



Pricing Strategies for Translators and Interpreters

By Judy Jenner

Pricing is a controversial

and complex subject, and one that all linguists need to think about very seriously. In order to make a good living in the profession that we love, it is essential to figure out how to price our services. It is not about the price someone tells you to charge, but rather what you want to make and how you plan to get there.

During my webinar for ATA on this subject in February (“Pricing Strategies for Translators and Interpreters”), there were so many great questions and not enough time to answer them all, so I decided to address a few here. To purchase a recording of the entire webinar, please visit ATA’s website (http://atanet.org/webinars/ataWebinar105_pricing.php).

What are the strategies to set minimum rates?

It is important to be very clear about your minimum rate in all communications with the client. You might want to put this information on your website, if you are comfortable doing so. Stick to the minimum rate you advertise, unless it is a repeat customer who sends you lots of work and who just happens to need one sentence translated.

What is the best strategy for informing customers of an inflation rate adjustment?

Clearly state that you have adjusted your rates for inflation on the price quotes that you issue during the first months of the year. It can be as simple as, “Please note that my rates have been adjusted for inflation by XYZ.” At Twin Translations, we update our rate sheet, which is publicly available, at the beginning of each year and post the adjusted rates there.

How do you deal with being undercut by less qualified translators/interpreters when dealing with certain agencies that just want to go with the cheapest rate?

That is always a problem. Unfortunately, you cannot control what others do. You can only control what you do (trite, but true). Move on to the next potential client and make sure you communicate the value of your services. The goal is to get clients to see your value and your abilities, not just your price. That said, there will always be clients who just want the cheapest price.

The U.S. economy is not the same as it was 10 years ago. What about those of us who feel we do not have much of a choice when it comes to accepting or rejecting a client’s offer?

Regardless of the economy, you always have a choice whether or not to accept a certain rate. As a business owner, you have to make some tough decisions, including walking away from work that does not pay what you charge. There will always be clients looking for world-class quality who are not very price-sensitive. Of course, the economic downturn has, in general, made customers more price-sensitive in all areas. But if you demand and receive adequate rates, you do not need hundreds of clients. You just need a few good repeat customers. Trust me, they are out there. You have a choice regarding the clients with whom you work. Let’s not take the “free” out of “freelancer.” You might enjoy the tough love and brilliant advice regarding pricing in Chris Durban’s book *The Prosperous Translator*.

Do you charge late fees if payments are not made on time?

That is a good question, and it is a tricky issue. We rarely encounter late payers as we clearly define our payment policies up front. However, when people do pay late, we send them updated invoices with a late fee. Most folks provide prompt payment after receiving such invoices, but often conveniently exclude the late fee from the payment. Collecting on the late fee can be frustrating and time-consuming, so, depending on the amount owed and how much time you want to put into it, you have to decide whether to pursue the issue or just let it go. Your time is the only resource you have, so use it wisely.

What about reductions for repetitions?

I presume you are talking about repeated words/segments in translation environment tools. Our small business does not give discounts for those, unless the client wants to pay us for the investment we have made in these tools, including the hundreds of hours spent dealing with the software. Also, repetitions still need to be reviewed to make sure the context is correct. For instance, in many legal documents you will find the word “claim” used both as a verb and a noun. The software program would recognize this as a repetition, but you still have to review the sentence. However, we recently did a project that involved a series of hand-outs where the exact same information appeared four times on each page. In that case, we certainly only charged once. There was still some formatting involved to make sure the layout was correct, but charging only once was the right thing to do. There is always some room for flexibility.

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Does it make sense to refer a customer who does not want to pay your rate to a colleague with lower rates?

Well, ideally, all translators and interpreters would charge adequate and professional rates. The reality is another, so I do not see why you would not want to make both your customer and your colleague happy. If the price potential clients want to pay does not work for you, why not refer them to a linguist who does offer the requested service at the requested rate? Many might disagree with me here, but if you cannot get the business, why not give it to someone else? The customer will only be forced to pay the adequate rate if no one is willing to work cheaper, which is not the case at the moment, although I would love to have our profession get there at some point.

What do you think about this? If you receive a request to take a free translation test, agree only if it is part of a paid assignment at regular rates. If you “fail” the test, the assignment is off. Then either you get paid for the test or not, depending on negotiation.

My opposition to free translation tests (= free work) always generates many interesting questions. While I think your proposal is interesting, it is still a risky undertaking. Evaluating the quality of a translation is a highly complex and subjective matter, and you are taking a monetary risk by letting the non-linguist client determine if your work passes muster. I still think that clients should pay for any work performed. It is not like you can ask your

CPA for a sample tax return and then hire her if you, as the non-expert, deem her work correct. At some point, customers have to trust the expert they are hiring to do the job for them. There is risk inherent in any purchase, and the purchaser traditionally has to bear that risk. You, as a provider, can alleviate it by offering references and samples of previous translations (with the existing client’s permission, of course).

Here is another question related to translation tests. What about taking a free translation test for an agency for which you already work that is trying to win a new account?

Providing great service to an existing client and helping them win new business is great, but it does not change the facts. If the agency wants to win a new client, they might have to invest something (e.g., hiring you to do sample translations). You, as the freelancer who has no say in that business relationship, should not have to make that investment. In my opinion, this is an investment that the entity trying to win the customer should make. You are not responsible for your customers’ business relationships, nor should you be. After all, you are not an employee. You are a contractor.

A particular agency in my area charges very low rates for its work and they are driving all business in the city down. How do I reach out to them so they stop this practice?

Unfortunately, it happens all the time. Put them on your black list and do not work with them. The best thing you can do is to stay clear of that agency ➡

Pricing Strategies for Translators and Interpreters *Continued*

and let the chips fall where they may. I would not necessarily reach out to them to ask that they stop this behavior. My guess is that they will not, but if you are not afraid of confrontation, it is certainly worth a phone call. Let's hope that the market forces will, at some point, eliminate bottom feeders.

How do you feel about giving a commission to people who refer other jobs to you and vice versa? For instance, 10% of the contract price?

Excellent question. Our small business does not actively look for work we cannot handle ourselves, but we outsource work to others on a regular basis. Many times, we will just send on the project to the superstar colleague we have selected. Other times, if the client asks us to coordinate the translation, we will take on the role of mini-agency and make a little bit of money off the top. More often than not, we just refer projects out. We do not charge a commission nor do others charge us if they send work our way. We do not expect anything in return for referring work, but colleagues can always buy me coffee if they want!

How do you suggest dealing with clients who send your work out for review, specifically to non-translators who get nit-picky? What if the problems originate with the source documents?

That is a difficult one, and this situation happens more often than you think—because everyone is a translator, right? I suggest gently educating the client on the process, sending one of the great ATA brochures (*Translation: Getting it Right* and *Interpreting: Getting it Right*), and pointing out that you have been hired as the outside expert to do the work. Ultimately, after clients have paid for the translation, they own it, so they may modify it as they please, but it would be reasonable to request that

Related Links

ATA Client Education Brochure *Interpreting: Getting It Right*

www.atanet.org/publications/getting_it_right_int.php

ATA Client Education Brochure *Translation: Getting it Right*

www.atanet.org/publications/getting_it_right_trans.php

ATA Webinars on Demand "Pricing Strategies for Translators and Interpreters"

http://atanet.org/webinars/ataWebinar105_pricing.php

ATA Webinars on Demand "The Entrepreneurial Linguist: Lessons from Business School"

www.atanet.org/webinars/business_2010.php

ATA Webinars on Demand "Ensuring Payment: Before, During, and After the Project"

www.atanet.org/webinars/ataWebinar92_payment.php

The Prosperous Translator

www.atanet.org/kiosk/ATA_PubWare.pl

your name not appear on a translation with which they have tinkered. We have a long way to go before our services are truly respected in the larger marketplace, but we are on our way. Whatever you do, try not to take it personally and resist the urge to engage in finger wagging. It is annoying to have your work challenged, but it happens to other profes-

sionals as well. Stay calm and collected and show a willingness to cooperate—up to a certain point.

How do you handle customer-initiated revisions after the project has begun?

I would solve this by having a strong translation contract in place that specifies exactly what your services will or will not include. Professional transla-

tion typically does not include customer revision, but you have to play it by ear. If a client just wants your input on why you selected specific terms, then that is certainly a reasonable request. However, if the customer wants to challenge every sentence, then you may gently point out that revisions are beyond the scope of the contracted services. You could offer to do revisions at an additional charge. I think it is paramount for the customer to know which services are included before

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so use it wisely.**

translation begins so both sides know what is expected. Having a solid contract in place will help prevent many headaches.

Thanks again to all the colleagues who attended the webinar, and for posing such great questions!

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