

## SECTION I: HOW WE GOT HERE

### Chapter #1: How We Got Here

*“Magic will find those with pure hearts, even when all seems lost.”*

### Chapter #2: Grand Slam Offers

*“Make people an offer so good they would feel stupid saying no.”*

1. What This Book Is About: At some point, every successful business owner was a wantrepreneur. A person full of ideas and frustrated at having potential to spare. Something clicks when they realize the horrible trade they (and so many people) make — trading their freedom for (falsely) perceived security. The only way to facilitate that exchange, to transact, to literally carry out business as a business is by making the prospect an offer.
2. What’s An Offer Anyways?: The only way to conduct business is through a value exchange, a trade of dollars for value. The first thing any new customer will interact with in your business. It is far better to have understood why you failed than to be ignorant of why you succeeded.
3. Two Main Problems Most Entrepreneurs Face and How This Book Solves Them: 1. Not enough clients 2. Not enough cash
4. *“never memorize anything you can look up.”*

## SECTION II: PRICING

How to charge lots of money for stuff

### Chapter #1: Pricing: The Commodity Problem

*“Think different.”*

1. Every organism is either growing or dying. Maintenance is a myth.
2. what does it take to grow?: 1. Get more customers 2. Increase their average purchase value 3. Get them to buy more times  
Example:  $10 \text{ New Clients/mo} \times \$1000 \text{ Lifetime Value} = \$10,000/\text{mo max revenue}.$
3. If you want to grow, you’ve got to either
  - a) Sell more clients every month (while maintaining suitable margins) : Increasing profit per purchase
  - b) have them be worth more (by increasing the profit per purchase or number of times they buy): Increasing the number of times they buy

### **Business Terms**

1. Gross Profit: The revenue minus the direct cost of servicing an ADDITIONAL customer. Eg: If I sell agency services for \$1,000/mo and it costs me \$100/mo in labor to run that client's advertising, then my gross profit is \$900 or 90 percent.

2. Lifetime Value: The gross profit accrued over the entire lifetime of a customer. This is gross profit multiplied by the number of purchases an average customer will make over their lifetime.  
Revenue:  $(\$1,000/\text{mo} * 90\% \text{ Gross Margin} * 5 \text{ months}) = \$4,500$  Lifetime Value (LTV). indirect costs, like admin, software, rent, etc., are not included in LTV.

#### **Value-Driven vs. Price-Driven Purchases**

1. Having a Grand Slam Offer helps with all three of the requirements for growth: getting more customers, getting them to pay more, and getting them to do so more times.
2. Allows you to differentiate yourself from the marketplace. Allows you to sell your product based on VALUE not on PRICE.
3. Commoditized = Price Driven Purchases (race to the bottom) Differentiated = Value Driven Purchases (sell in a category of one with no comparison. Yes, market matters,
4. Product available from many places. If all products are “equal,” then the cheapest one is the most valuable by default.
5. A Grand Slam Offer solves this problem

#### **But What Does A Grand Slam Offer Do**

1. It's an offer you present to the marketplace that cannot be compared to any other product or service available, combining an attractive promotion, an unmatched value proposition, a premium price, and an unbeatable guarantee with a money model (payment terms) that allows you to get paid to get new customers . . . forever removing the cash constraint on business growth.
2. Allows you to sell in a “category of one,” or, to apply another great phrase, to “sell in a vacuum.” The resulting purchasing decision for the prospect is now between your product and nothing.
3. 1. Increased Response Rates (think clicks) 2. Increased Conversion (think sales) 3. Premium Prices (think charging a lot of money).
4. Having a Grand Slam Offer increases your response rates to advertisements. If you pay the same amount for eyeballs but 1) more people respond, 2) more of those responses buy, and 3) they buy for higher prices, your business grows.
5. Your Grand Slam Offer, however, forces a prospect to stop and think differently to assess the value of your differentiated product. Doing this establishes you as your own category, which means it's too difficult to compare prices, which means you re-calibrate the prospect's value-meter.

#### **Real Life Grand Slam Offer Money Math: Before and After**

1. Old Commoditized Way (Price-Driven) — Race to the bottom
2. Commoditized Offer: \$1,000 down, then \$1,000/mo retainer for agency services
3. Breakdown: Commoditized businesses and offers have a harder time getting responses from ads because all their marketing looks the same as everyone else's. (It all looks the same because they are all making the same offer.) It's reasonable, but it's easily duplicated (and subject to commoditization). This commoditization creates a price-driven purchase.

We want to make an offer that's so different that you can skip the awkward explanation of why your product is different from everyone else's and instead just have the offer do that work for you. That's the Grand Slam Offer way.

4. New Grand Slam Offer Way (Differentiated, Incomparable) (Value-Driven)
5. Grand Slam Offer: Pay one time. Just cover ad spend. I'll generate leads and work your leads for you. And only pay me if people show up. And I'll guarantee you get 20 people in your first month, or you get your next month free. I'll also provide all the best practices from the other businesses like yours. Daily sales coaching for your staff Tested scripts Tested price points and offers to swipe and deploy Sales recordings and everything else you need to sell and fulfill your customers. I'll give you the entire play book for (insert industry), absolutely free just for becoming a client. I'm feeding people into your business, showing you, exactly, how to sell them so that you can get the highest prices, which means that you make the most money possible
6. Breakdown: You spend the same amount of money for the same eyeballs. Then, you get 2.5x more people to respond to your advertisement because it's a more compelling offer. You spent \$10,000 to make \$112,000. You just made money getting new customers.
7. Comparison: With the new way, you are making more money and getting more customers. This means that your cost to acquire a customer is so cheap that your limiting factor becomes your ability to do the work you already love doing. Cash flow and acquiring customers is no longer your bottleneck because it's 22.4x more profitable than the old model. When you align all the pieces, you can knock it out of the park so well that you win for good. In my first 18 months in business, we went from \$500k/year to \$28,000,000/yr off of less than \$1M in ad spend. So, when I say 20:1 . . . 50:1 . . . 100:1 returns, I mean it. When you get this right, the results are, well . . . unbelievable.

### Summary Points

Finding the correct market to apply our pricing strategies to. A grand slam offer given to the wrong audience will fall on deaf ears. We want to avoid that at all costs. We must detour from pricing for a moment to learn what to look for in a market.

### Chapter #2: Pricing: Finding The Right Market- A Starving Crowd

*"The seed that fell on good soil represents those who truly hear and understand God's word and produce a harvest of thirty, sixty, or even a hundred times as much as had been planted!"*

1. "If you were going to open a hotdog stand, and you could only have one advantage over your competitors . . . which would it be . . . ?" "A starving crowd." You could have the worst hot dogs, terrible prices, and be in a terrible location, but if you're the only hot dog stand in town and the local college football game breaks out, you're going to sell out. That's the value of a starving crowd.
2. At the end of the day, if there is a ton of demand for a solution, you can be mediocre at business, have a terrible offer, and have no ability to persuade people, and you can still make money.

## **Selling Newspapers**

*Your market matters.* He is obviously very capable. But we can all be blinded as entrepreneurs because we don't like to give up. We are so accustomed to solving impossible problems that we will keep ramming our heads into the wall. We hate quitting.

### **What To Look For**

1. Serve the people who can pay you what you're worth. And remember that picking a market, like anything, is always our choice, so choose wisely. In order to sell anything, you need demand. We are not trying to create demand. We are trying to channel it.
2. Having a great market is an advantage. But you can be in a normal market that's growing at an average rate and still make crazy money.
3. *You just don't actually want to be selling ice to eskimos.* When picking markets, I look for four indicators

#### **1) Massive Pain:**

1. They must not want, but desperately need, what I am offering. Pain can be anything that frustrates people about their lives. Being broke is painful. Humans suffer a lot. So for us entrepreneurs, endless opportunity abounds.
2. The degree of the pain will be proportional to the price you will be able to charge. When they hear the solution to their pain, and inversely, what their life would look like without this pain, they should be drawn to your solution.
3. Train sales teams "The pain is the pitch." If you can articulate the pain a prospect is feeling accurately, they will almost always buy what you are offering. A prospect must have a painful problem for us to solve and charge money for our solution.
4. Pro Tip The point of good writing is for the reader to understand. The point of good persuasion is for the prospect to feel understood.

#### **2) Purchasing Power**

1. A friend of mine had a very good system for helping people improve their resumes to get more job interviews. He was great at it. But try as he did, he just could not get people to pay for his services. Why? Because they were all unemployed!
2. This, again, may seem obvious. But he thought, "These people are easy to target. They're in massive pain. There are plenty of them, and it's constantly adding new people. This is a great market!"
3. He just forgot a crucial point: your audience needs to be able to afford the service you're charging them for. Make sure your targets have the money, or access to the amount of money, needed to buy your services at the prices you require to make it worth your time.

#### **3) Easy to Target**

This point is tactical. It is reality, not theoretical. For instance, you may want to serve rich doctors. But if your ads are being displayed to nursing students, your offer will fall on deaf ears, no matter how good it is. Main point: you want to make sure you can target your ideal audience easily.

#### **4) Growing**

1. Growing markets are like a tailwind. They make everything move forward faster. Declining markets are like headwinds. They make all efforts harder
2. Business is hard enough, and markets move quickly. So you might as well find a good market to give you a tailwind to make the process easier.

#### **Making This Real**

1. There are three main markets that will always exist: Health, Wealth, and Relationships. The reason that those will always exist is that there is always tremendous pain when you lack them. There is always demand for solutions to these core human pains. The goal is to find a smaller subgroup within one of those larger buckets that is growing, has the buying power, and is easy to target (the other three variables).
2. So if I were a relationship expert trying to find my avatar, I'd rather focus on "second half of life relationship" coaching for old timers than helping college students in relationships. Why? Because senior citizens who are alone are likely suffering more pain as they are nearer their deaths (pain), have more buying power (money), and are easy to find (targeting). Lastly, at the time of this writing, there are more people turning 65 each year than turning 20 (growing).
3. Then think about who might value your service the most (is in the most pain), has the buying power to pay what you want (money), and can be found easily (targeting). As long as those three criteria are strong and the market isn't shrinking, you'll be in good shape.

**Order of Importance: Three Levers on Success:** There is a fortune to be made within normal markets.

#### **Starving Crowd (market) > Offer Strength > Persuasion Skills**

1. Example #1: Even if you have a bad offer and are bad at persuasion, you're going to make money if you're in a great market. If you're on the corner hocking hot dogs when the bars close up at 2am, with mobs of starving drunk folks, you're gonna sell out your hotdogs.
2. Example #2 (most of us): If you are in a normal market and have a Grand Slam Offer (great), you can make tons of money even if you're bad at persuasion. This is most people reading this book. That's why I wrote it — to help you maximize your success by learning to really build a Grand Slam Offer.
3. Example #3: Let's say you're in a normal market and have a normal offer. In order to be massively successful, you would have to be exceptionally good at persuasion. Then and only then will you succeed, with your persuasive skills serving as the fulcrum of your success. Heck, many empires have been built by exceptional persuaders. It's just the hardest path to follow and requires the most effort and learning. Nailing your offer helps you shortcut this path to success.

#### **Commit to the Niche**

1. *"Don't make me niche slap you."* You must pick one. No one can serve two masters.
2. I have coined the term "niche slap" to remind entrepreneurs in my communities to commit once they pick. All businesses and, all markets, have unpleasant characteristics. The grass is never greener once you get to the other side. If you keep hopping from niche to niche, hoping that the market will solve your problems, you deserve to be niche slapped.
3. You must stick with whatever you pick long enough to have trial and error. You will fail. In fact, you will fail until you succeed. But you will fail far longer if you keep changing who you market to, because you must start over from the beginning each time. So, pick then commit.

### **Riches Are In The Niches**

1. Niching down will make you far more money.
2. But in order to maintain product focus, and high converting messaging, knowing exactly who the product was for was a game changer. It helped us know exactly who we were speaking to at all times. And exactly whose problems we were solving. But simplicity and ease may not be enough to sway you, so let me illustrate why honing in on one niche will make you more money.
3. Reason: you can literally charge 100x more for the exact same product.
4. Think about it for a second, if you were a power tools outbound sales rep, you would think to yourself "This is made exactly for me" and would happily fork over maybe \$1000 to \$2000 for a time management program that could help you achieve your goal.
5. The actual pieces of the program may be the same as the generic \$19 course, but since they have been applied, and the sales messaging could speak so much to this avatar, they will find it more compelling and get more value from it in a real way. This concept applies to anything you decide to do. You want to be 'the guy' who services 'this type of person' or solves 'this type of problem.' And even more niched 'I solve this type of problem for this specific type of person in this unique counter-intuitive way that reverses their deepest fear.'
6. End Result: The market matters. Your niche matters. And if you can sell the same product for 100x the price, should you?

### **Summary Points**

1. First, don't pick a bad market. Normal markets are fine. Great markets are great. Second, once you pick, commit to it until you figure it out.
2. Most people never try anything. Others fail once, then give up. It takes resilience to succeed. Stop personalizing!
3. If you find a crazy good market, ride it, and ride it hard. And if you pair a Grand Slam Offer with a crazy market, you'll likely never need to work again (seriously). So have this skill set — the ability to accurately assess markets by taking into account pain, money, targeting, and growth — in your back pocket so that when lightning strikes, you can make sure it strikes twice.

### Chapter #3: Pricing: Charge What Its Worth

*“Charge as high a price as you can say out loud without cracking a smile.”*

Making shit loads of money breaks people’s minds. It literally stretches their minds so far past what they believe is possible they assume you are doing something wrong or illegal.

### **Price to Value Discrepancy**

1. In order to understand how to make a compelling offer, you must understand value. The reason people buy anything is to get a deal. They believe what they are getting (VALUE) is worth more than what they are giving in exchange for it (PRICE). The moment the value they receive dips below what they are paying, they stop buying from you.
2. *“Price is what you pay. Value is what you get.”*
3. The simplest way to increase the gap between price to value is by lowering the price. It’s also, most of the time, the wrong decision for the business. *There is no strategic benefit to being the second cheapest in the marketplace, but there is for being the most expensive.”*
4. Goal of our Grand Slam Offer will be to get more people to say yes at a higher price by increasing our value to price discrepancy. We will raise our price only after we have sufficiently increased our value.

### **Why You Should Charge So Much It Hurts**

1. 1. Look at marketplace 2. See what everyone else offers 3. Take the average 4. Go slightly below to remain “competitive” 5. Provide what their competitors offers with a “little more” 6. End up at a value proposition of “more for less”
2. Pricing where the market is means you’re pricing for market efficiency.
3. Pricing this way means you are providing a service at just above what it costs for you to stay above water. We are not trying to stay barely above water. We are trying to make egregious amounts of money that will have your relatives asking if what you are doing is legal. Again, we are not trying to get the most customers. We are trying to make the most money.

### **Virtuous Cycle of Price**

1. When you decrease your price, you
  - ..... Decrease your clients’ emotional investment since it didn’t cost them much
  - ..... Decrease your clients’ perceived value of your service since it can’t be that good if it’s so cheap, or priced the same as everyone else
  - Decrease your clients results because they do not value your service and are not invested
  - ... Attract the worst clients who are never satisfied until your service is free
  - ... Destroy any margin you have left to be able to actually provide an exceptional experience, hire the best people, invest in your people, pamper your clients, invest in growth, invest in more locations or more scale, and everything else that you had hoped in the goal of helping more people solve whatever problem it is that you solve.
2. When you raise your prices, you
  - ..... Increase your clients’ emotional investment

... Increase your clients' perceived value of your service  
... Increase your clients' results because they value your service and are invested  
... Attract the best clients who are the easiest to satisfy and actually cost less to fulfill, and who are the most likely to actually receive and perceive the most relative value  
... Multiply your margin because you have money to invest in systems to create efficiency; smart people; improved customer experience; scale your business; and, most importantly of all, to keep watching the number in your personal bank account go up, month after month, even with reinvesting in your business. This allows you to ultimately enjoy the process for the long haul and help more people as you grow, rather than burning out and shriveling into obscurity.

### **Higher Price Means Higher Value**

1. Raising your prices can directly enhance the value you provide. What's more, the higher the price, the more allure your product or service has. People want to buy expensive things. They just need a reason. And the goal isn't just to be slightly above the market price — the goal is to be so much higher that a consumer thinks to themselves, "This is so much more expensive, there must be something entirely different going on here." That is how you create a category of one. In this new perceived marketplace, you are a monopoly and can make monopoly profits. That is the point.
2. If you offer a service where a customer must do something in order to achieve the result, or solve the problem you say you solve, they must be invested. The more invested they are, the more likely they are to achieve the positive result. Therefore, it follows that if you care about your customers, you should get them as invested as humanly possible. This means pricing your services or product in such a way that it stings a little when they buy. That sting will force and focus their attention and their investment in your product or service. Those who pay the most, pay the most attention. And if your customers are more adherent and follow through, and if they achieve better results with your service than your competition, then you are in a very real way providing more value than anyone else. This is how you win.
3. Your product must deliver. So many wish to shortcut the real work. Do that and you will fail. In the real world, to have the "gonads" to charge big ticket prices, you must outwork your self doubt. You must be so confident in your delivery, because you have done it so many times, that you know that this person will succeed. Experience is what gives you the conviction to ask for someone's entire year's salary as payment. You must believe so deeply in your solution that when you look at yourself in the mirror at night, alone, your conviction remains unshakable.

### **My Premium Price Experience**

1. I wanted to be the premium price leader. I wanted to be so expensive that it created allure around what we were doing.
2. And I was selling this to grown men as a kid in his twenties, telling them I was going to help them make more money. This was possible because my conviction was stronger than their skepticism.



## Summary Points

1. First and foremost, charge a premium. It will allow you to do things no one else can to make your clients successful. We were able to charge a premium because we provided more value than anyone else in the industry.
2. We were charging on a fraction of what our clients made using our system. This is important. Our clients still got a deal. The gap between what they paid (price) and what they got (value) was massive. As a result, the virtuous cycle continued to spin. We charged the most money. We provided the most value.
3. The truth is that 99 percent of businesses need to raise their prices to grow, not lower them. Profit is oxygen. It fuels the fire of growth. You need it if you want to reach more people and make a bigger impact. In order to charge so much, though, you must learn to create tremendous value.

## SECTION III: VALUE - CREATE YOUR OFFER

### Chapter #1: Value Offer: the Value Equation

*"We question all of our beliefs, except for the ones we really believe in, and those we never think to question."*

1. I want to be abundantly clear: the goal should be to charge as much money for your products or services as humanly possible. I'm talking about heinous amounts of money.
2. From this point forward, you must abandon any notion you have about "what's fair." Every enormous company in the world charges you money for things that cost them nothing.
3. You need to have a big discrepancy between what something costs you and what you charge for it. It is the only way to be unreasonably successful
4. And if you provide enough value, it should still always be a steal for the prospect. That is the power of value. It unleashes unlimited pricing and profit power to scale your company.
5. Ex: 5x price increase. Even cooler, they now spend less time per customer, and have higher customer satisfaction. As a result, the company was finally able to continue to scale to multiple locations and provide meaningful work to great employees. And a fun benefit, we were able to donate even more money to children's charities
6. Cracking value opens up the world of unlimited profit, impact and possibilities. Those who understand value are the ones who will be able to charge the most money for their services.

### Value Equation

1. Increase The Dream Outcome, Increase Perceived Likelihood of Achievement, Decrease Perceived Time Delay Between Start and Achievement, Decrease Perceived Effort & Sacrifice
2. What will I make? (Dream Outcome) How will I know it's going to happen? (Perceived Likelihood of Achievement) How long will it take? (Time Delay) What is expected of me? (Effort & Sacrifice)

### **Get The Bottom To Zero**

1. Making things immediate, seamless, and effortless.
2. If you can make the bottom part of the equation equal to zero, you're golden. No matter how small the top side is, anything divided by zero equals infinity
3. If you can reduce your prospects' true time delay to receiving value to zero (aka you realize your immediate dream outcome), and your effort and sacrifice is zero, you have an infinitely valuable product. If you accomplish this, you win the game.

### **Perception is Reality**

1. The Grand Slam Offer only becomes valuable once the prospect perceives the increase in likelihood of achievement, perceives the decrease in time delay, and perceives the decrease in effort and sacrifice.
2. As such, as business owners, it is up to us to communicate these value drivers with clarity to increase the prospect's perception of these realities. The extent to which you answer these questions in the mind of your prospect will determine the value you are creating.

### **#1 Dream Outcome (Goal = Increase)**

1. People have deep, unchanging desires.
2. Our goal is not to create desire. It's simply to channel that desire through our offer and monetization vehicle.
3. The dream outcome is the expression of the feelings and experiences the prospect has envisioned in their mind. It's the gap between their current reality and their dreams. Our goal is to accurately depict that dream back to them, so they feel understood, and explain how our vehicle will get them there.
4. The dream outcome is simple; it's the "getting there" where the value gets enhanced or detracted. People generally, and our clients specifically, want: . . . To be perceived as beautiful . . . To be respected . . . To be perceived as powerful . . . To be loved . . . To increase their status. These are all powerful drivers.
5. Take the desire "to be perceived as beautiful" for example, here are a lot of things that touch on this desire: Make Up Anti-aging creams/serums Supplements Shapewear Plastic Surgery Fitness → All these vehicles channel the desire to be perceived as beautiful.
6. The dream outcome value driver is most prominently used when comparing the relative value between two different desires being satisfied.
7. It's not about the money, it's about the status (the perceived increase or decrease in relative standing when compared to others socially or professionally). Talk in terms of things your prospect believes will increase their status, and you will have your prospects drooling.
8. When comparing two products or services that satisfy the same desire, the value from the dream outcomes will cancel out

### **#2 Perceived Likelihood of Achievement (Goal = Increase)**

1. Realized people pay for certainty. They value certainty. “How likely do I believe it is that I will achieve the result I am looking for if I make this purchase?”
2. Example, how much would you pay to be a plastic surgeon’s 10,000th patient versus their first? while the service you are receiving is technically the same, the only thing that changes is your perceived likelihood of getting what you want.
3. People value this perceived likelihood of achievement. Increasing a prospect’s conviction that your offer will “actually” work for them, will make your offer that much more valuable even though the work remains the same on your end. So to increase value with all offers, we must communicate perceived likelihood of achievement through our messaging, proof, what we choose to include or exclude in our offer, and our guarantees (more on these later).

### **#3 Time Delay (Goal = Decrease)**

1. Time delay is the time between a client buying and receiving the promised benefit. The shorter the distance between when they purchase and they receive value/the outcome, the more valuable your services or product is.
2. The thing people buy is the long-term value, aka their “dream outcome.” But the thing that makes them stay long enough to get it is the short-term experience. These are little milestones a prospect sees along the way that shows them they are on the right path. We try and tie as many of these as possible into any service we offer. We want clients to have a big emotional win early (as close as possible to their purchase). This gives them the emotional buy in and the momentum to “see it through” to their ultimate goal.
3. By doing this, their decision to work with us is reinforced, and they immediately trust us more. This makes them more likely to follow the rest of our systems and get to their ultimate destination.
4. Ex: If I sell someone a bikini body, their time delay to realize that outcome may be 12 months or even longer. Along the way, though, as they change their bodies, they may experience higher sex drive, more energy, and an increased community of friends. They aren’t initially buying those things, but those things may become short-term benefits that keep them in the game long enough to achieve their ultimate outcome. They buy the dream, but they stay for the benefits they discover along the way. The faster and more clearly you can demonstrate those benefits, the more valuable your service will be.
5. People who experience a victory early on are more likely to continue with something than those who do not.
6. This shows just one of the reasons people pay \$25,000 for liposuction with a tummy tuck, while people will barely pay \$100/mo to join a bootcamp.

### **#4 Effort & Sacrifice (Goal = Decrease)**

1. marketing of plastic surgeons, these are the exact pain points they hit on when they say things like: “Tired of wasting countless hours in the gym. . . . tired of trying diets that just don't work?”

2. There's just not a lot of perceived value because the perceived likelihood of achievement, the time delay to achievement, and the effort and sacrifice are so high. So even though the outcome is the same, the value of the vehicles are dramatically different, hence the difference in price.  
Decreasing the effort and sacrifice, or at least the perceived effort and sacrifice, can massively boost the appeal of your offer
3. In an ideal world, a prospect would want to simply “say yes” and have their dream outcome happen with no more effort on their behalf. This is why “done for you services” are almost always more expensive than “do-it-yourself” because the person doesn't have all the effort and sacrifice. There is also a component of “perceived likelihood of achievement” difference as well. People believe that if an expert does it, then they will be more likely to achieve the outcome than if they try on their own.

### **Putting It All Together**

1. Our goal as marketers and business owners is to increase the value of the dream outcome and its perceived likelihood of achievement, while decreasing the time delay of achievement and the effort and sacrifice one has to put in to get there.
2. And you can either sit there and make “complain” posts about how people “ought” to be a certain way. Or you can take advantage of the way people are and capitalize.
3. You can either be right or you can be rich. Knowing what people value versus what is good for them is key. It means you can find ways to monetize the things that people value in order to give them what they really need. Win-win. You can make your dent in the universe while making a profit.

### Chapter #2: Free Goodwill

*“He who said money can't buy happiness, hasn't given enough away.”*

1. People who help others (with zero expectation) experience higher levels of fulfillment, live longer, and make more money.
2. Would you help someone you've never met, if it didn't cost you money, but you never got credit for it?
3. They are just like you, or like you were a few years ago: less experienced, full of desire to help the world, seeking information but unsure where to look....this is where you come in.

### Chapter #3: Value Offer: The Thought Process

*“If at first you don't succeed, try, try, try again.”*

### **Convergent & Divergent Thinking**

1. convergent problem solving is where you take lots of variables, all known, with unchanging conditions and converge on a singular answer. Think math

2. Math problems are convergent. There are lots of variables and a single answer. We are taught all our lives in school to think this way. That is because it's easy to grade.
3. But life will pay you for your ability to solve using a divergent thought process. In other words, think of many solutions to a single problem. Not only that, convergent answers are binary. They are either right or they are wrong. With divergent thinking, you can have multiple right answers, and one answer that is way more right than the others.
4. what life presents us for divergent thinking: Multiple Variables, Known & Unknown, Dynamic Conditions, Multiple Answers.

### **The Brick Exercise**

1. Write down as many different uses of a brick as you can possibly think of.
2. Did you consider the following . . . . . How big is the brick? A tab of gum, 3-5/8" x 2-1/4" x 8" (Standard), 2 ft x 2 ft x 6ft? . . . What is the brick made of? Plastic, Gold, Clay, Wood, Metal? . . . How is the brick shaped? Does it have holes in it? Does it have divots for interlocking?
3. Every offer has building blocks, the pieces that when combined make an offer irresistible. Our goal is to use a divergent thought process to think of as many easy ways to combine these elements to provide value. So if I were selling a brick, I would find out what my customer's desire was, and then devise how many ways I could create value with my "brick."

## Chapter #4: Value Offer: Creating Your Grand Slam Offer Part I: Problems and Solutions

### **1) Step #1: Identify Dream Outcome**

1. Lose 20lbs in 6 weeks. Big dream outcome - lose 20lbs. With a decreased time delay - 6 weeks.
2. I wasn't selling my membership anymore. I wasn't selling the plane flight. I was selling the vacation. When you are thinking about your dream outcome, it has to be them arriving at their destination and what they would like to experience.

### **2) Step #2: List Problems**

1. Think about it in insane detail. If you do, you will create a more valuable and compelling offer as you'll continually be answering people's next problem as it manifests. I like to think in the sequence that the customer will experience each of these obstacles.
2. Example Problem List: Weight Loss
3. First thing they must do: Buying healthy food, grocery shopping 1. Buying healthy food is hard, confusing, and I won't like it 2. Buying healthy food will take too much time 3. Buying healthy food is expensive 4. I will not be able to cook healthy food forever. My family's needs will get in my way. If I travel I won't know what to get.
4. Next thing they must do: Cooking healthy food 1. Cooking healthy food is hard and confusing. I won't like it, and I will suck at it. 2. Cooking healthy food will take too much time 3. Cooking healthy food is expensive. It's not worth it. 4. I will not be able to buy healthy food forever. My family's needs will get in my way. If I travel I won't know how to cook healthy

5. Next thing they must do: Eating healthy food. Next thing they must do: Exercise Regularly
6. Each of the above problems has four negative elements. And you guessed it, each aligns with the four value drivers as well
7. 1. Dream Outcome→ This will not be financially worth it 2. Likelihood of Achievement→ It won't work for me specifically. I won't be able to stick with it. External factors will get in my way. (This is the most unique and service-specific of the problem buckets). 3. Effort & Sacrifice→ This will be too hard, confusing. I won't like it. I will suck at it. 4. Time→ This will take too much time to do. I am too busy to do this. It will take too long to work. It won't be convenient for me

### 3) Step #3: Solutions List

1. First, we are going to first transform our problems into solutions. Second, we are going to name these solutions.
2. "What would I need to show someone to solve this problem?" Then we are going to reverse each element of the obstacle into solution-oriented language. This is copywriting 101. It's beyond the scope of this book to get into, but simply adding "how to" then reversing the problem will give most people new to this process a great place to start.
3. Once we have our list of solutions, we will operationalize how we are actually going to solve these problems (create value) . You will solve every problem

### PROBLEM→ SOLUTION

1. PROBLEM: Buying healthy food, grocery shopping . . . is hard, confusing, I won't like it. I will suck at it→ How to make buying healthy food easy and enjoyable, so that anyone can do it (especially busy moms!) . . . takes too much time→ How to buy healthy food quickly . . . is expensive→ How to buy healthy food for less than your current grocery bill . . . is unsustainable→ How to make buying healthy food take less effort than buying unhealthy food . . . is not my priority. My family's needs will get in my way→ How to buy healthy food for you and your family at the same time . . . is undoable if I travel; I won't know what to get→ How to get healthy food when traveling
2. PROBLEM: Cooking healthy food . . . is hard, confusing. I won't like it, and I will suck at it→ How anyone can enjoy cooking healthy meals easily . . . will take too much time→ How to cook meals in under 5 minutes . . . is expensive, it's not worth it→ How eating healthy is actually cheaper than unhealthy food . . . is unsustainable → How to make eating healthy last forever . . . is not my priority, my family's needs will get in my way→ How to cook this despite your families concerns . . . is undoable if I travel I won't know how to cook healthy→ How to travel and still cook healthy
3. PROBLEM: Eating healthy food . . . is hard, confusing, and I won't like it→ How to eat delicious healthy food, without following complicated systems
4. PROBLEM: Exercise Regularly . . . is hard, confusing, and I won't like it, and I will suck at it → Easy to follow exercise system that everyone enjoys

5. Our problems always relate to those drivers, and our solutions provide the needed answer to give a prospect permission to purchase. What's even crazier: is that if only one of these needs is missing in a solution, it can cause someone not to buy. You would be amazed at the reasons people do not buy. So don't limit yourself here.
6. Don't be fancy. Just get all the problems down then turn them into solutions.

#### Chapter #5: Value Offer: Creating Your Grand Slam Offer Part II: Trim and Stack

high prices, but a steal for the value

#### **Sales to Fulfillment Continuum**

1. Whenever you are building a business, you have a continuum between ease of fulfillment and ease of sales. If you lower what you have to do, it increases how hard your product or service is to sell. If you do as much as possible, it makes your product or service easy to sell but hard to fulfill because there's more demand on your time investment. The trick, and the ultimate goal, is to find a sweet spot where you sell something very well that's also easy to fulfill.
2. "Create flow. Monetize flow. Then add friction." I generate demand first. Then, with my offer, I get them to say yes. Once I have people saying yes, then, and only then, will I add friction in my marketing, or decide to offer less for the same price.
3. It was simply the how and what I did that changed. The how and what is what we are breaking apart.
4. When talking to business owners about their model, I tell them to create cash flow by over-delivering like crazy at first. Then use the cash flow to fix your operations and make your business more efficient. This revision process can be pretty seamless. You may not even have to change what you offer. You may just end up creating systems that create the same value for the customer but cost you significantly less resources.
5. This is how businesses beat one another. Understanding this will be important as you scale your business.

#### **Step #4 Create Your Solutions Delivery Vehicles ("The How")**

1. This is the most important step in this process. This is what you are going to deliver. This is what you are going to do or provide in exchange for money.
2. Think about anything you could possibly do. Think of all the things that might enhance the value of your offer.
3. The goal here is to push your limits and jog your brain into thinking of a different version of the solution you'd normally default to. This is where you get to flex your entrepreneurial creativity.
4. You ultimately get paid for thinking. This should be fun.

#### **Problem: Buying Healthy Food Is Hard, Confusing, and I Won't Like It**

1. If I wanted to provide a one-on-one solution I might offer . . . 1. In-person grocery shopping, where I take clients to the store and teach them how to shop 2. Personalized grocery list, where I

teach them how to make their list 3. Full-service shopping, where I buy their food for them. We're talking 100 percent done for them. 4. In-person orientation (not at store), where I teach them what to get 5. Text support while shopping, where I help them if they get stuck 6. Phone call while grocery shopping, where I plan to call when they go shopping to provide direction and support

2. If I wanted to provide a small group solution I might offer . . . 1. In-person grocery shopping, where I meet a bunch of people and take them all shopping for themselves 2. Personalized grocery list, where I teach a bunch of people how to make their weekly lists. I could do this one time or every week if I wanted to. 3. Buy their food for them, where I purchase their groceries and deliver them as well 4. In-person orientation, where I teach a small group offsite what to do (not at store)
3. If I wanted to provide a one to many solution I might offer . . . 1. Live grocery tour virtual, where I might live stream me going through the grocery store for all my new customers and let them ask questions live 2. Recorded grocery tour, where I might shop once, record it, then give it as a reference point from that point onwards for my clients to watch on their own 3. DIY grocery calculator, where I create a shareable tool or show them how to use a tool to calculate their grocery list 4. Predetermined lists, where each customer plan comes with its own grocery list for each week. I could make this ahead of time so they have it. Then they could use it on their own time 5. Grocery buddy system, where I could pair customers all up, which takes no time really, and let them go shopping together 6. Pre-made, insta-cart grocery carts for delivery, where I could pre-make insta-cart lists so clients could have their groceries delivered to their doorstep with one click

### **Product Delivery Cheat Codes**

1. What level of personal attention do I want to provide? one-on-one, small group, one to many
2. What level of effort is expected from them? Do it themselves (DIY) figure out how to do it on their own; do it with them (DWY) - you teach them how to do it; done for them (DFY) - you do it for them
3. If doing something live, what environment or medium do I want to deliver it in? In-person, phone support, email support, text support, Zoom support, chat support
4. If doing a recording, how do I want them to consume it? Audio, video, or written.
5. How quickly do we want to reply? On what days? during what hours? 24/7. 9-5, within 5 minutes, within an hour, within 24 hrs?
6. 10x to 1/10 th test. If my customers paid me 10x my price (or \$100,000) what would I provide? If they paid me 1/10th the price and I had to make my product more valuable than it already is, how would I do that? How could I still make them successful for 1/10th price? Stretch your mind in either direction and you'll come up with widely different solutions.
7. Do this for each problem because solutions from one problem will give you ideas for others you wouldn't normally have considered. Remember, it's important that you solve every problem.

### **Anecdote: Why We Must Solve Every Perceived Problem**



1. Find a way to solve every problem a prospect presents with. When you do that, you make an offer that's so good, people just can't say no. And that's what we're building here.
2. You must resolve every obstacle a buyer believes they will have to convert the highest amount of people. That's not to say that if you don't, you won't sell people. Not at all. But you won't sell as many people as you otherwise could have. And that's the goal, to sell the most people, for the highest possible price, with the highest possible margin.

#### **Step #5: Trim & Stack**

1. Look at the cost of providing these solutions to me (the business). I remove the ones that are high cost and low value first. Then I remove low cost, low value items.
2. If you aren't sure what's high value, ask yourself which of these things will help this person:
  - a) Financially value
  - b) Cause them to believe they will be likely to succeed
  - c) Make them feel like they can do it with much less effort and sacrifice
  - d) Help them accomplish their goal and see the result they want with far less time investment.
 What should remain are offer items that are 1) low cost, high value and 2) high cost, high value.

#### **The Final High Value Deliverable**

1. Step #1: We figured out our prospective client's dream outcome.
2. Step #2: We listed out all the obstacles they're likely to encounter on their way (our opportunities for value).
3. Step #3: We listed all those obstacles as solutions.
4. Step #4: We figured out all the different ways we could deliver those solutions.
5. Step #5a: We trimmed those ways down to only the things that were the highest value and lowest cost to us. All we have to do now is...
6. Step #5b: Put all the bundles together into the ultimate high value deliverable

#### **Buying food→ How anyone can buy food fast, easy, cheaply → Foolproof Bargain Grocery System**

1. . . . that'll save hundreds of dollars per month on your food and take less time than your current shopping routine (\$1,000 value for the money it'll save you from this point on in your life)
2. 1. 1-on-1 Nutrition Orientation where I explain how to use... 2. Recoded grocery tour 3. DIY Grocery Calculator 4. Each plan comes with it's own list for each week 5. Bargain grocery shopping training 6. Grocery Buddy System 7. Pre-made insta-cart grocery carts for delivery 8. And a check-in via text weekly.

#### **Cooking→ Ready in 5min Busy Parent Cooking Guide**

1. . . . how anyone can eat healthy even if they have no time (\$600 value from getting 200 hours per year back — that's four weeks of work!)
2. 1-on-1 Nutrition Orientation where I explain how to use... 2. Meal Prep Instructions 3. DIY Meal Prep Calculator 4. Each plan comes with it's own meal prep instructions for each week 5. Meal

prep buddy system 6. Healthy snacks in under 5min guide 7. A weekly post they make to tag me for feedback

#### **Eating→ Personalized Lick Your Fingers Good Meal Plan**

1. . . . so good it'll be easier to follow than eating what you used to "cheat" with and cost less!
2. 1. 1-on-1 Nutrition Orientation where I explain how to use... 2. Personalized Meal Plan 3. 5min Morning shake guide 4. 5min Budget Lunches 5. 5min Budget Dinners 6. Family size meals 7. A daily picture of their meals 8. 1-on-1 feedback meeting to make adjustments to their plan (and upsell them)

**Exercise→ Fat Burning Workouts Proven To Burn More Fat Than Doing It Alone** . . . adjusted to your needs so you never go too fast, plateau, or risk injury (\$699 value)

**Traveling→ The Ultimate Tone Up While You Travel Eating & Workout Blueprint** . . . for getting amazing workouts in with no equipment so you don't feel guilty enjoying yourself (\$199 value)

**How to actually stick with it→ The "Never Fall Off" Accountability System** . . . the unbeatable system that works without your permission (it's even gotten people who hate coming to the gym to look forward to showing up) (\$1000 value)

**How To Be Social→ The 'Live It Up While Slimming Down' Eating Out System** that will give you the freedom to eat out and live life without feeling like the "odd man out" (\$349 value)

**Total value: \$4,351 (!) All for only \$599.**

Can you see how much more valuable this is than a gym membership? The bundle does three core things:

1. Solves all the perceived problems (not just some)
2. Gives you the conviction that what you're selling is one of a kind (very important)
3. Makes it impossible to compare or confuse your business or offering with the one down the street

#### **Summary Points**

We went through this entire process to accomplish one objective: to create a valuable offer that is differentiated and unable to be compared to anything else in the marketplace. We are selling something unique. As such, we are no longer bound by the normal pricing forces of commoditization. Prospects will now only make a value-based rather than a price-based decision on whether they should buy from us.

## **SECTION IV: ENHANCING YOUR OFFER**

### Chapter #1: Enhancing the Offer: Scarcity, Urgency, Bonuses, Guarantees, And Naming

*"But wait . . . there's more, if you order today . . . "* EVERY INFOMERCIAL IN THE 90S

1. *"When demand increases, cut supply."* People want what they can't have. People want what other people want. People want things only a select few have access to.
2. The products remained unchanged, yet within this setting, an item that wouldn't sell at a different venue for \$10,000 sold for \$100,000. That's how powerful scarcity, urgency, and bonuses

are. And breaking down how to use them to further increase demand for your offer, without changing your offer, is the purpose of this section

3. *Scarcity, urgency, bonuses, and guarantees were not the only persuasion tools being employed to get egregious prices at the fundraiser. They also used commitment and consistency, status, peer pressure, goodwill, celebrity endorsements, competition, etc.*

### **Delicate Dance of Desire**

1. All marketing exists to influence the supply and demand curve. We artificially increase the demand for our products and services through some sort of persuasive communication. When we increase the demand, we can sell more units. When we decrease supply, we can sell those units for more money. The “perfect profit combination” is lots of demand, and very little supply, or perceived supply. The process of enhancing your core offer is designed to do both of these things: increase demand and decrease perceived supply so that you can sell the same products for more money than you otherwise could, and in higher volumes than you otherwise would
2. Desire comes from not getting what you want. “Desire is a contract you make with yourself to be unhappy until you get what you want.” We only want things we do not have. As soon as we have them, our desire for them disappears. Therefore, if we seek to increase the demand (or desire), we must decrease or delay satisfying the desires of our prospects. We must sell fewer units than we otherwise can
3. We promote some two-day workshop that is upcoming. First we whisper that it’s coming. Then we tease it with some of the benefits. Then we shout that it is launching in a week. Then, when we launch this amazing workshop. We have two supply-demand scenarios: Scenario one: We sell 10 units at \$500 each (sell entire pyramid at price all say yes) Scenario two: We sell two one-day workshops 1-on-1 for \$5000 each. (skim top of pyramid, with 80 percent not purchasing)
4. I would make more, have lower costs (more profits), provide more value, and increase the demand in the remaining prospect base by selling fewer units. Think about how exclusive scenario one vs scenario two would feel. Think about all the people who would want to purchase, but would not be able to. Would this increase or decrease their desire? It would increase it, of course.
5. On top of that, if people see that others who ‘were able to get in’ are loving it, it would further increase their desire. And the next time, they would act with more urgency, and be willing to pay more for the same thing than they originally did.
6. The next time we promote scenario two, we then open three spots at the same price and sell them all (still leaving some prospects with pent up demand!). This is a continuous theme.
7. If we were to promote scenario one again (the \$500 price point), we would probably sell fewer slots the second time around. Why? We have no pent up demand. All desire has been satisfied. When you “pull the trigger too early,” each successive instance we promote, we sell even fewer. Eventually, we run out of sufficient demand to make even a single sale. This is the sad state many businesses find themselves in always trying to generate more demand to make another quick sale.

8. Hormozi Law: The longer you delay the ask, the bigger the ask you can make. “The longer the runway, the bigger the plane that can take off.” We must endeavor to keep our supply (and satisfaction of desire) under the demand that we are able to generate. This maximizes profits and keeps desire ravenous in our customer base. This is the real key to never going hungry.

### **Summary Points**

1. “Delicate Dance of Desire” is that supply and demand are inversely correlated (in theory). If you satisfy zero desire (provide zero supply), you will not make money, and eventually leave people feeling rejected
2. We want the ravenous prospect, not merely the aroused.
3. Therefore, understanding the interplay between these variables is key to enhancing your offer and the amount of profits you will make over time
4. We have covered all the things inside of your offer that can make it immune to price comparison and transform regular services and products into things that people will find a way to pay for.
5. Use scarcity to decrease supply to raise prices (and indirectly increase demand through perceived exclusiveness)
6. Use urgency to increase demand by decreasing the action threshold of a prospect.
7. Use bonuses to increase demand (and increase perceived exclusivity).
8. Use guarantees to increase demand by reversing risk.
9. Use names to re-stimulate demand and expand awareness of my offer to my target audience.

### **Chapter #2: Enhancing The Offer: Scarcity**

“Sold out.”

1. Scarcity is one of the most powerful and least understood forces to unlock unlimited pricing power.
2. The reason an authority (like a doctor), a celebrity (like Oprah), or a celebrity authority (like Dr.Oz or Dr.Phil) can charge egregious rates is because of implied demand. People assume that there is a lot of demand for their time, and, therefore, not a big supply of it. As a result, it must be expensive.
3. There are two components to the value: first, how rare the sources are; second, the actual value being provided. The value and rarity compound to create some truly breathtaking profits.
4. finally understood how premium prices were truly made . . . simple supply and demand. You can try and fake it, but there is a special type of “0 fucks given” vibe that’s hard to replicate when you truly do not need a person’s money
5. That’s how these guys can charge so much . . . because they don’t need it. The person who needs the exchange less always has the upper hand. I always try to remember that. It’s one of the negotiating and pricing principles that has best served me in my life.

### **Creating Scarcity**

1. When there's a fixed supply or quantity of products or services that are available for purchase it creates "scarcity" or a "fear of missing out." It increases the need to take action, and by extension, purchase your offer.
2. It is the fear of missing out on something. It pulls on our psychological fear of loss to get us to take action. Humans are far more motivated to take action to hoard a scarce resource than they are to act on something that could help them. Fear of loss is stronger than desire for gain. We will wield this psychological lever to get your clients to buy in a frenzy, all at once, until you are sold out.

### **Three Types of Scarcity**

1. Limited Supply of Seats/Slots: in general or over X period of time.
2. Limited Supply of Bonuses
3. Never available again.

### **Physical Products**

1. Having limited releases is a tried and true method of using this psychological bias to your advantage. You can have limited releases for flavors, colors, designs, sizes, etc. "This month, we are releasing 100 boxes of mint chocolate cookie flavored protein bars." Important point: to properly utilize this method you should always sell out.
2. When using this tactic, you must also let everyone know that you sold out. That is part of what makes it work so well. This way, even people who were on the fence, when they see that it was sold out, it gives social proof that other people thought it was worth it. And now that the choice has been made for them, they desire it more because there is no way they can get it. So the next time you make the offer they will be far more likely to take you up on it
3. Chanel, a brand that has maintained insane margins and pricing for over a century, is a master of scarcity. They send only 1-2 of each piece to each store so every store has a different selection and every item is the last or second to last item in stock. This allows them to price far above market and turn buying impulses into purchases.

### **Services**

With services, especially if you want to consistently get customers, it can be a little trickier to use scarcity.

1. Total Business Cap - Only accepting...X Clients. Only accepting X clients at this level of service (on-going). This puts a cap on how many clients you service but also keeps them in it. You create a waiting list for new prospects. The moment the door opens, they jump right in and price resistance disappears. Periodically, you can increase capacity by 10-20% then cap it again. This works well for your highest tiers or service levels.
2. Growth Rate Cap - Only accepting X clients per week (on-going) "We only accept 5 new clients per week and we already have the first 3 spots taken. I have 6 more calls this week, so you can take the spot or one of my next calls and you can wait until we reopen.

3. Cohort Cap - Only accepting....X clients per class or cohort. Similar to the above, except done on whatever cadence you desire. Only accepting X amount per class or cohort over a given period is another way of thinking about it.

### **Honest Scarcity (The Most Ethical Scarcity)**

The easiest scarcity strategy is honesty.

### **Summary Points**

You will drive a faster purchasing decision from your prospects, and at higher prices. Just let them know your limits and let psychology do the rest.

## Chapter #3: Enhancing The Offer: Urgency

*"Deadlines. Drive. Decisions."*

Scarcity is a function of quantity. Urgency is a function of time. This is where you only limit when people can sign up, rather than how many. Having a defined deadline or cut off for a purchase or action to occur creates urgency.

### **1) Cohort-Based Rolling Urgency**

1. For example, if you start clients every week (even in unlimited amounts), you can say: *"If you sign up today, I can get you in with our next group that kicks off on Monday, otherwise you'll have to wait until our next kickoff date."*
2. If you wanted to juice it up a little bit, you could say: *"I actually had a client who signed up a few weeks ago drop out, so I have an opening for our next cohort that kicks off on Monday. If you are pretty sure you're gonna do this sooner or later, might as well get in on it now so you can start reaping the rewards sooner rather than paying the same and waiting."*
3. less frequently you kick off new customers, the more powerful this is.

### **2) Rolling Seasonal Urgency**

1. In a digital setting, having actual sign up date countdowns is very useful. But make sure they are real. If they aren't, you'll lose credibility and just look like every other wannabe marketer.
2. Example: Our New Year Promotion ends Jan 30!  
Next Month: Our Valentines Lovers Promo Ends Feb 30!  
Next Month: Our Sexy By Spring Special Ends March 31!  
Next Month: Our Fools in Love April Promo Ends April 30!

### **3) Pricing or Bonus-Based Urgency**

1. This is another way of creating urgency using your actual offer or promotion/pricing structure as the thing they could miss out on
2. It allows businesses that sell clients year round to still use urgency. For example, *"Yes, let's get you started today so you can take advantage of the discount you came in for. I'm not sure how long we will be running it as we change them every 4 weeks or so, and this is one of the better ones we have run in a while."*

3. This creates some fear of missing out on the promotion (or discount or bonuses), rather than your actual service.

#### **4) Exploding Opportunity**

1. On occasion you will be exposing the prospect to an arbitrage opportunity. The opportunity itself has a ticking time clock, as all great opportunities do. Every second someone delays, they miss out on disproportionate gains.
2. The sooner someone acts the better it will be for them. This could be true for selling someone on the opportunity of trading crypto currencies, buying a stock, getting into a new platform to advertise before competitors jump on the bandwagon. Highly competitive job environments often get job offers that are “exploding offers” everyday they wait to take the job, their pay or bonuses decrease. This forces prospects to make fast decisions rather than try and “wait it out” to see if they get a better offer

#### **Summary Points**

Adding a deadline and incorporating one or multiple forms of urgency will get more people to take action than would otherwise.

#### Chapter #4: Enhancing The Offer: Bonuses

*“It’s all gravy baby”*

1. The main point I want you to take away from this is that a single offer is less valuable than the same offer broken into its component parts and stacked as bonuses (see image). The entirety of our offer we came up with at the end of the last section.
2. You’ll also notice that if you watch those old infomercials, they would sell one knife for \$38.95 then include 37 other knives, sharpeners, pans, and guarantees to beat the prospect into submission. They establish the price, then they expand upon it until you feel it’s such a good deal it would be stupid to pass it up.
3. The reason this works is we are increasing the prospect’s price-to value discrepancy by increasing the value delivered instead of cutting the price. We anchor the price we tell them to the core offer. Then with each increasingly valuable bonus, that discrepancy grows wider and wider until it’s too big to bear and we snap the rubber band in their mind that is holding their wallet in their pocket.

#### **Presenting Bonuses 1-on-1 vs Group Selling**

1. There are key differences between pitching to a group versus a single person.
2. When selling one on one, you ask for the sale first, before offering the bonuses. If they say yes, then after they have signed up, you let them know the additional bonuses they're going to get. This creates a wow experience and reinforces their decision to buy.
3. On the other hand, if the person does not buy after the first ask, then you present a bonus that matches their perceived obstacle, then ask again. Don’t feel weird about asking again. You simply agree with the prospect, add the bonus, and ask if this consolation was “Fair enough.” People

have a hard time rejecting reciprocity, so adding a bonus to accommodate, then another, then another, and people will feel almost obligated to buy from you.

### **Bonus Bullets**

1. Always offer them (you can use the bulleted bundle we came up with at the end of Section III)
2. Give them a special name that has a benefit in the title
3. Tell them: a) How it relates to their issue b) What it is c) How you discovered it, or what you had to do to create it d) How it will specifically improve their lives or make their experience i) Faster, easier or less effort/sacrifice (value equation)
4. Provide some proof (this can be a stat, a past client, or personal experience) to prove that this thing is valuable
5. Paint a vivid mental image of what their life will be like assuming they have already used it and are experiencing the benefits
6. Always ascribe a price tag to them and justify it
7. Tools & checklists are better than additional trainings (as the effort & time are lower with the former, so the value is higher. The value equation still reigns supreme).
8. They should each address a specific concern/obstacle in the prospects mind about why they can't or won't be successful (bonus should prove their belief incorrect)
9. This can also be what they would logically realize they will need next. You want to solve their next problem before they even encounter it.
10. The value of the bonuses should eclipse the value of the core offer. Psychologically as you continue to add offers, it continues to expand the price to value discrepancy. It also, subconsciously communicates that the core offer must be valuable because if these are the bonuses, the main thing has to be more valuable than the bonuses right? (No, but you can use this psychological bias to make your offer seem wildly compelling).
11. You can further enhance the value of your bonuses by adding scarcity and urgency to the bonus themselves (which takes this technique and puts it on steroids).

### **Types of Bonus**

1. Bonuses With Scarcity Version 1: Only people who sign up for XYZ program will have access to my Bonus #1, 2, 3 that are never for sale or available anywhere else other than through this program. Version 2: I have 3 tickets left to my \$5,000 virtual event, if you buy this program you can get one of the last 3 tickets as a bonus.
2. Bonuses With Urgency Version 1: If you buy today, I will add in XYZ bonus that normally costs \$1,000, for free. And I'll do that because I want to reward action takers.
3. With hope, you can see the subtle differences. The first two examples aren't constrained by time. They state that if you buy the program you will get things you normally would not be able to. The bonus with urgency is about them buying today, and if they do not buy today, they lose those bonuses. Minor difference, but worth noting.



## **Advanced Level Bonuses - Other People's Products and Services**

You can get other businesses to give you their services and products as a part of your bonuses in exchange for exposure to your clients for free. This is free marketing for them, and high value products for you at no cost. Businesses will do this because you are going to give their business exposure for free to the highest quality prospects, your customers. As long as they are not direct competitors, you can get some brownie points, secure some future referral IOUs, and make your offer more valuable at the same time. If you secure enough of these relationships, you can literally justify your entire price in the savings and additional true-to-price bonuses.

### **Summary**

We want to employ bonuses because they expand the price to value discrepancy and get people to purchase who otherwise wouldn't. They massively increase the prospects' perception of the value of our offer.

1. Create checklists, tools, swipe files, scripts, templates, and anything else that would take lots of time and effort to create on one's own, but is easy to use once created. Anything that you can invest in one time that clearly cost time or money to create, but can be given away endless time is a perfect fit for a bonus.
2. Beyond that, make a habit to record every workshop, every webinar, every event, every interview and use them as additional bonuses (as needed to crush a perceived obstacle).
3. Proactively negotiate group discounts and a referral commission with adjacent businesses that solve needs your customer will have as a result of beginning this process with you. What's the next natural thing they might want? Go to those businesses, get a deal for them they could never get for themselves (because you are negotiating with the purchasing power of all your customers at once, very powerful).

## Chapter #5: Enhancing The Offer: Guarantees

*"You're gonna like the way you look...I guarantee it."*

1. The single greatest objection for any product or service being sold is risk.
2. The stronger the guarantee, the higher the net increase in total purchases, even if the refund rate increases alongside it.
3. What makes a guarantee have power is a conditional statement: If you do not get X result in Y time period, we will Z.
4. To give a guarantee teeth you have to decide what you'll do if they don't get the result.
5. Without the "or what" portion of the guarantee, it sounds weak and diluted.

### **Types of Guarantees**

Bad Example: We will get you 20 clients guaranteed.

Better example: You will get 20 clients in your first 30 days, or we give you your money back + your advertising dollars spent with us. This is a simple, but strong guarantee.

### 1) Unconditional Guarantees

1. Unconditional, conditional, and “anti-” guarantees. Unconditional are the strongest guarantees. They’re basically a trial where they pay first then see if they like it.
2. This gets a LOT more people to buy, but you will have some people refund, especially as consumer culture continues to shift towards entitlement and zero accountability

### 2) Conditional Guarantees

Because if they are going to make an investment, you want to match their investment psychologically with an equal or higher perceived commitment. These also can have a very powerful effect on getting clients results.

### 3) Anti-Guarantees

Anti-guarantees are when you explicitly state “all sales are final.” You will want to own this position. You must come up with a creative “reason why” the sales are final. Typically, you’ll want to show a massive exposure or vulnerability on your part that a consumer could immediately understand and think “Yes, that makes sense.”

### 4) Implied Guarantees

Implied guarantees are any offer that is a performance-based offer. This comes in many different forms. Revshare, profitshare, triggers, ratchets, monetary bonuses, etc are all examples. The end all concept is the same, if I don't perform, I don't get paid. Unique to this particular structure, it also confers the upside of “If I do a great job, I will be very well compensated.” These only work in situations where you have transparency for measuring the outcome and trust (or control) that you will get compensated when you do perform.

### Stacking Guarantees

1. An experienced salesman understands that, like bonuses, you can actually stack guarantees.
2. For example, you’ll make \$10,000 by 60 days, \$30,000 by 90 days as long as you do thing 1, 2, and 3. This future paces the prospect into an outcome they now believe is far more likely (since you will be deliberately spelling it out in a conditional guarantee with a timeline for achievement).

**Guarantee: If you don't achieve X, in Y time, we will [insert offer] . . .**

#### [Unconditional] “No Questions Asked” Refund Guarantee

1. What the Client Gets: A) a full refund, B) a 50 percent refund, C) a refund of their ad spend and any ancillary costs incurred, D) you pay for a competitors program instead, E) you return their money plus an additional \$1,000 (or other applicable amount)
2. My Take: This is about as simple as it gets. It's also very risky. You put yourself in a situation where if someone does not achieve the results, whether because of your fault or not, you will still be held accountable. Obviously this is a strong, but unoriginal guarantee. You can add conditions, but the more conditions you add, the faster this guarantee loses its teeth

**[Unconditional] Satisfaction-Based Refund Guarantee (Expanded from above):**

1. What the Client Gets: If at any time they're not satisfied with the level of service they're receiving from you, they can request a refund (at any time) for the program.
2. My Take: But, the only thing guaranteed not to help you is walking out of here today." If you are good at what you do, you can use a guarantee like this to push a lot of people over the edge. Satisfaction/No questions asked is the highest form of guarantee. It means we could do everything right and you could still ask for your money back. But you have to be good at fulfilling your promises.

#### **[Conditional] Outsized Refund Guarantee**

1. What the Client Gets: Double or Triple their money back, or a no strings-attached payment of \$X,XXX (or another amount that's far more than what they paid).
2. My Take: This is for when you sell something with high margins. And this is a guarantee to add with a consumption condition. That means they must do a variety of things to qualify for this guarantee. A world class affiliate marketer Jason Fladlien (who did \$27M in a single day) recently used an amazing guarantee for a course he sold. He said "if you buy this course and spend \$X on advertising your ecommerce store using the methods herein, and don't make money, I will buy your store from you for \$25,000 no questions asked." He claimed that an additional \$3M in sales came from this crazy guarantee on a \$2997 course. What's more, he only gave 10 of these \$25,000 refunds out. So the refund generated \$2.75M in extra sales. That's what a crazy guarantee does for you.
3. In general, a very strong guarantee like this will definitely drive more sales. This really serves the purpose when you need a lot of stuff to be done by your prospect, and, assuming those things are done, there's a low chance of the result not being achieved.

#### **[Conditional] Service Guarantee**

1. What the Client Gets: You keep working for them free of charge until X is achieved.
2. My Take: This is probably my personal favorite guarantee of all time. It essentially guarantees they will achieve their goal, but it eliminates the element of time. You are never at risk for losing the money. The guarantee is around the outcome. To add further flavor to it, you can make this guarantee conditional on them doing key actions linked with success: setting up a web page, attending calls, showing up to workouts, weighing in, reporting data, etc.
3. 1. Seeing your client's commitment, you happily keep working with them until they achieve the desired result 2. It gets dropped. Your client is likely very close to the goal, which means satisfied.
4. Also, it's likely the sales conversation with the guarantee was months earlier. What may have been important in the sales conversation is a distant memory now, replaced by their affection towards you/your business.

#### **[Conditional] Modified Service Guarantee**

1. What the Client Gets: You give them another Y-long period of service or access to your product/services free of charge. Generally, Y should give them at least twice the duration.

2. My Take: This is like the service guarantee, but it ties a specific duration to your extended work/involvement. So instead of being on the hook “forever,” you’re only on the hook for an additional Y period of time.

#### **[Conditional] Credit-based Guarantee**

1. What the Client Gets: You give them back what they paid but in a credit toward any service you offer.
2. My Take: This is best used during an upsell process to seal the deal on a service they are unsure they will like. They already like what they have, you are trying to sell them more of that. Worst case, they can apply it to the thing they already like. So it maintains goodwill with the customer.

#### **[Conditional] Personal Service Guarantee**

1. What the Client Gets: You work with them one-on-one, free of charge, until they reach X objective or result.
2. My Take: This is absolutely one of the strongest guarantees in existence. It’s like a service guarantee on crack. You will definitely want to add conditions, though: they must respond back in twenty-four hours, they must use the products you tell them to, they must XYZ. Only if they do that, will you keep working with them one-on-one. This is especially powerful as you scale and become more edified as a business owner.

#### **[Conditional] Hotel + Airfare Perks Guarantee**

1. What the Client Gets: If you don't receive value, we will reimburse your product and your hotel + airfare.
2. My Take: This is technically a “refund of ancillary costs” from our first example. I just love it a lot for workshops and in-person experiences. Normally the event would cost more than the hotel and airfare, so it's like adding an extra \$1000 to a guarantee but way more tangible. It’s original enough that people like it.

#### **[Conditional] Wage-Payment Guarantee**

1. What the Client Gets: You offer to pay their hourly rate, whatever that may be, if they don’t find your call/session with them valuable.
2. My Take: This is also an ancillary cost guarantee, just a very original one. If someone ever actually asks for the wage payment, just ask them for their tax return and divide it by 1,960 (number of working hours at 40hrs/wk for a year). But no one asking for a refund will actually do that, so you will never actually have to give one of these out.

#### **[Conditional] Release of Service Guarantee**

1. What the Client Gets: You let them out of their contract free of charge.
2. My Take: This voids a commitment or cancellation fee. If you have a business that has enforceable commitments, contracts or clauses, this can be a powerful guarantee. Better yet, if you are in a business that does not enforce your contracts, then you have nothing to lose by adding the guarantee.

### **[Conditional] Delayed Second Payment Guarantee**

1. What the Client Gets: You won't bill them again until after they make or get their first outcome. Ex: Lose your first five pounds . . . make your first sale . . . get your website live, etc.
2. My Take: I like this a lot, especially if you have a very systematized process for getting the first result. It gets the prospect thinking in fast action terms and gets them moving. It will also focus your team on activating your client. This is a great one when you know what metric or action drives activation (predicting indicator of long term retention) of a client. I've successfully used this guarantee loads of times.

### **[Conditional] First Outcome Guarantee**

1. What the Client Gets: You continue to pay their ancillary costs (ad spend, hotel, etc) until they reach their first outcome. Example: If you don't make your first sale in 14 days, we will pay for your ad spend until you do.
2. My Take: Just like the delayed second payment, just centered around a different cost. I personally like this setup a lot. It keeps everyone focused on getting that first dollar over the bridge. Once that one comes across, the second comes soon after.

### **[Anti-Guarantee] All Sales Are Final**

1. What the Client Gets: Access to super exclusive very valuable service/product. Likely, this is a very powerful thing that once seen cannot be unseen, or once used cannot be taken away. Example: a line of code to improve your checkout experience on a website. Once someone received this code, they could try and use it without paying you. Or a series of opening messages for picking up girls, or opening sentences for messaging cold prospects. Things that are very valuable but incredibly easy to steal after they've been seen/understood.
2. My Take: This can enhance the persuasiveness of the sale and the value of the product or service. It essentially implies that the client is going to use it and see an immense benefit thereby exposing the business to vulnerability. It acts as a damaging admission. We have an "all sales are final" policy, but that is because our product is so exclusive and so powerful that once used it cannot be unused." lean into the fact this thing works so well, and is so easy to copy, you must make all sales final. They'll believe you even more if you take this position. "We are going to show you our proprietary process that we are using right now to generate leads in our business. Our funnels, ads, and metrics. We're going to be exposing the inner workings of our business, as a result, all sales are final."

### **Implied Guarantees: Performance Models, Revshares, and Profit-Sharing**

Performance: A) ...Only pay me \$XXX per sale/ \$XXX per show B) \$XX per Lb Lost

Revshare: A) 10% of top line revenue B) 20% profit share C) 25% of revenue growth from baseline

Profit-Share: A) X% of profit B) X% of Gross Profit

Ratchets: 10% if over X, 20% if over Y, 30% if over Z

Bonuses/Triggers: I get X when Y occurs.

1. What The Client Gets: If you do not perform, they do not have to pay. If you perform, your compensation has been determined based on an agreement decided upon before you begin working.
2. My Take: Performance, Revshare, and Profit-shares aren't guarantees "per se", but for all intents and purposes, they are. There is an implied guarantee whenever you enter into a revshare or performance partnership: if you don't make money, you don't have to pay me. First because it makes you accountable to your clients' results. Second it weeds out low performers. Perfect alignment between client and service provider fosters collaboration and a long-term relationship.

### **Create Your Own Winning Guarantee**

1. Reversing risk is the number one way to increase the conversion of an offer. Experienced marketers spend as much time crafting their guarantees as the deliverables themselves. It's that important.
2. The key is to identify a client's biggest fears, pain, and perceived obstacles. "What do they not want to have happen if they pay you? What are they most afraid of?" Reverse their fears into a guarantee. Think of the time, emotion, and outside costs associated with any program or service. The more specific and creative the guarantee is, the better.
3. That being said, guarantees are enhancers. They can enhance the magnetism or attraction of any offer, but they cannot make a business. If a guarantee is used to cover up a poor sales team or a poor product, it will backfire into lots of refunds.
4. My advice: Start selling service-based guarantees or setting up performance partnerships. This will make all sales final (so no fear from refunds). Most importantly, it will commit you to your customers' results and keep you honest. From there, either keep that guarantee and scale (perfectly fine), or move up the food chain to less restrictive guarantees to increase volume.

### Chapter #6: Enhancing The Offer: Naming

*Implicit-egotism effect: we are generally drawn to the things and people that most resemble us.*

1. The goal must be that upon hearing about your offer, your ideal prospects are interested enough to take action. Naming it properly is an integral part of this process. Here's an example. Say you see a "Free Six-Week Stress Release Challenge" and a "Float Tank Center Session." While they may be the same thing, just named differently, you're much more likely to respond to the first.
2. We are not changing the actual offer. We are only changing the wrapping paper. The work you do, services you provide, and products you offer will remain unchanged as the name shifts.

#### **1) Make a Magnetic "Reason Why"**

1. We start the name with a word or phrase that tells people the "reason why" we are running our promotion.

2. I like to tell people to think like a fraternity party planner. When I was in college, we had a party once because a guy got his wisdom teeth removed. I say this to say. . .the “reason why” can literally be anything.
3. It really doesn't matter so long as you believe it. And you can even make a joke of it like the fraternity example. But this should answer one or both of the following questions: Why are they making this great offer? or Why should I respond to this offer?/What’s in it for me?
4. Examples: Free, 88% off, Giveaway; 88% off, Spring, Summer, Back To School; Grand Opening; New Management; New Building; Anniversary; Halloween; New Year.

## **2) Announce Your Avatar**

1. This component calls out your ideal avatar: who you are looking for and who you are not looking for as a client. You want to be as specific as possible, but no more. When in a local area, the more local you can make your headline, the more it will convert.
2. Examples: Bee Cave Dentists, Rolling Hills Moms, Brick & Mortar Businesses, Salon Owners, Retired Athletes, Brooklyn Busy Executives

## **3) Give Them A Goal**

1. This is where you articulate your prospect’s dream outcome. It can be a single word or a phrase. It can be an event, a feeling, an experience, or an outcome, anything that would excite them. The more specific and tangible, the better.
2. Examples: Pain Free, Celebrity Smile, 1st Place, Never Out Of Breath, Perfect Product, Grand Slam Offer, Little Black Dress, Double Your Profit, First Client, High Ticket, 7 Figure, 100k, Etc.

## **4) Indicate a Time Interval**

1. You’re just letting people know the duration to expect here. This gives an example of how long your results will take to achieve.
2. Use a time interval. “\$10,000 in 10 days” vs “Make Your First Sale in 10 Days.”
3. Examples: AA Minutes, BB Hours, CC Days, DD Weeks, Z Months. “4 Hour” “21 Day” “6 Week” “3 Month”

## **5) Complete With A Container Word**

1. The container word denotes that this offer is a bundle of lots of things put together. It’s a system. It’s something that can’t be held up to a commoditized alternative.
2. Examples: Challenge, Blueprint, Bootcamp, Intensive, Incubator, Masterclass, Program, Detox, Experience, Summit, Accelerator, Fast Track, Shortcut, Sprint, Launch, Slingshot, Catapult, Explosion, System, Getaway, Meetup, Transformation, Mastermind, Launch, Game Plan, Deep Dive, Workshop, Comeback, Rebirth, Attack, Assault, Reset, Solution, Hack, Cheatcode, Liftoff, Etc.

## **What Happens When Offers Fatigue**

1. Change the creative (the images and pictures in your ads)
2. Change the body copy in your ads

3. Change the headline - the “wrapper” of your offer
4. Free 6 Week Lean Challenge to Free 6 Week Tone Challenge
5. Holiday Hangover to New Year New You
6. Change the duration of your offer
7. Change the enhancer of your offer (your free/discount component)
8. Change the monetization structure, the series of offers you give prospects, and the price points associated with them
9. Once you’ve monetized an offer, rarely should you change it. Just rinse and repeat over and over and over again. This can be hard because we are entrepreneurs and love change. Change here usually just creates inefficiency and operational drag, costing you money.
10. So use your entrepreneurial ADD on the “wrapper” first - the “look and feel” of the offer (copy, creative, headlines). Then change the seasonality of the offer. Then change the duration. If you’re still stuck, change what you are giving away for free or discount. Change the entire machine behind it only as a last resort and for a darn good reason, especially once you get traction.

### **Naming Summary**

True to the moniker, people do judge a book by its cover. Half-ass naming your product or offering can ruin conversions. Don’t fall victim to lazy naming.

## **SECTION V: EXECUTION**

### **YOUR FIRST \$100,000**

*“The first \$100,000 is a bitch, but you gotta do it. I don’t care what you have to do—if it means walking everywhere and not eating anything that wasn’t purchased with a coupon, find a way to get your hands on \$100,000. After that, you can ease off the gas a little bit.”*

1. We covered why you must not be a commodity in this marketplace.
2. Why you should pick a normal or growing market, and why niches get you riches.
3. Why you should charge a lot of money.
4. How to charge a lot of money using the four core value drivers.
5. How to create your value offer in five steps.
6. How to stack the value, deliver it, and make it profitable.
7. How to shift the demand curve in your favor using scarcity
8. How to use urgency to decrease the action threshold of buyers
9. How to strategically use bonuses to increase the demand of your offer
10. How to completely reverse buyer risk with a creative guarantee. 11. How to name it in a way that resonates with your avatar.

### **Final Thoughts**



1. Entrepreneurship is about acquiring skills, beliefs, and character traits. To advance, I find that we must determine which skills, beliefs, and character traits we lack. Most times, we simply need to improve. And the only way to do that is through learning from experience and/or high quality sources. And though experience is the best teacher, she is not the kindest.