PROFITABLE PRICING CALCULATOR

1. Labor

Service hours × desired hourly pay = labor pay

Example:
2.5 hours × $75/hour = $187.50

This protects your paycheck first, which matters because as a suite owner, your profit is your paycheck.

2. Product Cost

Use your real product cost when possible.

If you don't know it yet, use this quick benchmark:

Current service price × 6% = target back bar budget

Example:
$250 color service × 6% = $15 product budget

If your actual product cost is higher than 6%, that service may need a price increase, tighter product measuring, or both.

3. Supplies

Add disposables used for the service, like:

- Foils
- Gloves
- Cape/towel laundry
- Extension beads/thread/tape remover
- Perm rods/end papers/cotton
- Styling pins, nets, padding, etc.

Example: $8

4. Rent/Time Cost

Monthly rent ÷ monthly bookable service hours = rent cost per hour

Then:

Rent cost per hour × service hours = rent/time cost

Example:

$1,500 rent ÷ 120 bookable hours = $12.50/hour

$12.50 × 2.5 hours = $31.25 rent/time cost

Suite rent should ideally stay around 20–25% or less of total sales, so this helps you see if your prices are carrying the room.

5. Tax Set Aside

Subtotal × tax % = tax set-aside

Use 25–30% as a starting point unless your tax pro gives you a different number.

Example subtotal so far:
$187.50 labor + $15 product + $8 supplies + $31.25 rent = $241.75

Tax set-aside at 25%:
$241.75 × 25% = $60.44

6. Profit

This funds education, tools, cancellations, repairs, slow weeks and future growth.

Subtotal × 10–15% = profit cushion

Example:
$241.75 × 10% = $24.18