

# Budget

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# OVERCOMING FEAR OF MONEY

# Overcoming Fears of Money

- **Why people are uncomfortable talking about money:**
  - Parents tell you not to talk about it because its rude
  - People like they either have to little or too much
  - Overall negative connotation (money is not important, etc)
  - It is important because if you can't pay for something..then what are you doing!
  - You have to break away from the stigmas of money, it's a cultural thing. find the courage to do it now and it will be easy later

# Overcoming Fears of Money

- **Transitioning into the budget phase:**
  - Summarize all the pain and make sure you got everything
  - at least 3-5 critical pains
  - then you go in for a transition to talk about the money

# ASKING FOR THE BUDGET

# Asking for the Budget

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  - Summarize all the pain and make sure you got everything
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# Asking for the Budget

- **Discover if prospects have money available:**
  - **Subtle Questions**
  - **Third-party Stories**
- Use info during the pain phase to ask the right questions
  - Expense may not just be money (turnover, time, etc)
  - Help the prospect put a price on how much they are willing to pay to make their pain go away

# Asking for the Budget

- **Subtle Question Examples:**

- John, have you thought about how much you'll need to invest to bring this project back to life.
- Sally, I guessing you haven't put aside a budget for this, have you?
- Jim, any idea on how much resources you'll need to figure this out?



# Asking for the Budget

- **Third Party Stories:**
  - John, usually when I work like companies like yours they'll usually have a monthly budget set aside for digital marketing. I was curious to know if this was something you already thought about too.

# Asking for the Budget

- **Discover how much money prospects have available:**
  - Ranging
  - Third-Party Stories
  - Combination (Ranging & Third-Party Stories)
  - Historical or Future Expectation
  - Metaphor
  - Direct

# Asking for the Budget

- **Ranging:**

- Hey Wilson, if we were to ballpark what you're looking to invest in solving this problem, what would that look like?
- Hey Wilson, usually when we work on a project like this, the total investment is somewhere between \$10,000 to \$20,000. Do you think you'll be able to invest that amount?

# Asking for the Budget

- **Third-Party Stories:**
  - Sarah, I was working with a client a couple weeks ago who was experiencing the exact same challenges you were. And they were committed to taking care of the problem. They invested close to \$10,000 to have us take care of the challenge. Would you invest as much as \$10,000 if you felt confident we could help you here?

# Asking for the Budget

- **Combination (Ranging & Third-Party Stories)**
  - Hey Jimmy, I appreciate you telling me you can't reveal your budget for obvious reasons. But maybe you can help me out so we don't waste each others' time. Typical when we work on projects like this, the clients' investment usually falls around \$10,000 to \$20,000. Which end of that range should we focus on? Or is it over before its even started?

# Asking for the Budget

- **Historical or Future Expectation**
  - Hey Tim, last time you overhauled your entire system, what size of investment were you looking at? Do you expect to spend more or less this time around?

# Asking for the Budget

- **Metaphor**

- Jonathan, when you're thinking about a budget for this project, are you thinking of little league, college level, or the major leagues?
- What do you consider a little league amount?

# Asking for the Budget

- **Direct**

- Tom, I get the feeling that you've been burned in the past by revealing your budget to a salesperson before. Is this accurate?
- **If Yes:** I appreciate you telling me that. Is there something I said that made you feel the same thing?
- **If No:** I must have said something that made you feel like you can't trust me or would take advantage of that information. If that's how you feel Tom, maybe we should stop here. It might be too difficult to do business with someone you don't trust. What should we do now?



# LAND AND EXPAND

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# Land and Expand

- Sometimes people are not ready to buy everything you got
- If they can not, start with something small. For example a 1 day consulting, a free trial, etc
- Then once they try your stuff and like it, sell them the rest later
- Use Oracle Story
- Same concept applies when trying to get critical information, start small (land) and expand. Like if asking for budget for digital advertising. Get FB then everything else later

# Negotiating Price

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- People LOVE to get a good deal, so your job as sales person is to *make them feel* like they are getting a good deal (even if they are not)
- Example: You want \$15,000 for your services
  - If you start at \$15,000 they will keep pushing you down
  - Start with \$20,000 and make it hard to go lower and lower
  - “I go up if you go down”
  - Or you can play dumb and have to ask for approval
- **If you lower the price, try to get something in return like a yearly contract**