Starting a graphic design business: Essential tips and advice

Category: Branding
written by Stewart Hodgson | 25 August 2022
If you have creative skills and an entrepreneurial spirit, starting a graphic design business could be an incredible way to transform your future. A graphic design business can be a profitable endeavor with the right planning and strategy.

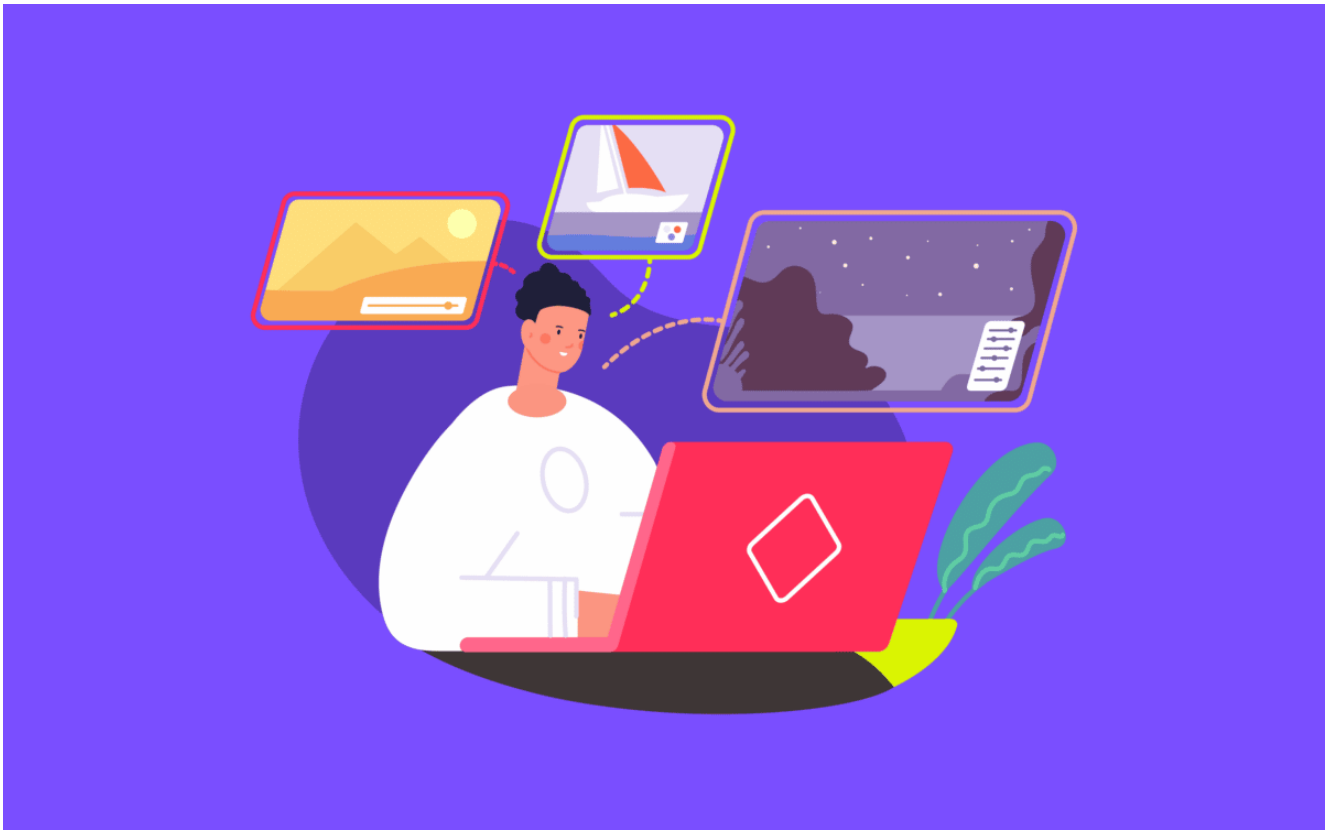
After all, there are countless companies constantly searching for assistance with everything from logo creation to web design.

Learning how to start a design business from scratch takes some time and dedication. You'll need to be committed to creating an eye-catching brand, showcasing your skills, and constantly finding ways to attract new clients.

However, if you're successful, the results can be phenomenal.

With a graphic design studio, you can help to build and promote some of the biggest brands in the world, while pursuing a career you're truly passionate about. Today, we're going to cover all the steps you need to follow to bring your design-based business ideas to life.

Here's your complete guide to starting your own design business.



How to start a design business: Choosing a niche

A graphic design business can come in many different styles and formats. It’s up to you to determine what kind of organization you want to run.

First, think about how you want to be involved in your business. Do you want to manage a team of designers who do most of the creative work on your behalf, or do you want to actively work on client projects yourself?

If you’re going to be using your own graphic design skills, you’ll need to think carefully about where your talents lie. Some people are experts in building themes and designs for ecommerce websites. Others might be better suited to logo design or social media graphics.

Make a list of all the areas of design you’re most interested in, as well as those in which you feel you have the largest

selection of skills. This should help you to identify your “niche”.

Choosing a specific niche for your graphic design studio is a good way to separate yourself from the competition, and improve your chances of standing out from the crowd.

Your options for graphic design niche areas might include:

Branding

Here, you’d be responsible for developing brand assets for companies, such as color schemes, logos, and illustrations for business websites.

Print design

This involves the creation of printed materials, like magazines, newspapers, brochures, and event content.

Advertising

Focusing on the advertising area of graphic design will mean creating a range of assets for things like social media, email marketing, and promotional ads.

Motion graphics

Here, your focus would be on videos, animations, and other interactive or dynamic content for businesses.

Website design

Graphic designers with a strong understanding of website layout and functionality can build entire sites for businesses.

Packaging

If you're excellent at designing images and packaging choices for different products, this could be the ideal area for you.

When selecting your niche, it's worth looking into the potential earnings you can get from each area, as well as the saturation level of the market.

For instance, while demand for logo design is still high, the rise of AI logo creators means you may need to offer other branding services to expand your income and find more clients.

How do I start a design business? Preparation

Once you've decided where you're going to focus your graphic design skills, the next step in starting a graphic design business, is doing the "prep" work. This might not seem like the most exciting part of creating a company, but it's a necessary component.

You'll need to ensure all of the legal work and administrative elements of your business are in place, so you can run your company without any unnecessary hurdles.

Here's how to get started…

Step 1: Define your business plan

There's more to running a successful design business than simply having a marketing plan and a strong brand. You also need to determine exactly what kind of company you're going to run. Defining your business plan means setting out a selection of clear targets and goals for your company.

Start by asking yourself why you're starting your own design business in the first place. Do you want to help brands stand

out online? Are you hoping to create more attractive signage and packaging for the companies who sell in stores around your local area?

Next, think about how you're going to run your business. Are you hoping to build a full design studio with a range of experts working on different tasks at any given time? Or do you want to take the freelance route and work with only one or two colleagues?

Step 2: Conduct competitive analysis

Once you have a basic idea of what your design business is going to do. You'll need to explore the existing market. No matter how unique you consider your services to be, there are always going to be other companies offering similar solutions.

A competitor analysis will give you a clear view of who you're competing against, and how you can differentiate yourself.

Focus specifically on the other companies who provide the same services you want to offer, such as logo design, web design, or packaging creation. Ask yourself how they set themselves apart from the crowd, what kind of customers they serve, and even how they price their services.

While you can take some inspiration from your competitors, your focus should be on making your business as unique as possible compared to other design companies that operate in your space.

This could mean targeting a specific sub-section of an audience, like small businesses, or providing extra services.

Step 3: Manage the legal and

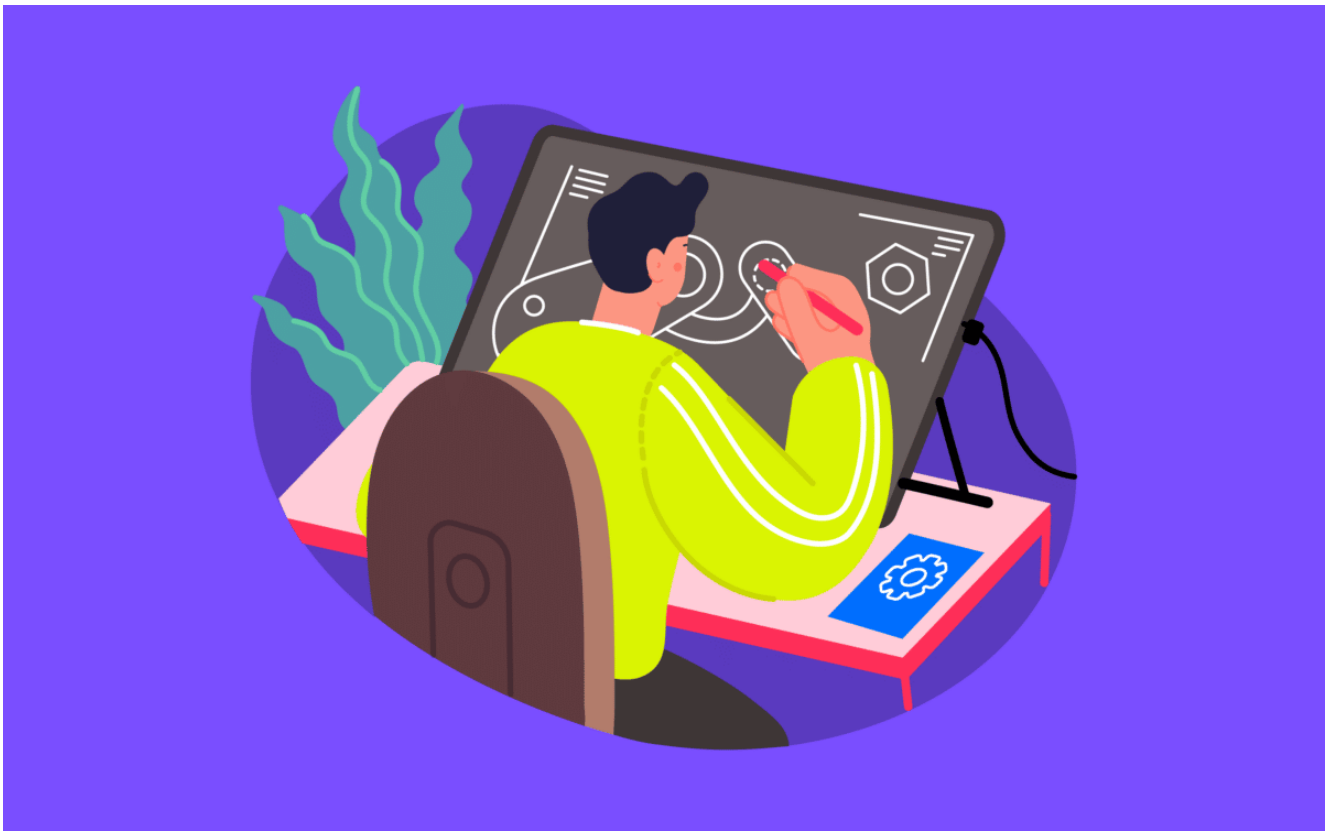
administrative side

With a clear view of your business goals and the competition you're going to face, it's time to work on the legal and administrative aspects of your company.

Start by talking to a business consultant if you're not sure whether you need a sole proprietorship, limited partnership, corporation, or limited liability company. Each business structure has its own pros and cons to consider.

Ask yourself whether you'll need any specific certification or documentation in place, such as a terms and conditions policy for your customers. You may also need to look into business insurance, to protect your company (and yourself) against legal claims.

Remember to set up a business banking account and a tax management system too, so you can ensure you stay on top of your books as you begin to earn money.



How to start a design studio: Branding and marketing

After you've completed the administrative work for your small design business, the next step is making yourself stand out from the crowd. Any entrepreneur starting a graphic design business needs a strong brand, and a powerful marketing campaign.

After all, while the market for graphic design is worth $43.3 billion, there are already countless other companies out there, competing for the same customers.

If you're not adept at the branding side of graphic design already, now is the time to seek out help from a professional. A branding team or agency can help to highlight the unique selling points of your company, and make it easier to attract customers.

Here are some of the points you'll need to consider…

1. Choosing a name

The name of your graphic design company will go a long way towards ensuring your success. However, the naming process can be complicated for beginners. There are already dozens of trademarked titles out there, so it can be difficult to find something unique.

Try to focus on showcasing the values of your business in your name, so your customers can easily see what makes you different from the competition. It's also worth making sure your name is simple and memorable.

A straightforward title will be easier to search for online, and should stick in the mind of your target audience.

Check to ensure you can access a domain name for the moniker

you choose. While there are a number of options out there, a .com domain is generally the best choice.

2. Building brand assets

As a graphic designer, you may already have the skills you need to create your own brand assets. However, there are some areas where you may need some extra help.

Even if you can create your own logo and color scheme, you may need assistance choosing a personality and tone of voice for your brand. Remember, your voice matters just as much as your image.

You'll need to create a set of brand guidelines for your team members to follow whenever they're showcasing your business online. It's also a good idea to create a handful of templates for things like social media posts and email marketing campaigns.

Developing your brand assets also means creating a strong online presence. You'll need a fantastic website capable of showing off your design portfolio, and highlighting the values of your company.

It's also a good idea to be active on social media, so you can attract as many customers as possible.

3. Developing a marketing plan

While there are various ways you can seek out graphic design clients when you start your business, the easiest strategy is to help your customers come to you. A solid marketing plan will differentiate you from the competition, and keep your organization top-of-mind for your target audience.

The exact marketing strategy you use will depend on the kind of audience you're trying to reach. For example, if you want to advertise your skills as a graphic designer for marketing

assets, it makes sense to be active on social media, where you can highlight your online skills.

It's also worth investing in a content marketing plan. Sharing content online demonstrates your authority in your industry, and helps to attract customers to your website.

You can use search engine optimization strategies to boost your chances of ranking on the search results when people search for terms like "graphic design firm".

How to find design studio clients

One of the toughest parts of starting a design business, is finding clients. If you've already chosen a niche and assessed your competition, you should have a basic idea of who your target market is going to be.

For example, you might focus on small businesses searching for branding assistance, or companies in the technology industry.

A good way to refine your search for the ideal customer is to create a buyer persona. This is a document outlining all of the characteristics of the perfect client. It should include information on your customer's buying preferences, pain points, and demographics (age, location, education).

Once you have your buyer persona, you can begin looking for clients to help you develop your experience, and gain credibility in your industry.

Here's how to start searching:

Browse freelance job sites

Although freelance sites might not give you a huge income straight away, channels like Fiverr, Upwork, and even Craigslist can make it easier to track down clients initially.

These customers can give you excellent reviews, and content to add to your design portfolio, so you can attract additional clients in future.

Reach out to companies

Consider using social media and email messaging to connect with companies who seem as though they could benefit from the assistance of a graphic design team. While not every message you send will pay off, you may end up with a few people who take advantage of your offers.

Join directories and forums

When you’re learning how to start a design firm, it can often be a good idea to look into directories and forums showcasing design work. A directory will list your website for their customers, to make it easier for them to find you when they have specific projects in mind.

Networking is also extremely useful when you’re building your graphic design business. The more you can connect with other companies and freelancers, the more chances you have of finding new customers.

Make sure you’re active on channels like LinkedIn. You can also consider attending in-person design and marketing events to find clients.



Is graphic design profitable? Cashflow and pricing

As mentioned above, starting a graphic design business can be a profitable venture, but it’s up to you to make sure you’re earning enough money. One of the biggest challenges professionals face when learning how to start a design business, is figuring out how to set their prices.

First, you’ll need to consider the costs associated with setting up and running your company. Your graphic design firm will have a selection of initial and ongoing costs to think about. For instance, repetitive fees include things like paying for insurance, graphic design software, and wages.

Alternatively, one-time costs might include things like buying graphic design tools (tablets and computers), or purchasing your domain name for your website.

Knowing how much you need to spend to run your company will

also help you to figure out how much you should charge to make a profit.

Once you've got an idea of your outgoing expenses:

Assess the marketplace

Look at your competitors to find out how much they tend to charge for the services you're going to offer. This will give you a baseline understanding of how much consumers in your niche are willing to pay.

You don't necessarily need to charge less than your competitors, but you should ensure your prices seem reasonable.

Consider your pricing strategy

Next, think about how you're going to charge your customers. Are you going to offer your services on a per-project basis, giving different quotes to each customer depending on their needs? Or would you prefer to give prices on an hourly basis?

There's no one-size-fits-all strategy here. However, you might want to consider the preferences of your customers, based on what your competitors are doing.

Create a transparent price list

Finally, create a list of all your prices so you can ensure you're delivering the same quotes to different customers.

Choosing different prices for different clients can end up damaging your reputation if word gets out.

Tips for starting your own design

business

At this point, you almost have everything you need to jump into starting a graphic design business. However, there are a few additional steps you can take to improve your chances of success.

While there’s no one-size-fits-all strategy for how to start a design business, most professionals find they’re more likely to make a profit by following these tips:

Have a dedicated workspace

While you might start your graphic design business at home, it’s still important to have a dedicated space where you can complete your work. You’ll need a workstation separate from the rest of the house, so you can stay focused, and free from distractions.

As your business grows and you begin to hire new employees, you might consider paying for an office space where you can meet with clients.

Invest in the right gear

Graphic design companies rely on a wide range of tools and software solutions to complete their work. If you want to ensure your design business can thrive, you’ll need a high-performance computer system, as well as all of the appropriate software for your style of graphic design.

You may also need to invest in things like drawing tablets, a printer, and other hardware.

Develop your skills

The graphic design industry is a competitive one. While you might be interested in learning how to start a design company focused on logo design right now, it’s worth expanding your

skills as you go.

The more services you can offer your customers, the more money you're likely to make. Plus, you'll have a better chance of setting yourself apart from the competition if you can enhance your skillset.

Deliver excellent service

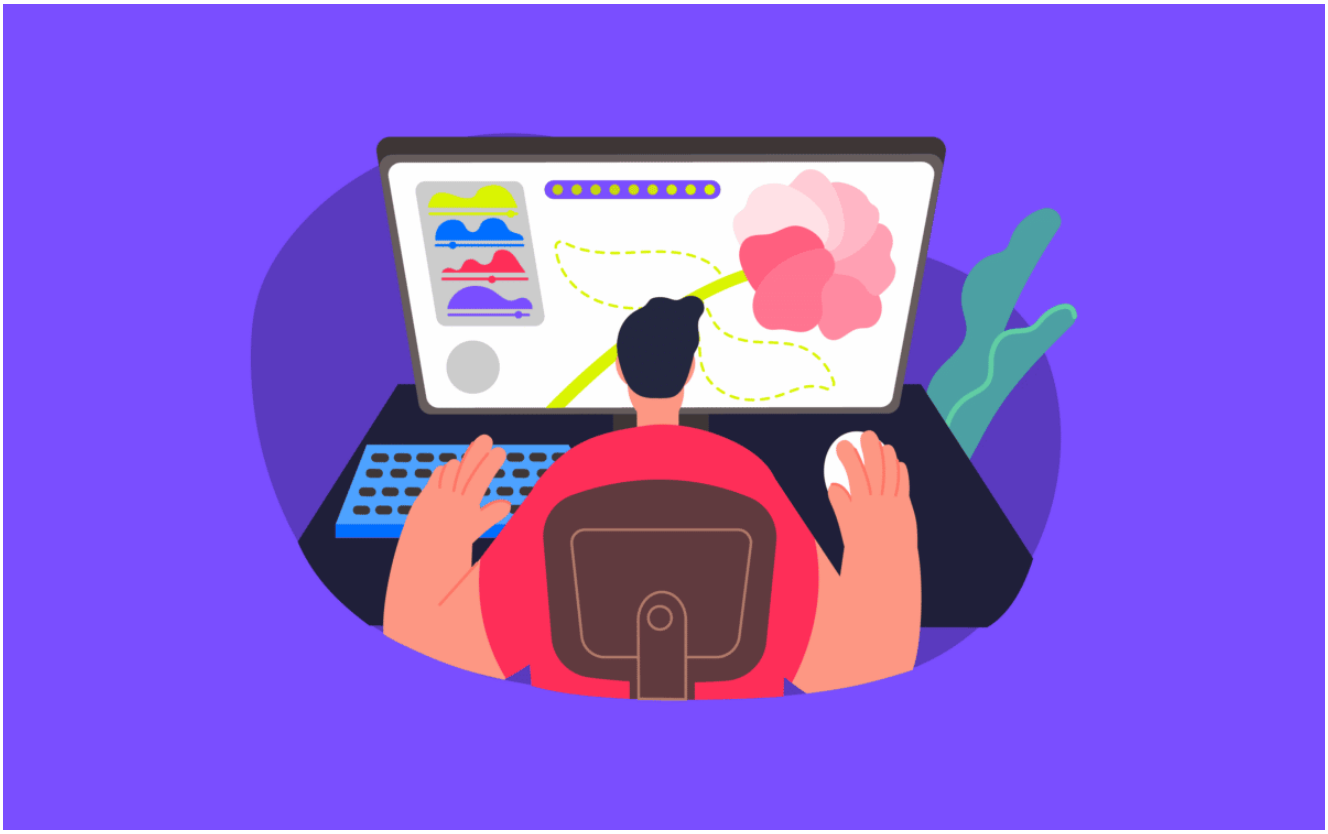
As a small design business, your clientele is likely to come from word of mouth and recommendations. As such, you'll need to ensure you're delivering an incredible experience to every customer.

Make sure you communicate regularly and clearly with your clients to avoid any mistakes in your projects. Deliver work on time, and be professional when dealing with feedback and revisions.

Ask for referrals

You can build your "social proof" and improve your chances of finding more clients by asking your existing customers for referrals. It's also a good idea to collect as many reviews and testimonials from happy customers as possible.

You can showcase these on your website to give your brand more credibility.



Starting your graphic design business

Ultimately, starting a graphic design business is an exciting, and somewhat challenging process. There are various steps involved in making sure your company is ready to attract clients and profits.

However, if you can commit the time and effort to the process, the results can be phenomenal.

Remember, learning how to start a design business from scratch can be difficult for complete beginners, so if you find yourself struggling at any point, it’s always a good idea to reach out for help.

There are plenty of professionals out there to assist with everything from building your brand, to marketing your services, and even choosing your business structure.

Getting a little extra help in the beginning could ensure you

bypass any common issues which might damage your earning potential in the future.

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