

this is what the client needed. My next step was to go away and work up a proposal for solutions to hit their goals.”

“Can you tell me more about your proposal,” Steve asked, “because that’s one area where I’m probably falling down.”

“Sure,” Karen said. “In the proposal, I laid out one option that included various outputs and phases, things like customer research, a website audit, a market analysis, a complete redesign, various tests, and so on. Each element had distinct value. The price of them added together was \$100,000, which was 10% of the total value the client could expect. By the way, the fee I charge will often range from 10% to 20% of the expected value, and usually the difference has to do with the risks involved. In this case, from the client’s perspective, a 10% investment was sound, because they would only have to invest the \$100,000 in the first year to build a website that could generate a million dollars every year thereafter. Even if they only hit \$500,000, they still would have made a sound investment.