### Fee Negotiation Strategies

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| Overview | **If you handle fee reduction poorly, prospect will**   * Lose respect for you as a salesperson and Yodle as a company * Devalue Yodle’s services - if you don’t feel it is worth top dollar, why should the prospect * Prospect will consider you a poor negotiator and continue to push for fee reductions |

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| Yodle Fees | **Cannot Reduce**   |  |  | | --- | --- | | Management fee | 69 / month | | Organic | 667 / month |   **Can Reduce**     |  |  | | --- | --- | | Setup fee | 447 one time | | Website | 599 one time | | PPC Budget | Discretionary to fit prospect’s entry point  Based on how many calls they want | | Contract | 6 months, can reduce to 3 months |   **Fee introduction**   * Introduce fees incrementally throughout the demo * Do not “fee dump” at the end of the demo |

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| Strategies | **Save all fee reduction activities to the end of the demo**   * Negotiate all fees as a lump activity at the end of the demo * Do not fight the fee negotiation issue every time a new fee is introduced during the demo * If you reduce the first fee that you discuss during your demo, the prospect will feel you are willing to reduce every fee * NEVER discuss discounting until you first create pain and show value   **Do not reduce a fee too much, too fast**   * Fee reduction is not to be taken lightly * It is the gold that drives your commissions and Yodle’s growth * Fee reduction is like a dance, you have to let it play out to be successful   **Reduce fees by a percent as opposed to a dollar number**   * People are accustom to price reductions by % * 25% off, as opposed to $100 off * For a $599 fee, a 25% reduction sounds better than $150 off.   **Initial prospect push back during demo – can you reduce the $599 fee**   * I like to save our discussion on fees until the end of the demo * At that time I feel you will have a much better understand of the value Yodle provides to grow your income and your business * To get you the X calls you need to get you $Y per month   **If push back continues – come on, you can cut me a break**   * It would not be right for me to discuss each fee separately * The services Yodle can provide you to get you those X calls and grow your business are a total package * Until you understand all the pieces of the pie, there is no way we can place a price on the total solution * We will recap all fees at the end of the demo |

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| Fee Objection Isolation | “Aside from the fee discussion, are there any other reasons why you would not sign up with Yodle today”  **Wait for an answer – address any other objections except the fee**  “So the fee issue the only reason left that is holding you back from doing business with me today, is that correct”  **Wait for an answer – address the fee concern** |

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| Quid Pro Quo | **Quid pro quo -** a favor for a favor  During all negotiations, you never want to give something up without getting something back in return.  **Referral Partner**   * **In order to reduce the fee for your (Service) by X%, I would need you to sign up today and become a Referral Partner** * After (contract duration 3 or 6 months), when you are happy with your results, I would ask you to provide me with * 3 referrals and a testimonial * We pay $200 per referral that becomes a Yodle client * If this is OK with you, I can reduce (service) and get you started today |

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| Stretch Pay | You have the option delay payment on some of the fees   * Here’s a creative solution that I have used for some of my clients * I was able to break their initial costs into more manageable payments while still providing them with the exact same service * Fees at contract sign - 447 setup, 599 website, 69 mgt (no YO) * Budget at go live in 8 days - $ PPC, 667 YO * In order to break up your payment, I would need you to sign up today and become a Referral Partner |

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| Cash Flow Concerns | The goal is to get all fees collected at the time of signup.  However, you have the ability to delay some fees until the “go live” date.  **I am very interested but I need to wait for some checks to come in before committing to a contract, can I call you back in 2 weeks**   * You would want to get started today if possible, correct * If it will help your cash flow issues, I can be very flexible, I can take a down payment today and collect the rest of the fees on the go live date * You have total control of the “go live” date. Typically in about 8 days, but we can push it back to 2 weeks if needed * We can get everything built out, ready to go with the push of a button * What do you feel would be a fair down payment to begin building things out, % to put down today to get started * Tell you what, I will do you a little better * I can delay the fees over 50% by delaying the website fee until the go live date * You would just have a small fee today, 447 + 69 = 516 (for PPC client) * At your go live date, you would pay for the website and your monthly budget. * In order to delay some of your fees, I would need you to sign up today and become a Referral Partner |

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| Fee Negotiations | You have just finished reviewing the fees at the end of the demo  **Wow, this is a lot of money**  What costs do you feel are too much  **The total costs to get stated are high for me**  We feel that our fees are very fair for the services that we will provide and the results you will achieve  Which fees do you feel are too high  **The setup $447 and website $599 fees**  Let me review the great services you will get for these fees  Setup fee – $477 one time   * Ad copy design – 3-5 copies for each service * Keyword portfolio – 1000s of key words * Ads to all search providers, directories, & partners * Setup of bidding algorithm * Provision the remote call forwarding number and the domain name * Free campaign revisions   Website fee – $599 one time   * Setup site content * Create landing pages for each service * Strong calls to action on every page. * Up to 5 additional pages if needed * Add imagery and video * You own the site * Free revisions forever * Industry average ~ $2000 w/o the free revision   Does this help you better understand the services you will receive for the fees  **Can’t you cut some of these costs, help me out a little**  So the fee issue is the only thing that is holding you back from doing business with me today, is that correct  **Yes**  If it will help to get your business today, I can work with you on the website fee but I cannot reduce the setup fee. Does this sound fair.  **Yes**  As discussed, our $599 website design price is already deeply discounted from the market price of about $2000.  What price reduction % you can live with to development your website   * 100% - I cannot give it away for free, what % can you live with * 50% - that is a big reduction, how about we meet half way at 25% * 25% - that sounds reasonable   So if I reduce the fee for your website by 25%, I would need you to sign up today and become a Referral Partner   * After (contract duration 3 or 6 months), when you are happy with your results, I would ask you to provide me with * 3 referrals and a testimonial * We pay $200 per referral that becomes a Yodle client   If this is OK with you, I can get you started today  **Setup fee** **– $447 one time**   * Can be reduced, but state that it cannot be reduced * Again, this fee is already deeply discounted * It takes a marketing person 8 business days to get you setup and running. * Basically this fee barely covers our costs   **Management fee - $69 / month**   * Cannot be reduced or eliminated * Dedicated IMS - monitors account performance, tweaks, max ROI * 24/7 access to the Yodle Live platform to monitor account performance * Fixed monthly costs * Multiple hosted web-based email accounts with significant storage * hosting fee for AdverSite * Geo-Targeting optimization and keyword management |

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| **Budget**  **Negotiations** | Based on prospect’s financial situation, they may be able to only afford Organic or PPC.  **Besides the start up fees, the monthly fees are high**  Is it the monthly fee of 1667 that is your concern.   * Organic 667 + PPC Budget 1000 = 1667   **Yes**  What monthly budget would you be comfortable with  **I would like to get the cost per month below $1000**  What do you feel is your biggest immediate need is at this time   * Immediate calls – 2 weeks from today * Longer term brand and business growth – 3- 6 months   Depending on prospect’s response / needs – suggest dropping Organic or PPC   * You can select to only launch one service at this time. * After success in a few months, we can revisit adding the other service   **Minimum Sponsored Budgets Allowed**   * Sponsored only - $750 * Sponsored + Organic - $400 |

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| Contract Length | The goal is to sign up the prospect to a 6 month contract  However, you have the ability to set the contract length at 3 months  **6 months seems like a long commitment**  Typical contract for advertizing of any type is 1 year.  So Yodle is better than the market. (ie yellow pages ad)  Our contract is short, only 6 months, for 2 reasons   * It gives you the ability to reduce your risks to a new advertizing approach. After 6 months you can walk, as compared to 1 year. * We are so confident that you will like the results, that you will stay with us past the 6 months, we don’t need to tie people into a 1 year contract   That’s why we have a 6 month contract  **I still feel 6 months is still too long**  Is the 6 month duration the only thing that is stopping you from hiring Yodle today - isolate real objection  **Yes**  So if I reduce the fee for your contract to 3 months, I would need you to sign up today and become a Referral Partner   * After (contract duration 3 or 6 months), when you are happy with your results, I would ask you to provide me with * 3 referrals and a testimonial * We pay $200 per referral that becomes a Yodle client   Does this help your concern  Let’s get you signed up and start the process to get you those additional calls  **Minimum contract length**   * Organic – 6 months * Sponsored – 3 Months * Combo – split contract, Organic 6 months, Sponsored 3 months * Remember - your goal is always a 6 month contract |

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| Manager Support | During fee negotiations, you can say to the prospect  Let me put you on hold for a moment and speak to my manager, to see what I can do for you.   * Speak to someone for guidance * Place a pause in the negotiations * Show prospect you are working for them   If needed get your manager on the phone to speak with the prospect. |