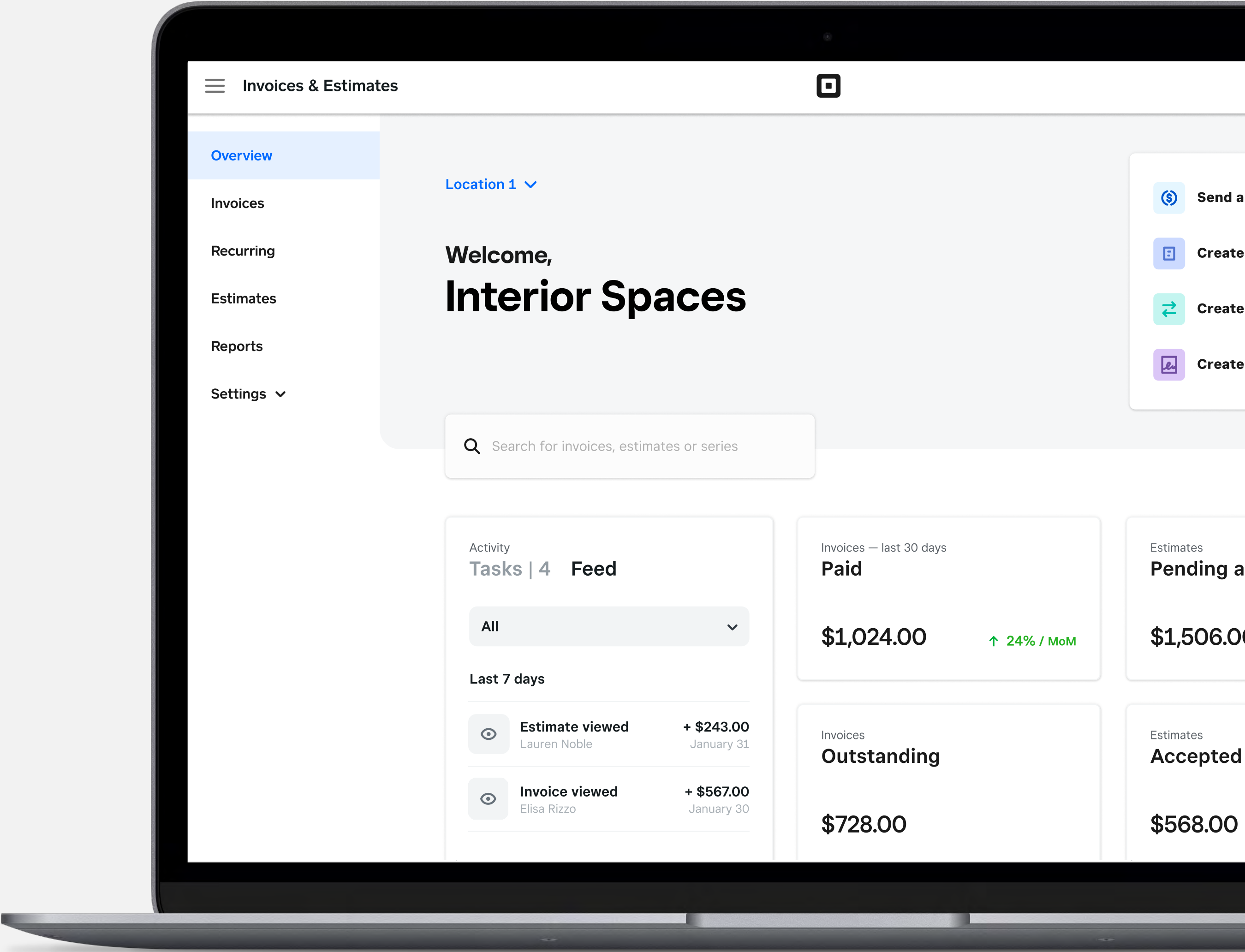
Example of the Square Invoices Overview page.

Take a closer look at your highest-paying customers

What offerings are high-paying customers using most and which offerings could you remove to increase your productivity and save time? Finding these trends in repeat customers will lead to higher efficiency and more production, leading to more profit for your business.

It's also equally important to get a sense of your most loyal repeat customers and most common services sold. This will empower you to understand who to upsell or cross-sell to.
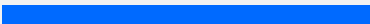
Master the business side of freelancing

Customer and project management solutions will help you scale your business while spending time doing the work you love.

Square Invoices Plus helps you simplify your workflow, close more sales, manage your cash flow, and more. With time-saving features such as milestone-based payment schedules, custom invoice templates, and multi-package estimates, it's an all-in-one solution for managing your business operations with ease and convenience, from anywhere.

Start 30-day free trial
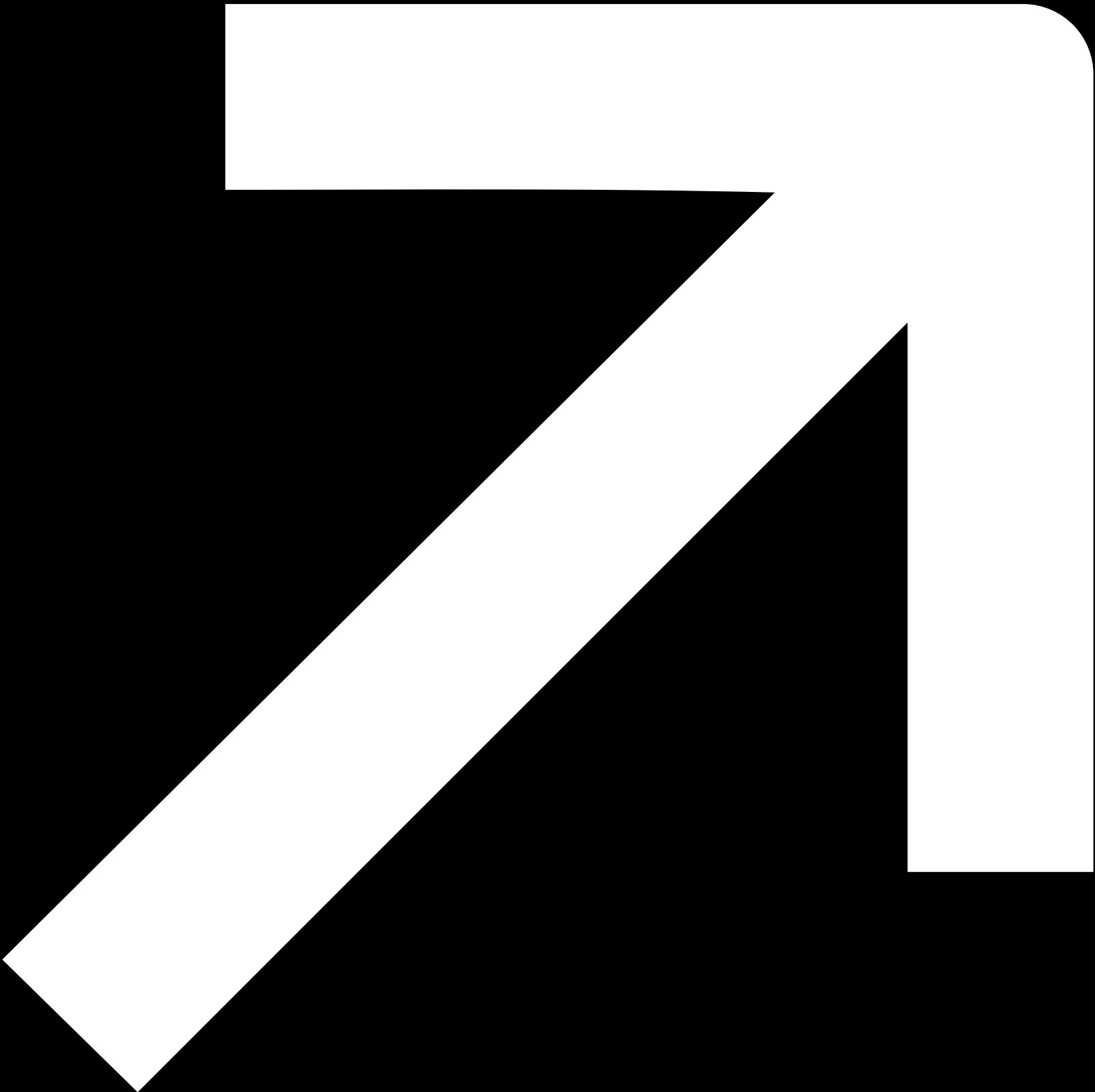
"Being able to get paid fast [with Square Invoices] meant that we were able to hire more people, we were able to invest in marketing, and we were able to grow our company a lot faster."

– MATTHEW
CEO, CENTRICO DIGITAL