

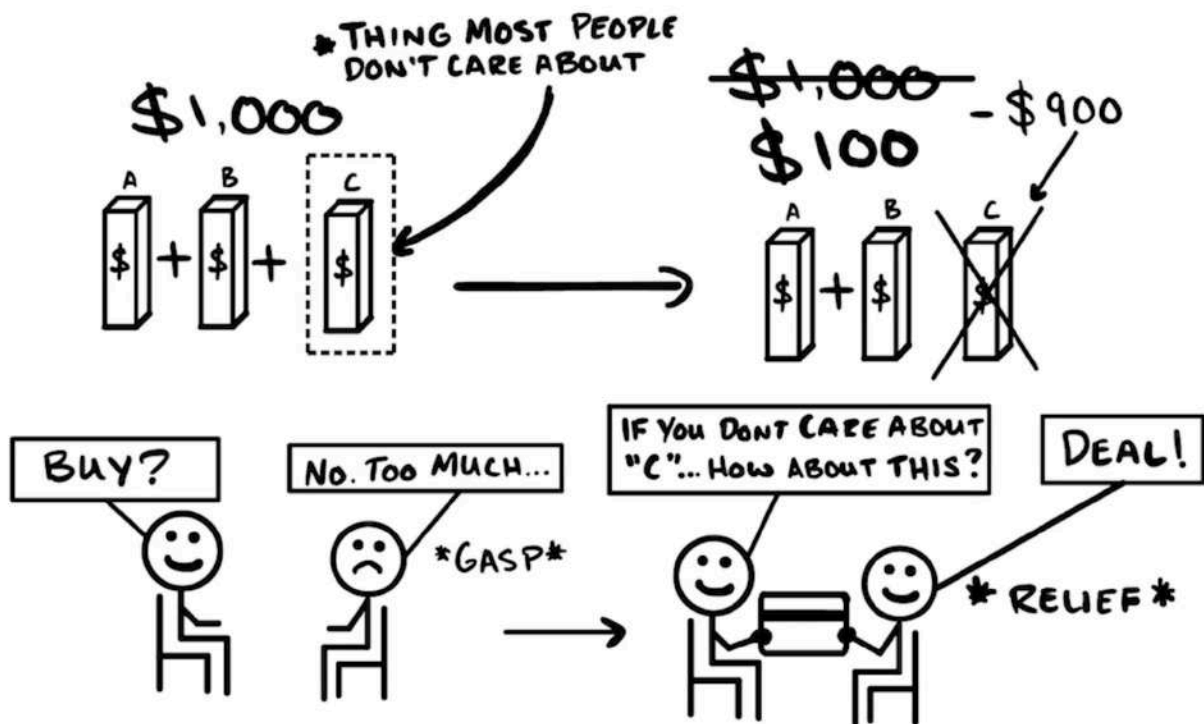
Downsell Offers

- In the last section, we used Upsell Offers to get people to buy more stuff. If we did a good job, we've turned a profit too.
- Downsells begin after a customer says no.
- We find a solution to meet the customer's budget.
- We downsell in two ways: change how they pay or what they get.
 - How they pay: how much they pay now vs how much they pay over time
 - What they get: change quantity, quality, or offer something different
- **How Not To Downsell – A Real Story From A Friend.**
- *"I was buying a car and the salesman tried to upsell car insurance. The cost of the insurance when he first started was \$5000. I said no. But then, he lowered the price. And I said no again. He kept lowering the price until the same insurance he first offered for \$5000 was now only \$400! I still said no. At first I said no because it was too much money, but by the end I said no because I didn't trust the guy. The entire experience felt dirty. Then I wondered, was he ripping me off on the car too? Now, I didn't want to buy the car from him either!"*
- People lower the price to close a sale. But even if you close this one sale, the customer will question every price you offer from that point going forward...and whoever they tell. You trade trust for a buck. Not worth it.
- **Note:** You can offer something different for less. You just can't offer the same thing for less. If he had offered *different* insurance for less, rather than *the same* insurance for less, he probably would've kept her trust and closed the sale.
- **Remember, They Said No To This Offer, Not All Offers.** see it for what it is – an opportunity to find out what they really want, and profit from it.
- **Downsells Are Trades.** When downselling, you work with the customer to find combinations of giving and getting until you get a match. If you're gonna give something, get something.
- **Personalize, Don't Pressure.** Figure out what they like and don't like. Then, offer more of what they like and less of what they don't—with a price to match. If someone refuses my large soda upsell, I can offer alternatives. I could ask if they want a small, a juice, or a coffee. Am I being offensive by asking? It's offensive not to offer to help.
- **Offer The Same Things In New Ways.** you limit downsells to what you've got. think of downselling more like a hundred ways to offer the stuff you already have.
- **Don't Drop Your Price Just To Get Somebody To Buy.** First off, dropping your price is not really downselling, it's *discounting*. If someone wants what you have, and just doesn't want to pay the price – tough cookies. On the other hand, you *can* offer them to pay less *now* and more money over time—a payment plan.

- Payment Plan Downsells (*how they pay*)
- Trial With Penalty (*how they pay*)
- Feature Downsells (*what they get*)

These downsell processes boost 30-day profit even further. They do it by making even more sales when customers would have said no.

1. Downsells: Payment Plans



- 1st Month in business. One month's rent left.
 - Only made a few sales the first week.
 - Halfway thru the month a prospect came in, and I needed the cash.
 - She said no to buying.
 - Then I asked to put half down - no.
 - Three payments and one third down - no.
 - What can you do?
 - I can put the whole thing on the first.
 - Rent was due on the fifth, and it came through. Hooray.
-

- Payment Plan Downsell work for any price tag.
 - They've made me millions but are a gamble.
 - They make money when more customers complete payments.
 - They lose money when people cancel before profit or when full-pay customers take plans and cancel early.
 - **Note:** This is not selling a cheaper thing. This is selling the same thing with different payment terms.
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- People reject offers when they cost too much *today*, not necessarily when they cost too much *overall*.
- People mistakenly think they need to offer cheaper stuff. This is not the best course of action imo.
- Payment plans get the most buyers to pay the highest price by getting them to pay less in the moment but full price (or higher) over time.

7 Steps of A Payment Plan Downsell

1. Reward for paying in full rather than punish for paying over time.
2. Offer 3rd party financing, credit card, layaway options
3. Offer half now, half later
4. Check to see if they still want the thing
5. Offer to split into three payments.
6. Offer evenly spread payments
7. Offer a Free Trial

Downsell Offer: Payment Plans – Examples

- **Step 1) Reward For Paying In Full Rather Than Punish For Paying Over Time.** If I take on the risk of a payment plan, I increase the price. Normal businesses do it by charging interest. But, I do it by offering a discount *if they pay in full*.
- Think about how businesses normally charge interest – they basically say...*“It’s \$10 if you get it right now, but it’s \$15 if you pay over time because we charge \$5 in interest.”* No fun.
- Instead, I say *“It’s \$15...but it’s \$10 if you prepay it. You save \$5... that’s what most people do.”* To do this, I present the price *with interest included*. Then, I offer prepayment as a way to get a discount. This way, we make the offer friendlier *and* benefit from a price anchor. Same math. Better feels.
- If they say no, I start downselling. But, even still. I try to get paid first...

If they say no, then go to step 2:

- **Step 2) Offer 3rd Party Financing, Credit Card, and Layaway Options**
- 3rd Party Financing: This means another company pays me now and the customer has a payment plan *with that other company*. Car dealers do this all the time. The dealer gets money from the financing company today, and the customer pays the financing company tomorrow.
- **Note**: It takes work to get 3rd party financing setup. But, totally worth the effort.
- Credit Card: Just ask “would you rather I decide your payment terms or you decide?” They say they’d prefer to decide. When they do, I tell them to use a credit card. That way I get paid today and they can pay the credit card company over time. It’s wild to me that this reframe works. But, it does. I don’t judge, I do.
- Layaway: Layaway means to paying off the product *before* getting it. Customers can make as many installments as they want. They can take any reasonable amount of time to pay. But, they only get the product *after they’ve paid in full*. This is *by far* the most flexible for them and lowest risk for us.
- If they say no to these, I move to step 3.

If they say no to step 2, then go to step 3:

- **Step 3) Offer 'Half Now, Half Later.'** I start by asking: *"When's the next time you get paid?"*
- After, I ask *"Wanna just put half down today and the rest down when you get paid?"*
- If they can't do that, I ask *"What's the most you can put down today?"* When they offer an amount say, *"Great. We'll put that down today and put the rest when you get paid. Fair enough?"*
- I like scheduling payments off of paychecks since most people get paid every two weeks. This boosts 30-day profit way more than monthly payments.
- If they can't do those...I pause to make sure they actually want it.

If they say no to step 3, then step 4:

- **Step 4) Check To See If They Still Want The Thing.** No payment plan will satisfy a customer who doesn't want the thing. So, make sure the person actually wants your thing before putting more effort into selling it. I might say something like *"Got it. So money is tight right now. Real quick. I want to make sure. On a scale from 1-10 how bad do you wanna do this?"*
- If they say 8 or above, keep offering payment plans and say *"Awesome. Don't worry. We're gonna figure out a way to make this happen for you."*
- If they say 7 or below, ask *"Why not a 10?"* and then, say something like *"You're right. I think we may have something that could be a better fit for you."*
 - Then you sell them something different (Feature Downsell-A little later).

- **Step 5) Offer To Split Into Three Payments.** If they said 8-10 on the scale, I downsell from half down to a third down. I offer a three-payment option: $\frac{1}{3}$ now and $\frac{1}{3}$ on next two paychecks - *or* - $\frac{1}{3}$ now and $\frac{1}{3}$ next two months.
- **Step 6) Offer Evenly Spread Payments.** If they still can't manage it, I evenly spread payments over the rest of their service. For instance, Gym Launch was sixteen weeks long, so I charged them each week (sixteen times in total). If that still creates problems, I move to step 7.
- **Step 7) Offer A Free Trial.** I offer Free Trials in a special way. So, I dedicated the next chapter to it. But, the sale ends here. At least for now.

Hormozi prefer clear cut 7 step (or choose which steps you like most) downselling but "seesaw downselling" is also an option

Downsell Offer: Payment Plans – Important Pts

- **Seesaw Downselling:** Instead of asking for the full amount, just ask *"Would you rather have giant monthly payments or tiny ones?"* They'll say tiny.
- Then you say *"It normally costs XXX. And if you prepay it today, you get a huge discount and zero monthly payments. That work?"* This frames the payment plan as negative and highlights the benefits of prepaying.
- Then, if they say they can't afford it, say the more they put down now, the lower their monthly payments. *"If you can't afford it up front, I totally get it. We'll just adjust the down payment until you get a monthly rate you like."*
- This still incentivizes bigger down payments to get their monthly payments lower. If they still say no, ask if they still want the product. If they do, pull your chair to their side of the table and walk them through the options.

Downsell Offer: Payment Plans – Important Pts

- **Payment Plans Have Built-In Upsells:** Make periodic offers for the original paid-in-full-discount during their payment plan.
- **Get Fewer Declined Payments.** Align payment schedules with paycheck schedules.
- **How To Make Sure Payment Plans Make You Money.** After implementing payment plans, your close rate should increase. Duh. But, if the number of paid in fulls goes down, you have a problem.

Downsell Offer: Payment Plans – Summary

- Payment Plan Downsells spread the cost of a product by charging some of it upfront and putting the rest into scheduled payments.
- Payment Plans get more buyers like discounts, but can also boost profits because they agree to pay the full price over time.
- Payment Plans only grow your business if they get more customers and those customers actually pay.
- “Seesaw” Downselling gradually shifts from paid in full to equal payments.
- Payment plan upsell: they get the original discount price if they pay the balance today.
- Align payment schedules with paycheck schedules to get fewer declined payments.

Downsell Offer: Payment Plans – Summary

- Step 1) Present at full price then offer a discount if they pay in full.
- Step 2) 3rd party financing, then credit card option, then layaway option.
- Step 3) Split the payment in two. Schedule on their paycheck dates.
- Step 4) Ask if they still want the product on a scale of 1-10. You want 8 or greater.
- Step 5) Split the payment in three. Schedule on their paycheck dates or monthly.
- Step 6) Schedule equal payments across a specified amount of time.
- Step 7) Offer a Free Trial in exchange for putting a card down. Covered in the next chapter.

Pro Tip:

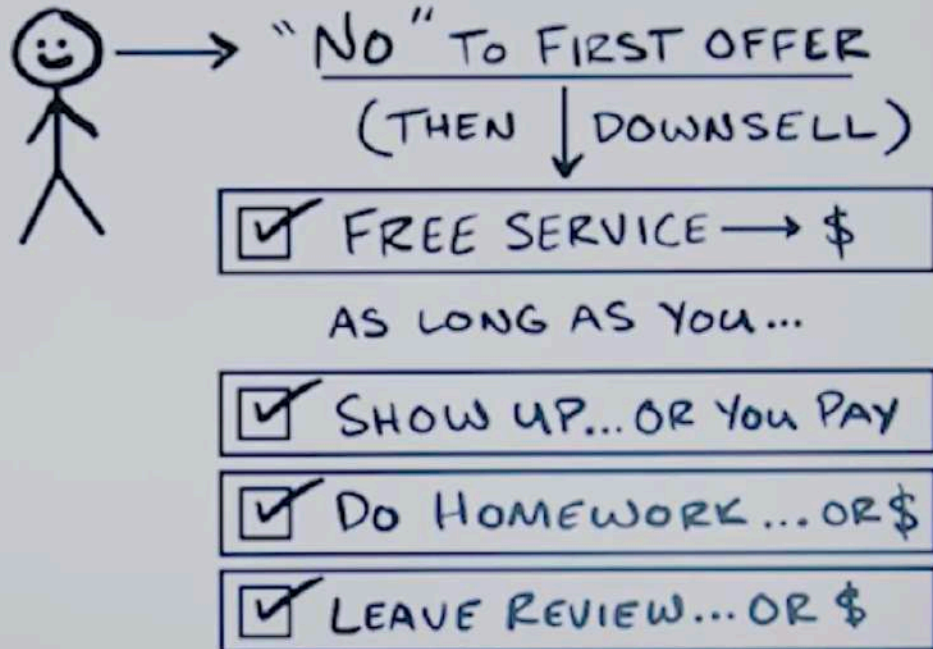
- What do you pay sales people who sell payment plan - Hormozi always bases on cash collected today

- Sales people who sell subscription product - base on annual customer value

2. Downsells: Free Trials

- If people get to the end of 7-steps above then you can offer a free trial

FREE TRIALS WITH/WITHOUT PENALTY



Downsell Offers: Free Trials

1) How I Learned It

- Scaling company
- Needed HR platform
- Free Trial + Rebate of \$500 if we attend two webinars.
- Leila understood how to use everything - and we didn't want to cancel.
- Lightbulb moment - we should do trials like this...

Downsell Offers: Free Trials – Description

- 1) In a Trial With Penalty offer, customers can try your product or service for free *so long as they meet your terms*. For comparison, Win Your Money Back Offers (Attraction Offer #1) give customers the chance to get their money back *if they meet the terms*. In Trial With Penalty Offers, customers only pay *if they don't meet the terms*.
- 2) they'll mirror the actions and results used in your Win Your Money Back Offer. But this time, we use *avoiding fees* (rather than winning money back) to incentivize adherence.
- 3) So Trial With Penalty isn't "here's my thing – see if you like it." It's "*here's my thing, you get it for free so long as you do this stuff... which makes you a perfect fit for my next offer. And if you don't, then you have to pay for it.*"

Downsell Offers: Free Trials – Description

- 1) Let's say you normally close three of ten people on your Attraction Offer. And now you downsell *another* four on a Trial With Penalty. Then, after the trial finishes, upsell three of them. You go from three sales to six sales—*doubling* your customers!
- 2) I use as a downsell – but can be a great front end
- 3) If you really want to help people, convincing them to put some skin in the game is a great way to do it.
- 4) One of my sales rules: "Everyone buys something" (who's qualified)
 - Difference between trials and penalty/rebates is:
 - Trial – just get a card then bill later
 - Penalty/Incentive – get a card and bill later AND ALSO if they don't complete their activation activities.
 - Fees are associated with non-consumption & not showing up to other sales consultations
 - They're not here for a trial, they're here to solve a problem. Solve it.

They look similar to “win your money back” attraction offer because they are

Business to Consumer Offer: 28 Day Kick-That-Habit Blueprint

To get the trial for free (and avoid the penalty fee), you must...

- Attend all your consulting calls
- Post your progress in the group once per week
- Journal daily in our app
- Attend feedback sessions and transformation sessions (aka - upsell opportunities).

Business To Business Offer: 5-Day Get Your First 5 Customers Challenge

To get the trial for free (and avoid the penalty fee) you must...

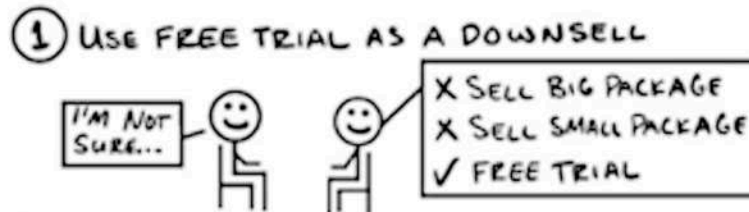
- Send 100 outbound messages per day
- Report stats on outbound messages
- Attend the daily training
- Post in group daily once you've done homework
- Attend your graduation call (upsell opportunity)

3) Examples: Therapy

- **Offer** “Free 28 Day Breakthrough Therapy”
 - **Free Trial + Penalty:**
 - You're going to need to do the homework before each session and show up. If you don't do the homework, you're not going to get the results you want. And if you don't show up, obviously you're not going to get better. This will give you an added incentive to get better faster. We charge a \$50 non-compliance fee for not doing homework or not doing the session. If you don't do the homework then we can help you in the session, fair enough?
-
- Can weight the price of the items required to complete and charge them based on which items they didn't complete

Downsell Offers: Free Trials – Important Points

HOW I SELL FREE TRIALS



Offer The Trial Last. If someone makes it clear they don't want your first offer, then downsell the Trial With Penalty. Here's how it might sound: "Hmmm . . . that sure is a pickle. I'll tell ya what. How about we just get ya started for free, would you be okay with that? We can just help you out, and if you like it, you can stay. Let me get your ID and we can get the process started – fair enough?"

Offer The Trial Last. If someone makes it clear they don't want your first offer, then downsell the Trial With Penalty. Here's how it might sound: "Hmmm . . . that sure is a pickle. I'll tell ya what. How about we just get ya started for free, would you be okay with that? We can just help you out, and if you like it, you can stay. Let me get your ID and we can get the process started – fair enough?"

Pro Tip:

- Asking for their ID to record their details
 - They get their wallet out → now you know they have their payment cards
- Once you fill in their details ask them to "trade cards" based on what they'd like to pay with

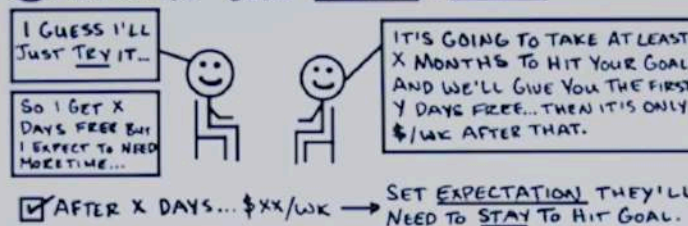
② ALWAYS GET A CREDIT CARD



Always Get A Credit Card. Record their info, hold onto the ID, and motion for their credit card saying, "What card you wanna use?" They have to leave a card. If they balk, just say "That's just how we've always done it." If they still refuse, wish them a lovely day and show them out.

- Using card to "complete their account profile"
- If they say "thought it was free, how come you need my card?"
- Alex doesn't know why but using the line "That's just how we've always done it" works every time

③ ALWAYS SELL STAYING & PAYING



Always Sell Staying And Paying. Ask directly: "If this program got you the result, will you stay long term?" You want them to agree to staying long term if you get them results. If they say no, there's no point in giving them a trial. Explain: "I don't want you to try it. I want you to get results. And out of integrity, I want to set realistic goals. You are not going to hit your long term goals during this trial. But, you will establish habits that will help you get there. And we're gonna help you do that for free. But if you wanna get to your long term results, you're gonna have to stay on after. I just wanna make sure that you're not looking for a quick fix - because I can't ethically promise you that."

- Much easier to get agreement on terms post getting payment method, rather than pre.

④ SELL CONSUMPTION COMMITMENTS.



☑ \$XX MISSED WORKOUT FEE → SET EXPECTATION THEY'LL WANT THE EXTRA MOTIVE & THAT THEY TAKE THE RISK OF PAYING CUSTOMERS IF THEY MISS

Explain the fees *after* getting their card. I say something like: "We will do our part so long as you do yours. That's fair right? So now I just ask that you bet on yourself - if you miss or skip any stuff, your results will suffer. We charge to keep you on track. If you miss, no big deal. You'll get dinged a little fee but it'll get you back on track. If you follow through, you get all this for free. So this is the best way we can get you amazing results and keep it free for you. Best of both worlds."

Note: If you explain the fees *before* you get the card, you will get more resistance. So explain after with a "this is just how we've always done it" attitude. People still have to agree to the fees, but you'll get a higher take rate doing it this way. I always have customers initial separately next to the fee clauses to force my sales guys to explain them.

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64

⑤ SELL 3 REQUIRE SALES CONSULT ATTENDANCE



☑ \$XX MISSED CONSULT FEE → MAKE THESE THE MOST COSTLY TO MISS, AS ALL 3 ARE SALES OPPORTUNITIES.

Make Check-ins Required. First, we explain *all* criteria so they understand the costs and benefits of adhering. Then, we draw attention to check-ins (our upsell opportunities): "Yep, and you agree to attend each of the three check-ins. The first we do X so that you can..., the second we do Y so that you can..., the third we do Z so that you can... Obviously we charge if you miss these because it's the only way we can get you results."

How I Upsell From A Trial. When someone takes a trial, one of three things happen: they like it, they hate it, or they don't use it. Here's how I upsell them from each scenario.

- **If they like it:** This is the easy one.
 - You already have them set up for automatic billing. Great!
 - Meet with them anyway.
 - You can still offer a longer term or higher value version of your service (or both).
 - Successful customers tend to get even more value out of your better (and more profitable) stuff.

- **If they hate it:** *Turn that frown upside down.*
 - Ask them what they would have liked to be different.
 - Tell them they're totally right, and that you're angry at yourself for missing this.
 - *Do not blame them.* Only one person can be angry – and it needs to be you.
 - Ask if they'll give you a chance to make it up because of how outraged you are at their experience.
 - And now, since you better understand their needs, that they're a better fit for your higher level thing. Then, offer it to them. Yes – this is a sale. I can get about half of these people to buy.

- **If they didn't use it.** *Reach out to people multiple times before you get to this point.*
 - Explain that you need to meet with them.
 - Offer to waive the fee if they do.
 - Now, you can try to get them back on track or offer something better for them. I don't like billing non-starters.
 - A small fee isn't worth a 1-star review. But hey, it's your choice.

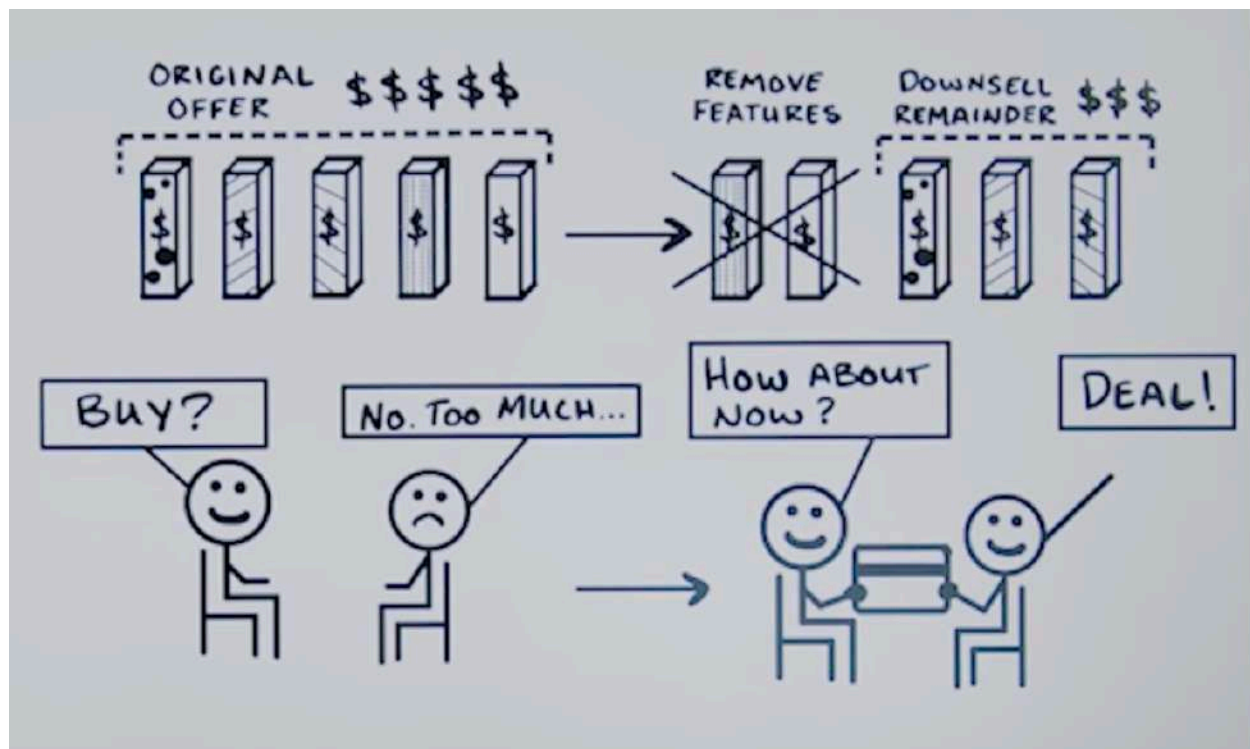
Downsell Offers: Free Trials – Important Points

- **Tweak Your Trial To Get The Most Customers.** If no one takes your Trial, lower the requirements or penalties. If people take your Trial but people don't follow through, emphasize explaining how fees help them and make sure you include sales meetings as mandatory. If people don't stay on the back end, better emphasize the value of staying and paying, get better at delivering, and make sure what you sell on the back end *makes sense* with what you sell on the front end. If you start printing money, don't stop.
- **Let People Make Up For Goofs.** People often get discouraged after getting billed. But, you can offer an opportunity to 'make it up.' This does a great job of getting people back on track and converting. But, if the miss that, you're justified in billing them.
- **Just Call It A Trial.** Even though the Trial With Penalty has some 'special features,' you should just call it a Free Trial. Otherwise, people may get scared and confused. No one wants to be penalized. And if they ask you why you do Free Trials this way just reply with *"This is just how we've always done it."* or *"People get the best results this way."*
- **Pay Less Now or Pay More Later vs Trial With Penalty.** I use Pay Less Now or Pay More Later as a downsell for physical products or one time services. And I use Trial With Penalty as a downsell for recurring products or services. Also, I have only made this work in businesses where the customer has to do work to get results. If you find other types of businesses these work for...let me know!
- **Discounts Get Cards on File.** Some people get weird when you offer free stuff and ask for a card. And if you have a super low price, it justifies asking for the card. The small price means the card will probably work when the automatic payments start. So instead of a free month, you might offer "first month for \$1" then \$X per month when it recurs.
- **Rebates are a little tougher** – but they work the same way – you just get them to pay up front.
- I consider rebates "similar to" Win Your Money Back, but usually far smaller in scope – just get them to do the thing you need them to do and get the rebate (and that's where you'd toss in a credit back end upsell :)

Downsell Offers: Free Trials – Summary

- In a Trial With Penalty offer, customers can try your product or service for free *so long as they meet your terms*.
 - Trial With Penalty downsell offers get yesses from people who've said no.
 - To do them you: get the card, get the commitment, explain what they have to do to get results and the meetings they must attend, and what happens if they don't.
 - Trials With Penalties get more paying customers than normal free trials because they use your product more and actually get value from it.
 - Use the same 'refund' criteria from Win Your Money Back (Attraction Offer #1) to create your Trial With Penalty criteria. This way, at the end of the trial, they've done the stuff that makes great long-term customers (and advertise your business for free).
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- You can break fees up by criteria or you can charge a lump fee. I like breaking them up.
 - You make money by getting people results and turning them into customers, not nickel and diming them with fees.
 - Use mid-trial check ins to make more offers. If they love it, give them more of what they love. If they have problems with it, swap it for what makes sense for them. If they aren't using it, offer them the ability to make it up to avoid the fees.
 - This style trial convert at a much higher percentage on the back end
 - Retains goodwill – actually trying to help
 - Get agreement before explaining the fees
 - Can always do a normal trial as a down-down sell
 - Everyone buys something

3. Downsells: Feature Downsells



Downsell Offers: Features – How I Learned It

- Friend tells me he 3x'd his close rate last quarter from 25% to 75%
- I asked if he used a payment plan or discount – he said neither
- He said he lowers his price by removing a feature
- I asked which – he said his guarantee
- Then people see the value and re-close themselves on the higher priced offer
 - He went from 25/100 buying the expensive thing to 35 buying the expensive thing and 40 buying the downsell.
- That's how learned the feature downsell

Downsell Offer: Feature Downsell – Description

- Feature Downsell lowers prices by changing what customers get. I do them by offering less quantity, lower quality, lower price alternatives, or cutting optional components.
 - All features have a price and a value. If you remove something the price goes down, sure. But, the value goes down too. What features you remove and how much you lower the price affects how good of a deal the person gets. This change in your offer's price-to-value affects how people buy. People want to get the *best deal for them*.
 - If you remove stuff they hate, and lower the price a lot, they get a *better deal*.
 - If you remove stuff they love, and lower the price a little, they get a *worse deal*.
-
- People will see the value in the thing you removed *after they see the difference in price*. As in, people weigh how much money they save against how much value they lose.
 - Feature Downselling gets customers to "re-upsell" themselves on the more expensive offers.
 - This means you want to *remove features from highest to lowest value*. Since people want more value for their money, this incentivizes customers to make the highest value purchase for them.
 - Since people want more value for their money, this incentivizes customers to make the highest value purchase for them.
 - Feature Downsell has a simple formula: Take something away, lower the price, and in so many words ask "how about now?"

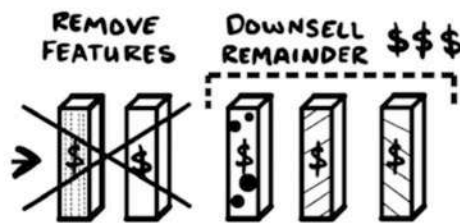
Downsell Offer: Feature Downsells – Examples

- **Feature Downselling Product and Service Quantity**. For services, this might mean a lower amount, fewer sessions, less time, or shorter duration. For products, it means fewer of them.
 - Product Quantity Downsell: *Instead of a three-month supply, how about we start with just one?*
 - Service Quantity Downsell: *Instead of four sessions per month, why don't we start you at two?*
- **Feature Downselling Product Quality**. Think older versions, less reliable materials, materials of lower social status, etc.
 - Product Quality Downsell: *Instead of the leather seats we can do vinyl, how does that sound?*
- **Feature Downselling Service Quality**. This means a lot of things. I will give you a few ways I change the quality of services. Hint: This also works to *increase* the service quality.
 - Service Quality Downsell: *Instead of 5-minute response times, why don't we just start you at overnight response times? You'll save some money and you'll still get your answers - just with a small delay.*
 - More Service Quality Features:
 - Time Availability: Come specific times vs. whenever you want
 - Days of week: Mon/Wed/Fri vs. All Days
 - Times of day: 9 to 5 vs. 24hrs
 - Amount of time: 15min Support Calls vs. 60min Support Calls
 - Location Availability: This one location vs. all locations we own
 - Cancellations: Reschedule fees vs. free
 - Speed Of Response: Reply in minutes vs. hours vs days etc.

- Speed Of Delivery: Wait in line vs. priority, same day/next day vs. next week etc
 - Service Ratio: One-on-one vs. one-to-many vs. many-to-one.
 - Communication Method: Text Support vs. Chat Support vs. Video Call Support etc.
 - Provider Qualifications: Owner vs. long-time employee vs. new employee, etc.
 - Live vs. Recorded: Watch it happening now vs. watch it *after* it happens later
 - In-Person vs. Remote: Watch where it happens vs. watch it somewhere else
 - DIY, DWY, DFY: Do It Yourself vs. Done With You vs. Done For You.
 - Expirations: Works forever vs. works for X time vs. works at specific times
 - Personalization: Generic vs. made just for you
 - Insurance/Guarantee:
 - Lengths of time: For One Year vs For Life
 - Coverage: Specific bad thing happens vs. Any bad thing happens
 - Terms: Unconditional vs. Only if you do xyz
-

Downsell Offer: Feature Downsells – Examples

- **Downselling by Removing Entire Features.** Rather than lowering quantity or quality, you remove the feature itself. In the story, he removed a guarantee.
 - Removing Entire Feature Downsell: *Instead of priority chat support, email support, and calls, why don't we just keep chat and email support but drop the calls to save you some money? You'll still get your answers, it'll just save us time and we can pass those savings to you.*



- **Feature Downselling Done-For-You to Do-It-Yourself.** If someone says no to all your service downsells, you can downsell another product that solves the same problem.

Done-For-You to Do-It-Yourself Product Downsell:

- Chiropractor: *Instead of chiropractic adjustments, let's start you with some tools you can use to do it yourself at home?* Then, you'd sell at home massage tools, foam rollers, mats, etc.
- Painter: *If you can't afford me painting your house, why don't I just give you the paint and let you lease one of our spray machines for a daily rate?*
- Alex Hormozi: *Instead of me and my team buying your company and actively growing your business, why don't you just attend a workshop? (*Cough* Go to acquisition.com)*

Downsell Offer: Feature Downsells – Important

- **Remember, Never Negotiate The Price.**
- **Maintain The Position Of A Helpful Guide.** Remember, Feature Downselling means trying to find *the best deal for them*.
- **Tweak Your Feature Downsell Process.** We have the job of making the product have the highest value-to-cost *in the eyes of the customer*. But, in the beginning, you won't know much about your customers' preferences. So, as you solve the same problems for the same type of customer, you'll learn what they find the most valuable. (Then you can standardize it)
- **How I Standardize My Downsell Process.** First, I cut something valuable and lower the price *a little*. I do this to get them to reconsider the original offer/price. If that fails, I continue removing features and lowering prices until they buy. I'd rather people get *something* rather than nothing.
- **Name Your Feature Combinations.** First Class→Business Class→Economy.
- **I Name My Cheapest Combination "The Minimum."** I like it because it implies they have to get *at least* that thing. If someone rejects all other packages, I just say "so nothing more than the minimum package then?"

- **Temperature Check After Two Downsells (Like Payment Plans).** If you make two changes in a row and they still refuse, make sure they really want the thing. I'd say something like *"Got it. Real quick. I want to make sure. On a scale from 1-10 how bad do you want this?"*
 - **If They Say 8 Or Above, Start Payment Plan Downselling.** *"Awesome. Don't worry. We're gonna figure out a way to make this happen for you."* If they say 7 or below, ask *"What would a 10 look like?"* and then, recombine the features to try and accommodate their '10'.
 - **After Each Downsell, Ask "Deal?" Or "Fair Enough?"** This works *astoundingly* well. Fewer people will see you change the offer for them and then say *"No that's not fair."* (Ep 202 of the game)
 - **Free Orientations Boost Do-It-Yourself Feature Downsells.** I ask *"Even though we're not gonna work together on X, I still want to help. How about you just come to a free orientation on X tomorrow?"* At the end of the orientation, I offer a DIY product that solves the same problem as the DFY service.
 - **Feature Downsell Your Guarantees.**
 - **Feature Downsell Current Customers.**
 - **Barter With Reviews, Testimonials, And Referrals.**
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- feature downsell current customers:
 - Became Hormozi's second largest LTV group despite low ticket item because the customers love you for identifying you could be spending less for them and then charging them less

Downsell Offer: Feature Downsells – Summary

- Feature Downsells lower prices by removing stuff.
- You take something away, lower the price, and ask *"how about now?"*
- Typical Feature Downsells offer Less Quantity, Lower Quality, Cheaper Alternatives, or remove features altogether.
- People tend to see the value in what you removed *after they see the price difference*. This may get more people to take the more expensive offer.
- If you remove stuff they hate, and lower the price a lot, more people take the downsell.
- If you remove stuff they love, and lower the price a little, more people take the original offer.
- The first downsell gets them to *reconsider my first offer*. The rest of my downsells get them to consider *the best deal for them*.

- If a prospect rejects multiple downsells, see if they still want your thing before continuing.
- If a prospect likes a combination of features, but still doesn't like the price, start payment plan downselling. Very effective.
- Feature downsell current customers *before* they cancel.
- You can discount customers in exchange for them advertising your business.