

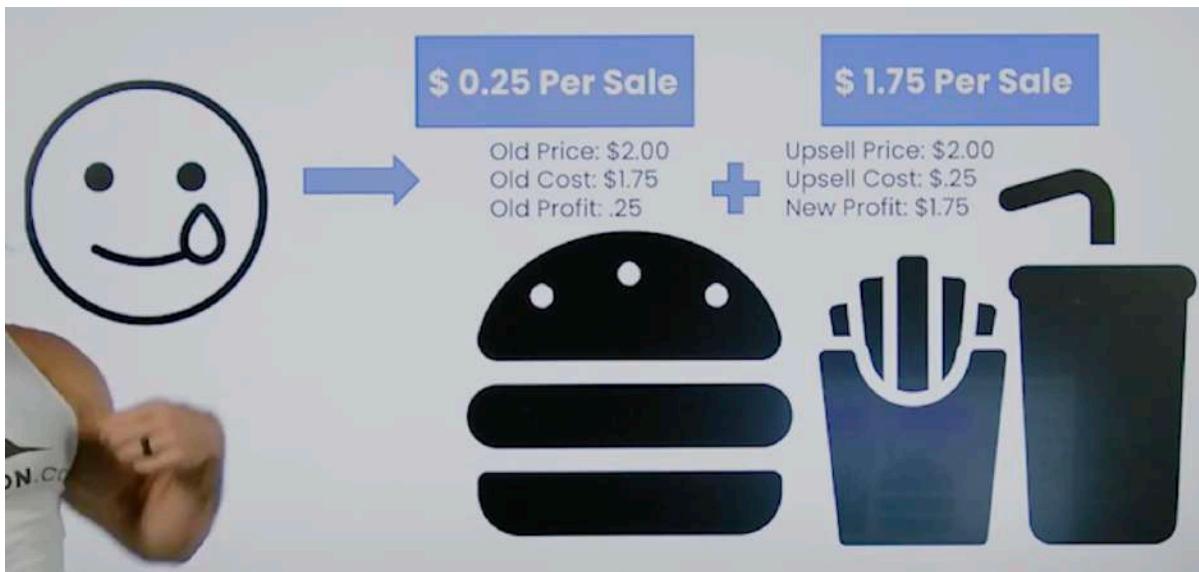
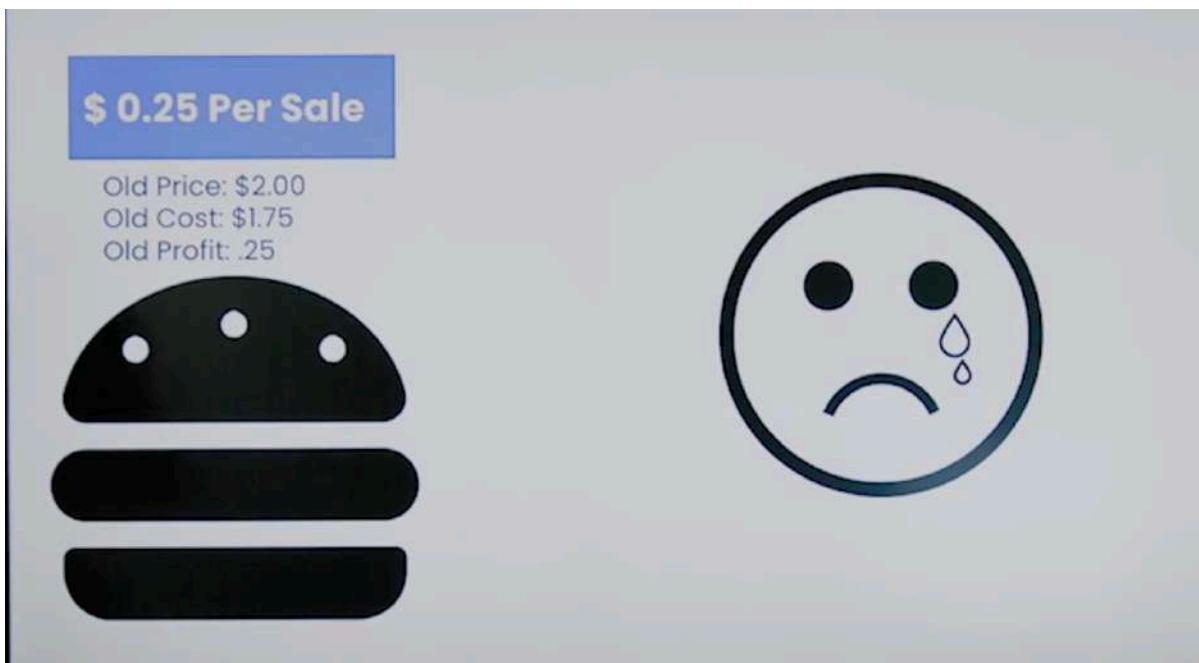
Upsell Offers

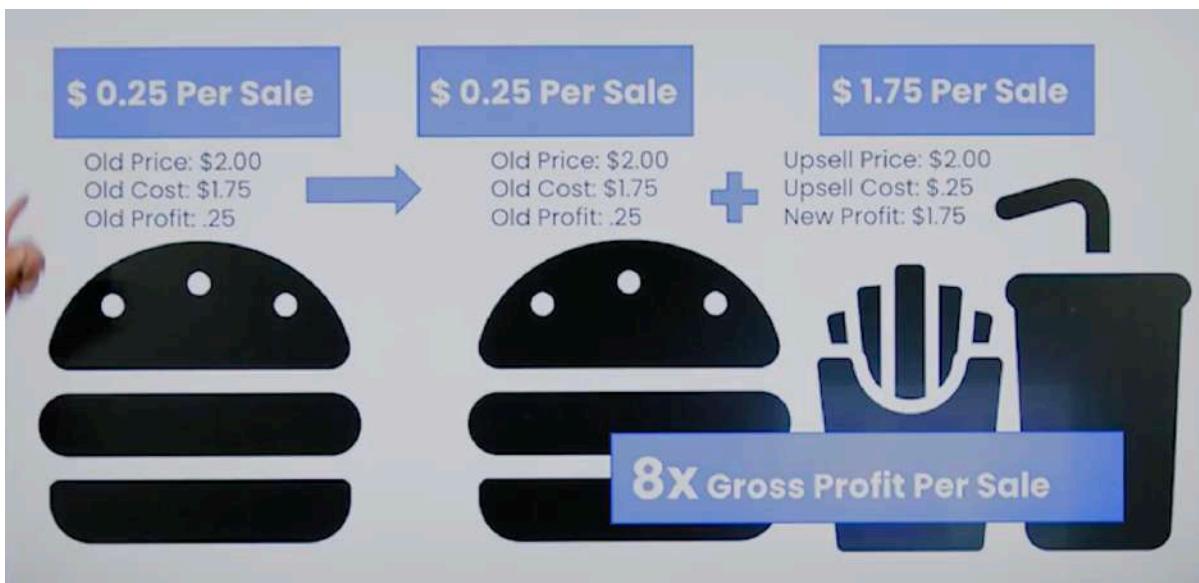
Upsell Offers

1) What they are: With an Attraction Offer in place, you've got customers and cash. Now we want to maximize 30-day profits. So what do we do? Answer: make more money. To do that, we make Upsell Offers. And when it comes down to it, Upsells just mean *whatever we offer next*.

1) What they are: When an offer solves a problem, another appears. You upsell the solution to the problem your offer reveals. So, every offer opens the door to an upsell... even upsells! Often, upsells make the majority of the profit. They make or break a Money Model. Let me show you how much.

- Upsells usually make up the majority of the profit
- May sell 10x of the attraction offer, but 10x of profit comes from the second sale





When they fail:

- You offer something they don't want (too different or doesn't solve their problem)
- You offer it at the wrong time (before they've experienced the problem)
- You offer it the wrong way (they don't believe you)
- Or, a combination of the above.

What to sell:

- More of what they just got (think quantity)
 - Why have one burger when you can have two?
- Better versions of it (think quality)
 - Why have mystery meat when you can have sirloin?
- New or complementary stuff (think different)
 - Do you want fries and a soda with that burger?



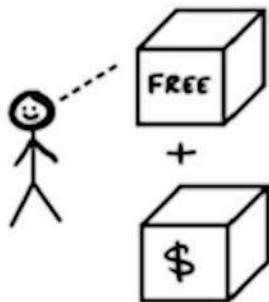
Objective: Maximize profit per customer & ascend clients into back ends.

Note: These structures can work anywhere, I just like them as ascension tools.

1. The Classic Upsell:

Upsell Offer: The Classic Upsell

- 1) How I Learned It
- 2) Description
- 3) Examples
- 4) Important Poi
- 5) Summary



YOU GET THIS VALUABLE THING
OTHERS CHARGE FOR FREE
FOREVER AS LONG AS YOU...

- KEEP PAYING FOR THIS ONE...
- BUY THE OTHER THING YOU NEED
NEXT FROM US...
- LET US USE THIS VALUABLE
RESOURCE YOU HAVE ACCESS TO...

1) How I Learned It

- Fur Coat Dealer - winter storage
 - Free ear muffs
 - Not free storage
- Then we used it in the gym - so I knew it worked across industries
 - The "No" Sale - Sale: Thumb drive.
 - Nutrition consult. 100% book rate. 100% goodwill. 50% show rate.
High close rate.
 - Higher average ticket

- "You don't want anything else?" → E.g. if burger do you want fries or a drink.
Winter storage including conditioning
- "You can't have X without Y" → Fundamental basis of the Classic Upsell

- We've been conditioned to say "no" to salesman. So when you say "do you want anything else?" and you get told no, the key is in the word "else" where the "else" means in addition to the thing we just offered you e.g including the fur conditioning, ear muff storage
 - Get people to say yes by saying no
 - People agree to all of it even by saying "no [they don't want anything else]"

- Situations where people say no to all service offerings to salvage and still get value:
 - Hormozi with gym clients offer: "hey I still want to help you for 6 weeks" and give them home workouts on a USB + come back in a few days for a free nutrition consultation
 - Most people then say yes to this
 - He would then close the same % as he would normal custom but at a higher average sale
 - People who bought services then supplements average \$200
 - People who didn't buy services but then bought supplements average \$300
 - Lesson = he was attempting to solve their problem in a way they didn't want to solve it. These people wanted a "magic pill" so they needed to have a magic pill available for them
 - Magic is they turned no sales into more sales by just offering them something else

2) Description

- Provide a service for free that you can monetize another way
- Works for one time services or even recurring services (provided the recurring stream has high enough margins to pay for both).

2) Description: different ways of saying it.

- Essentially, I give you thing A for free in exchange for buying thing B.
 - OR
- I give you thing A for free, and I will encourage you to buy thing B.
 - OR
- I give you thing A for free, for as long as you continue to use thing B.

3) Examples: Lemonade Stand

- **Offer:** Free lemonade cup.
- **Upsell #1:** Do you want lemonade ice cubes with it to make it cold without diluting it?
- **Upsell #2:** Do you want a stainless steel "to go" container to keep it cold for you? We donate \$1 to help children's cancer for anyone who takes the mug. You also get 20 percent off refills.

3) Examples: Storage

- **Offer:** Free month of storage
- **Upsell #1:** Do you want to buy a lock for your storage unit?
- **Upsell #2:** Do you want insurance for the unit?

3) Examples: Weight Loss

- **Offer:** Free 28 Day Program
- **Upsell #1:** (At nutrition orientation - kickoff of program after first sign up)
You're going to want this \$400 supplement package to get the best results for the free 28 days of service.

3) Examples: Physical Therapist

- **Offer:** 4 Free Treatments
- **Upsell #1:** You're going to need these orthotics, bands, braces, oils, kinesio tape, to maximize the effectiveness of the treatment.

3) Examples: Info/Education Etd

- **Offer:** I will group coach you, provide info, and a community for free indefinitely as long as you...
- **Upsell #1:** Keep using my software

3) Examples: Free vs Discount Note*

- A friend of mine who owned a very successful chain of 200+ weight loss clinics grew it on **this simple offer.** They offered \$5 per month of weight loss services for a year if and only if the client used their supplements, bars, shakes, and meal program. Their guarantee was also contingent on this continued usage/purchasing.
- They were a very successful business and employed doctors and nurses at the facilities, but despite this, gave their service away for free because they made so much on their **alternative revenue stream.** This should give you an interesting insight - people were more willing to pay for the products than they were for the service from white-coated medical professionals. People love tangible goods. Something to ponder.

4) Important Points:

- If you make thing A free, then you must be able to give it away for free.
 - So make sure it doesn't cost you a lot (or anything at all - think thumb drive)
- Make the upsell the next natural thing they would need to buy
- Storage: upsell boxes, larger units, and longer commitments
- Wt Loss clinic: continuity of service, continuity of supplements, DFY meals, bars, hormone treatments, hcg, etc.
- Physical Therapists upsell long term treatment plan bundle using multiple services.
- Note: if people don't take the upsell after the free thing - they're very unlikely to stay - so it may seem minor - but you really need to emphasize the importance of taking the optional upsell. How you present it matters a lot. More "this goes with this" rather than "want this?"

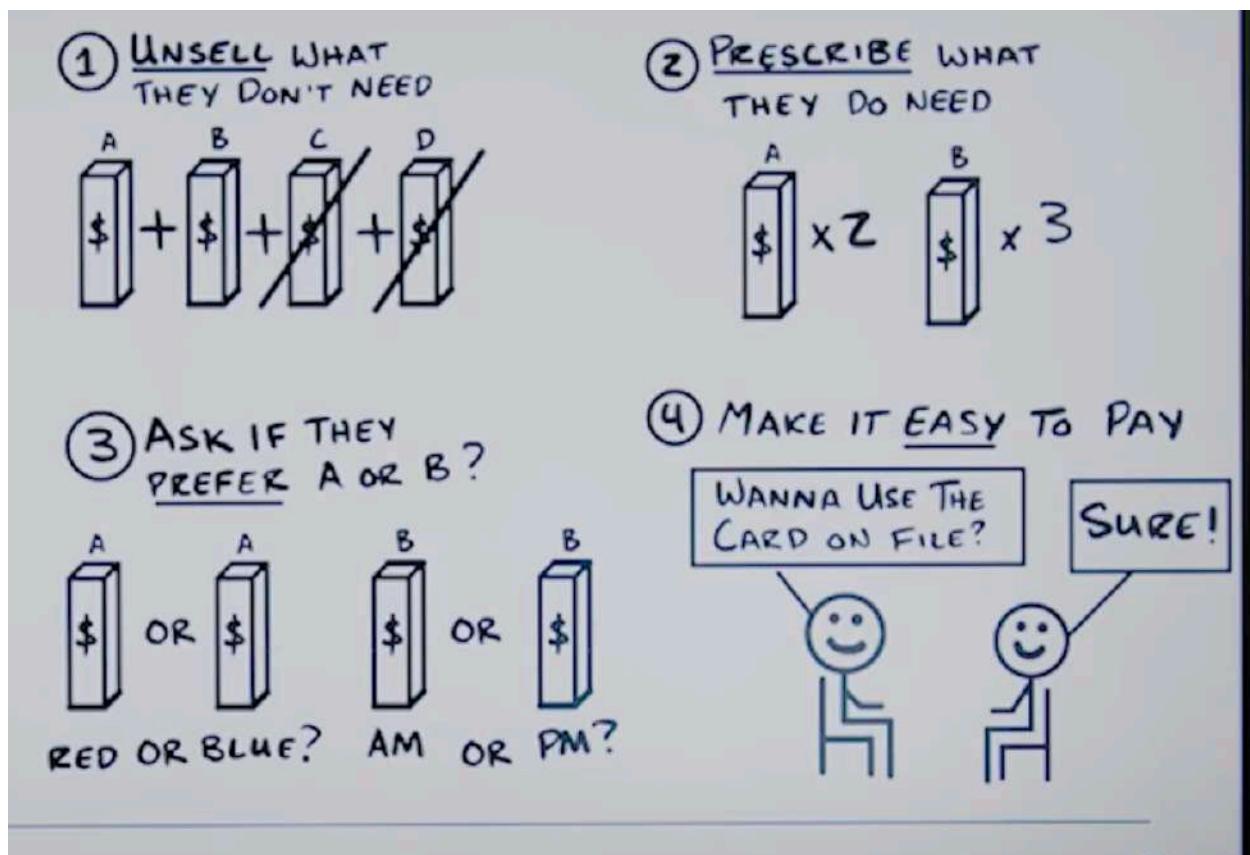
4) Important Points:

- This play works so well because:
 - The prospect's perception of how essential/required the next thing is (like the lock in the storage unit scenario).
 - How seamless the upsell process is for the prospect. If you make it frictionless, you can get 80 percent plus take rates on upsells for these offers. They should *feel* like they *have* to buy it.
 - If you know 80%+ take the sale with an 80% margin thing = \$300 upsell = \$192 PER free thing given away – and that's just the first upsell.
 - Very little operational drag
 - Works great as an internal play (supplements challenge example)

5) Summary:

- Works on front end or back end
- Works as an internal play
- If you suck at sales this is an easy one
- Lots of goodwill – just make sure you close the upsell
- If you aren't getting 80%+ close rates – you're doing it wrong.
- Think of all the things that GO with the thing, and give the THING away free and make all your money back on upsells
- Gets lots of up front customers

2. The Menu Upsell: His favourite



- A/B sales

- Supps sales sucking - 5k in inventory
- 0/19 for the day
- Rich lady walks in
- Tried new sales approach
- Got first two supp sales
- Closed everyone the rest of the day
- Learned two techniques in one day

Takeaways:

1. **A/B Upsell:** Ask which product customers prefer, not if they want to buy
2. Use the **card on file** instead of asking for a new payment method

- Doing 5-10k per day of supp sales
- Lady comes in who doesn't stop asking questions
- How much/When/How many/What if working/What if at home/ Etc
- I write everything down. Went late.
- Next lady sits down asks for same treatment
- Buys everything immediately without question.
- I learned the **prescription upsell**.

Takeaways:

Detailed and personalized instructions explaining *post purchase behavior* increase the likelihood they buy more than vague and general directions.

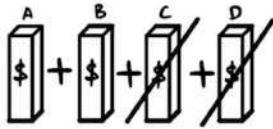
- On the road launching gyms
- Would sell out fast
- Normally Id just not mention products that sold out
- Lady with an earlier friend asks for same stuff
- I tell her she can get something close down the street
- Then tell her what she should get instead
- She buys everything I recommend.
- Try it on everyone else and close every recommendation afterwards

Takeaways:

- I went out of my way to cross out what she didn't need. And this built enough goodwill to upsell what she did. Later, I kept products just to cross them out! I call this process **unselling**.

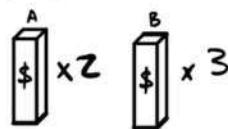
- start by telling them what they don't need so they believe you when you tell them what you do need

① UNSELL WHAT THEY DON'T NEED



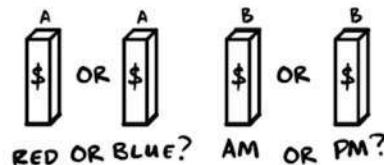
You unsell by telling customers what they don't need so that you can emphasize what they do. Here, instead of asking if they want to buy it or not, you explain what they don't need as a way to get them excited about what they do. Unsell vary based on the customer's needs. When some options work best, you can cross out the rest. After telling them what they don't need...

② PREScribe WHAT THEY DO NEED



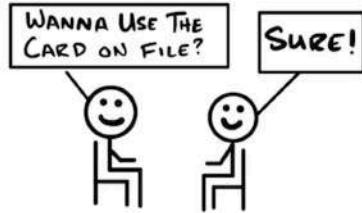
Prescription Upsell. We tell them what they do need. Prescription Upsells work well when offering a choice is inconvenient and you have only one thing that solves the problem. Prescription upselling has two important components. First, you have to explain how it integrates with offers they already bought. Second, you personalize and detail how to maximize its value. Here, instead of asking if they want to buy it or not, you explain how to use it as if they already have. Again, we remove the option of not buying to lower the chance they don't buy. And once I have told them exactly how they're going to use everything...

③ ASK IF THEY PREFER A OR B?



A/B Upsell. We ask them their preferences. A/B Upsells work for *multiple offers that solve the same problem*. You make A/B Upsells by asking their preference. Instead of asking if customers wanted to buy a product, yes or no, we ask which product they prefer: A or B. Either choice results in an upsell. Basically, when you give people the option to not buy, some don't buy. So, I give the option to pick between buying two similar things. Once they know what they're buying and how they're gonna use it, I suggest the easiest way for them to pay...

④ MAKE IT EASY TO PAY



Card on file. A cherry on top of all this upsell goodness. I literally ask, "Do you want to use the card on file?" Here, instead of asking *if* they want to pay or not, you *refer* to ways they already have. This gets more people to buy because it lowers the "hidden costs" of buying. Picking which card to use. Taking it out. Being reminded of ugly buying decisions in the past. Even the hassle of buying stuff in a rush...and who knows how many more. Just know if you make it easy for people to buy, more people will.

Examples

Massage Therapist -

- Unsell - We have a lymphatic massage available, but you're not pregnant or just out of surgery right? So we can cross that out.
- Prescribe - Since your shoulder hurts we'll heat you up first, then hit your trigger points, and after that, we'll do some dynamic stretches.
- A/B - So would you rather do it before work or on the way home?
- Card on file - Wanna just use the card on file?

Dog Food -

- Unsell - You're not gonna need this small bag or this puppy stuff—you've got a big dog! You don't need these vitamins either because we've got food that already has them.
- Prescribe - You're also gonna wanna give your dog one of these joint chews at each meal. And every 90 days, give them one of these wafers for heartworms. Also, make sure to bring him back next month. Let's get that booked now.
- A/B - So does your dog prefer beef or chicken flavor?
- Card on file - Wanna just use the card on file?

Digital Product -

- Unsell - You don't need all eight courses yet. You just need to solve X, Y, & Z. Tell ya what. I'll send you some free stuff that'll solve problems X and Y. Then, you'll just need one course for problem Z...
- Prescribe - But to solve Z, you're definitely gonna wanna do the course *this* particular way. Can you put an hour a day towards it? Okay – great. This will prevent any other Z problems cropping up later.
- A/B - Would you rather have direct message or phone support? Okay great. And would you like to start today or Monday?
- Card on file - Awesome. Wanna just use the card on file?

- 1) Anything is A/B Sellable** (Mon vs Tues, Amy vs John, Morning or evening, paper or plastic, black or white, etc)
- 2) If you make an AB offer, add a nudge** (what most people like, or what you like)
- 3) If you sell out, take payment and delay delivery**
- 4) Employees love unselling.** Equip them with the homie hook up – by design.

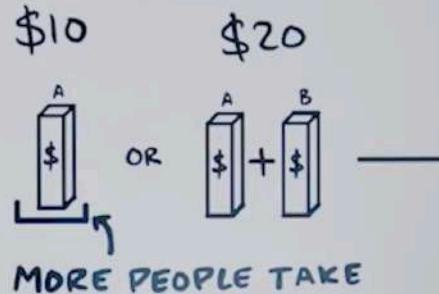
If You Have Two Options And Want People To Buy Both

The Economist wanted a digital offer. But, it also wanted to keep its profitable print subscription. So, thinking people would buy both, The Economist offered the following:

- A- Digital Subscription: \$59/year
- B- Digital + Print Subscription: \$125/year

Result: Print sales plummeted as customers flocked to the cheaper option. Oops.

WITH ONLY 2 OPTIONS...



To fix it, they added a decoy option for the same price as the bundle:

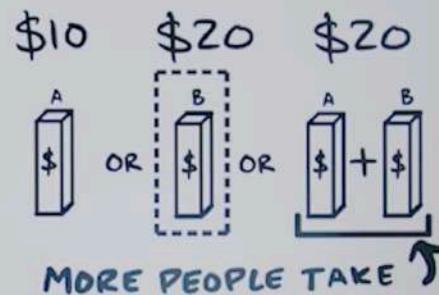
A- Digital Subscription: \$59/year

B- Print Subscription: \$125/year

C- Digital + Print Subscription: \$125/year

Result: Customers now took the C - Digital + Print option \$125/year.

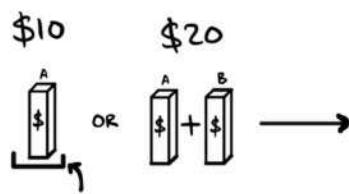
IF WE ADD A "DECLOY" 3RD OPTION AT SAME \$ AS A+B...



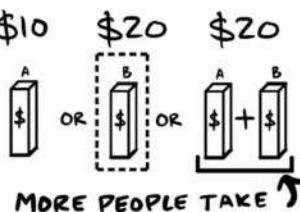
Upsell Offer: Menu Upsell – Important Points

THE "ECONOMIST" PLAY

WITH ONLY 2 OPTIONS...



IF WE ADD A "DECLOY" 3RD OPTION AT SAME \$ AS A+B...



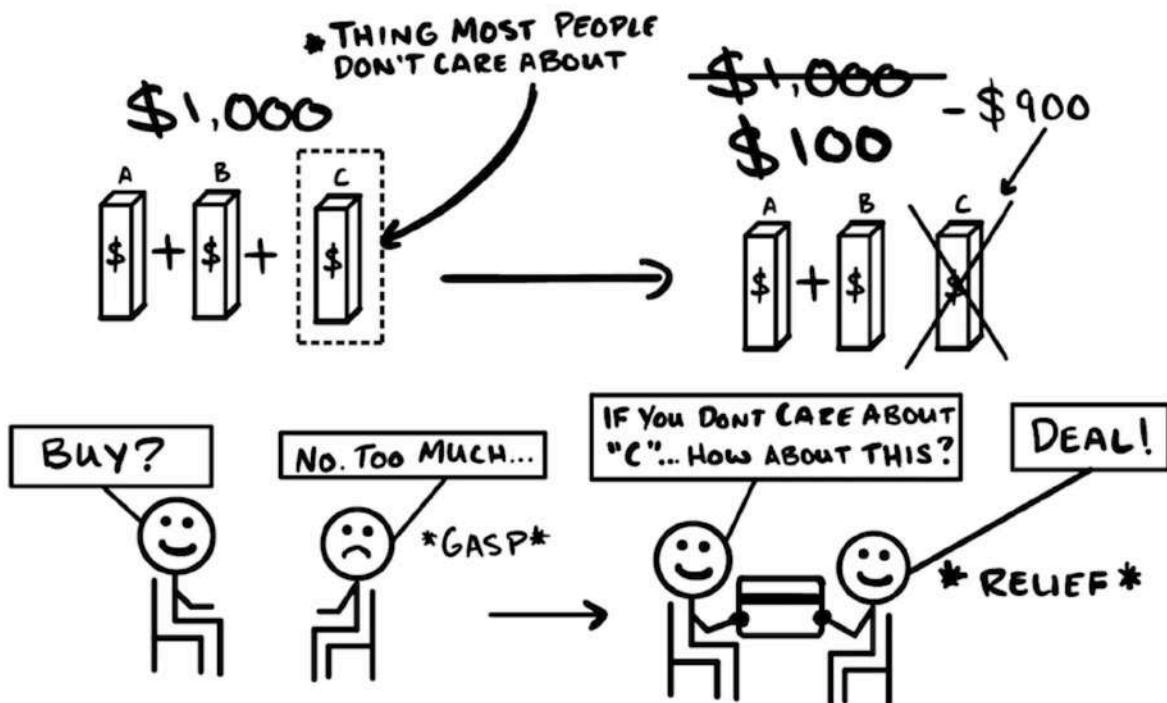
Bottom Line: Present three options.

Option A, Option B, and Option C (Both)...but you make the price of (C) the same as the more expensive option (B). So long as you price the options to preserve your margins, you make the customer's choice easy and sell both.

Summary

- 1) Menu upsells work best when you have multiple offers available.
- 2) Menu Upsells combine up to four tactics:
 - Unselling: You tell customers what they don't need.
 - Prescribing: Tell them what they do need.
 - A/B Offer: Ask them what they prefer
 - Last, I make buying easy by asking if they want to use the card on file.
- 3) Unselling lower-margin stuff where appropriate incentivizes higher-margin upsells.
- 4) Encourage employees to unsell and "game the system" on purpose.
- 5) Nudge new customers towards what makes sense for them.

3. The Anchor Upsell:



- I had spent five years in casual clothes (sweats and tank top)
- Started Gym Launch and was advised to look professional
- A friend recommended a suit shop and told the owner I was coming
- Budgeted \$500 for a suit
- Entered the shop and made small talk
- Asked for a "boss suit"
- Tried on the first suit and felt cool

- Checked the price tag: \$16,000
- Felt shocked and embarrassed
- Owner noticed and asked if I cared about the designer
- Tried on a second suit - New price tag: \$2,200
- Felt relief and agreed to buy it
- Purchased additional accessories for \$300
- Total spend was **five times** my original budget
- Realized later the owner used a price anchoring technique

Upsell Offer: Anchor Upsell - Description

- Anchor Upsells involve offering premium items first
 - If the customer is shocked by the price, you offer a cheaper alternative changing *secondary features*
 - Presenting a premium version at 5x-10x the price makes the main offer look like a better deal
 - This strategy leads to more people buying the main offer
 - Works best when the lower-priced offer has the same core functions as the premium one
-

- In the suit example, the \$2200 suit seemed a better deal compared to the \$16,000 one
- Two additional benefits of Anchor Upsells:
 - 1. Customers tend to spend more than they initially planned
 - 2. Some customers still opt for the expensive option

Here are the steps to using an anchor upsell:

1. Present the Anchor – the really expensive thing.
2. Get “The Gasp” – expect the customer to freak out about the cost.
3. Come to the rescue – ask if they care about *what makes it premium*
4. Present your Main Offer – expect the customer to feel relieved and see the *better deal*.
5. Ask how they wanna pay – *Which card do you prefer?*

Acquisition.co

Pro Tip: The Only Thing Worse Than Making A \$1000 Offer To A Person With A \$100 Budget...is Making A \$100 Offer To Someone With A \$1000 Budget.

In the first situation you lose \$100. In the second, you lose \$900. I've lost tons of customers and mountains of cash because customers wanted more than I had to offer. Boo. So now I always have premium upsells ready. Only a handful of customers buy them, but that handful of customers bring *big profits*. So always have premium offers even if most people don't buy. Remember, you won't lose customers by offering premium stuff first, but you *WILL lose money if you don't*.

1. Local Service: Lawn Care

- a. *Premium Anchor:* Get my cell phone number, fancy mulch, natural pest control, bi-weekly yard maintenance—\$1,000 per week
- b. *Main Offer:* Get my team's number, generic mulch, normal pest control, bi-weekly yard maintenance—\$200 per week.

2. Physical Product: A Painting

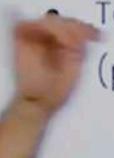
- a. *Premium Anchor:* Super protective packaging + 20 year Insurance + Gift Wrapped = \$1000
- b. *Main Offer:* Normal Packaging + 1 Year Insurance + Sticker = \$200

3. Digital Product: Newsletter

- a. *Premium Anchor:* All Previous Issues + New Issues + 24Hrs Early = \$199/mo
- b. *Main Offer:* New Issues Only + On Time = \$19/mo

Upsell Offer: Anchor Upsell - Important Points

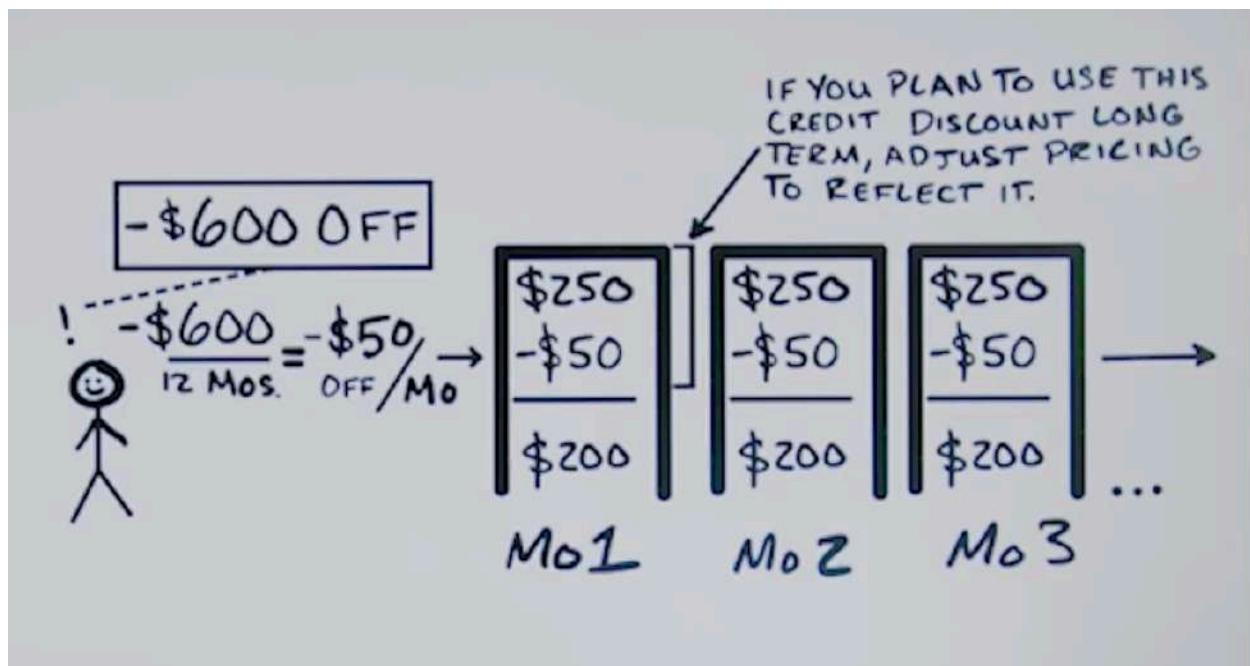
- If you treat the anchor like a fake, so will the customer.
- Make a premium offer you actually want people to buy.
- A proper anchor gets “the gasp.” Expect them.
- Once you get the gasp—come to the rescue. (and if they don’t balk, close the whale!)
- To get more people to buy your main offer, make it a better deal.
(primary vs secondary features)



- Want expensive deal to be as little different from cheaper deal as possible. So you've justified the price already at this higher price and when they hear the lower they think “this is a steal”
 - If the expensive deal is too different than they need to reconsider the offer again
 - Want them to take the same price to value for the expensive and apply it to the cheap and feel its a 80% discount because the things that you changed are not the things they care about

- - If you present a more expensive offer before a less expensive offer more people will buy the less expensive offer than they would have on its own.
 - Present anchor. Get gasp. Come to the rescue. Present core offer. Ask for payment.
 - For the most effective anchor, make your premium offer 5-10x more expensive
 - Anchored customers spend a bit more than they plan to.
 - Don't treat the anchor like a fake, or the customer will too. You lose trust and waste time.
-
- Important: Some customers will buy the premium offer.
 - Expensive premium offers add outsized profits with fewer sales.
 - The main offer and the premium offer should have the same primary features.
 - The premium offer has different secondary - aka 'premium' - features.
 - After anchoring, offering the primary features for $\frac{1}{5}$ the price makes the main offer a *great deal*. It gives them 'basically the same thing' for way less.

4. The Rollover Upsell: Most Used Upsell



- Was doing Win Your Money Back as Attraction Offer play
- Everyone kept crediting their money towards membership
- But membership was \$150/mo ($\$600 = 4 \text{ months}$)
- They didn't feel the payments so they stopped coming
- Needed a way to upsell people into something paid

1) How I Learned It

- 
- Drove to a friend of mine's gym in Vegas to learn more about how he ran his gym
 - In an off-handed comment he said he was getting 70%+ to stay on afterwards (and pay!)
 - "Oh yea...I just take their winnings and credit it towards a year"
 - Bingo—and that one sentence made me 10s of millions

- **Rollover Upsells credit some or all of a customer's previous purchases toward your next offer.**
And this – in my experience – gets way more people to take it. So once I know how much credit to give, I figure out three things: *who* to upsell, *what* to upsell, and *how* to roll over the credit.
- **For the who,** I use Rollover Upsells in **four situations:**
 - **First**, to re-engage customers who left a while ago.
 - **Second**, to rescue upset customers as a better alternative to a refund.
 - **Third**, to 'rescue' *other people's* upset customers.
 - **Fourth**, to upsell regular customers.
- **For the what.** Remember, you can upsell *more of what they just got, something better, or something new and different*. To make money: Roll their credit over to something more expensive.
- **For the how,** you can apply all or part of the discount up front or spread it over time.

Who:

- First: Take money leftover on membership and credit it towards different offer they may be interested in
- Second: Take all money spent so far and just credit it to the offer that is better for them
 - Redo is better than a refund
- Third: Go to 1 star reviews of competitors, message them and ask how much they spent, say you'll use that amount as credit for your gym

What:

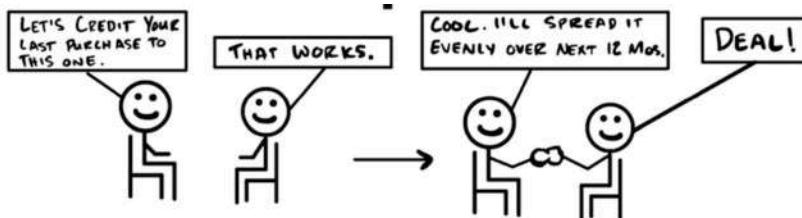
- Roll over the thing to whatever is 5x more expensive

Upsell Offer: Rollover Upsell

- **Dentist:** Save Your Own Upset Customer With Rollover Upsell

Who: Upset Customer What: Teeth Whitening How: Front Load \$200 Credit

- The person pays \$200 for teeth cleaning but doesn't think their teeth got whiter.
- We explain they need more to get more and upsell into a teeth whitening package which includes multiple sessions, an at home kit, and multiple deep cleanings.
- You offer to credit the \$200 they paid for the cleaning towards the whitening package.



Chiropractor: Re-engage old patients with a "Winback" Campaign

Who: Customers With Six Months Since Last Purchase What: New Plan How: Upfront

- Reach out to your old patients. Look at their purchase history. Offer to apply some or all of their past purchases towards something more expensive than what they bought.
- Ex: "Hi Mrs.Banks, I wanted to give you your money back, do you have a minute?...Great, yea. I wanted to see how your back pain is going? Oh, I'm sorry to hear that. Well, I have some good news. As a way of saying thank you, I want to give you \$500 of your money back as credit towards staying pain free for good. Is that of any interest? Great...let's get you in..."

- **Software:** Rescue (*Cough* Steal) Other People's Upset Customers
- Who: Competitor's customers What: Service agreement How: Rollover cost to break old agreement.
- You find competitor's upset customers and credit old purchase with them towards a new purchase with you.
- Roll over the amount they owe with them as credit towards a longer agreement with you.
- Ex: *"Hi John, I saw your negative review on their product and it really upset me. To make it up to you, I'll credit whatever payments you have left with them to switch to ours. This way, you don't lose a thing and you start getting the benefits now. Fair enough?"*

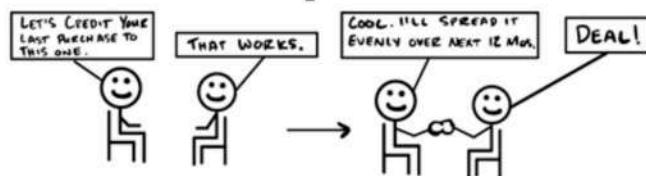
• **Membership:** Spread First Purchase Over a Term

- Who: Current customers What: 12-month membership How: Spread out first purchase.
 - Somebody buys a small block of service or membership time.
 - As soon as they do, you can offer to apply the entire amount towards more time - like 12 months.
 - I can do the rollover upsell at any time, I just prefer to do it right then.
 - When you do, you take the first purchase's cost and apply it as a discount over the longer agreement. For example, a \$600 first purchase makes a \$50 a month rollover discount for 12 months.

- **Use Rollover Offers To Attract New Customers.** For example, you roll over some or all of what customers paid somebody else towards *your thing*. You can find leads for this by scraping contact information from negative product reviews where available.
- **Do Rollover Upsells before refunding.** This has saved me tons of customers and cash. If you did a bad job (hey, it happens), roll over for a 'do over.' And if they want something different, roll over their purchase toward that thing instead.
- **Previous Customers Are Still Customers. Upsell Them. Winbacks.** Reach out to old customers (6+ months since last purchase). Look at how much they paid before. Decide how much you're willing to roll over. Offer it. Ex: I made personalized videos for 200 past customers offering them \$4000 of credit to return. We got about 20% to take the offer.
- **Add Urgency To Rollover Upsells. Make Them One Time Only.** (Optional) Make the moment you present the offer the only time to take it. They don't get to sleep on it. You want to surprise and delight. So if they want the credit, they've gotta take it now. If not, no big deal. They can still pay full price later.

- **How To Price Your Rollover Upsell.** To make money on a discounted offer, you must have profit left after you discount it.
 - I try to make the upsell offer at least four times more than their rollover credit.
 - So even if I apply the whole amount of the first purchase, it discounts 25% at most.
 - Remember, the rules of discounting apply. Bigger discounts make you less profit per sale, but they get more sales.
- **You Don't Need To Credit The Entire Amount Of Their First Purchase.** You can roll over as much or as little of the first purchase you choose.
 - I roll over whatever amount I think would incentivize them to buy the next thing.
 - Test to find the sweet spot.

Upsell Offer: Rollover Upsell – Summary



- Rollover Upsells credit some or all of a customer's previous purchases toward your next offer.
- To do Rollover Upsells, figure out who to upsell, what to upsell, and how to roll credit over.
- **Who to upsell:** old customers, upset customers, other people's upset customers, current customers.
- **What to upsell:** more of something, something better, something new or different. Just make sure you make a profit after applying the credit.
- **How to roll credit over:** Full or partial purchase price. Given upfront or spread out.
- **Price your next offer at least 4x** higher than the credit. This makes a 25% discount.
- To get more takers, **add urgency**. Make your Rollover Upsell a one time only offer.