

MODULE

Expand the Budget, Elevate the Work

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In this module.

We Don’t Have a Budget [01]

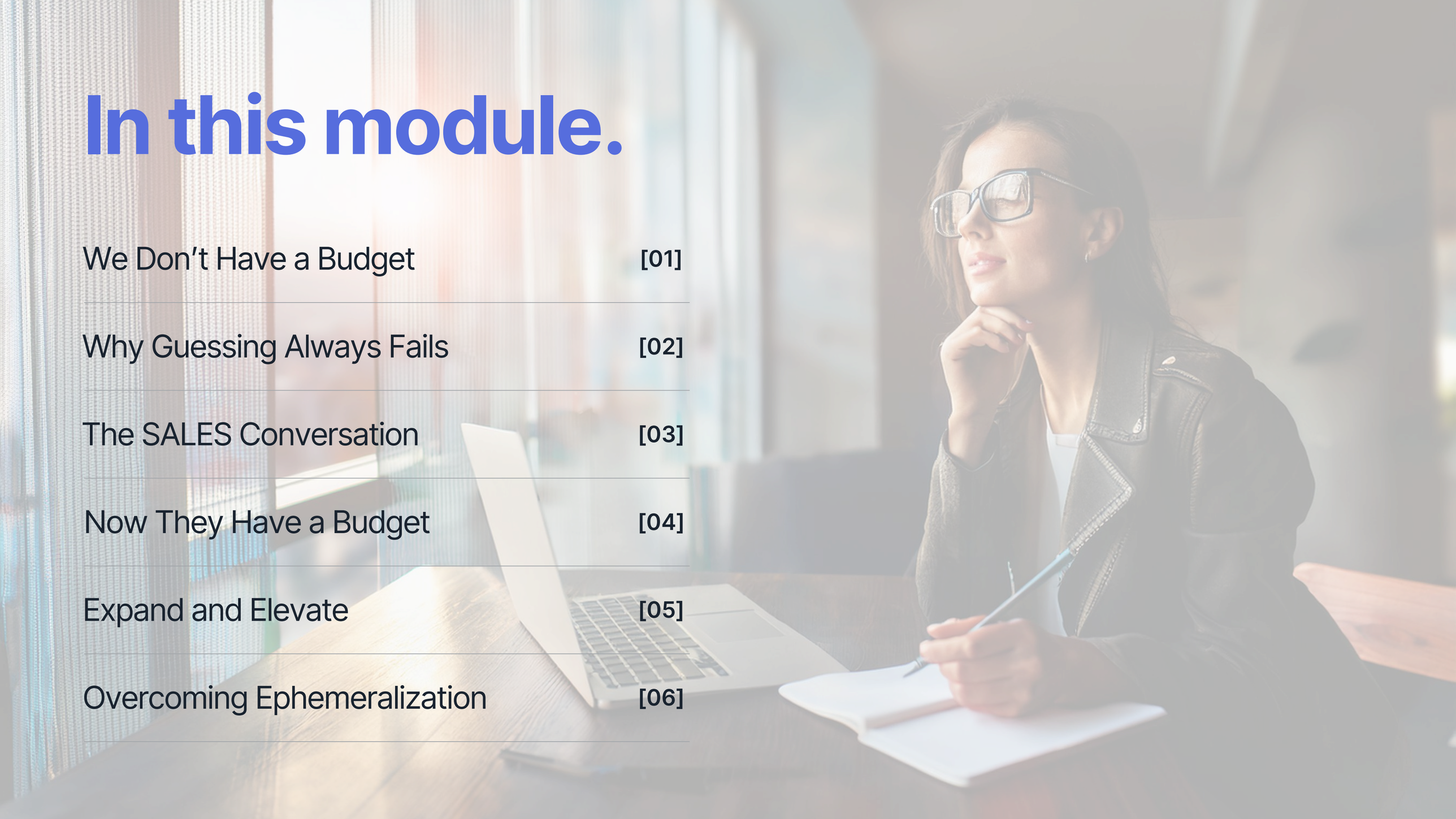
Why Guessing Always Fails [02]

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01 We Don’t Have a Budget


Money is the
currency of
_____.

PRICING SECRET 1 OF 3

Top creative firms rarely _____ on price.

PRICING SECRET 2 OF 3

Clients always have a _____.

PRICING SECRET 3 OF 3

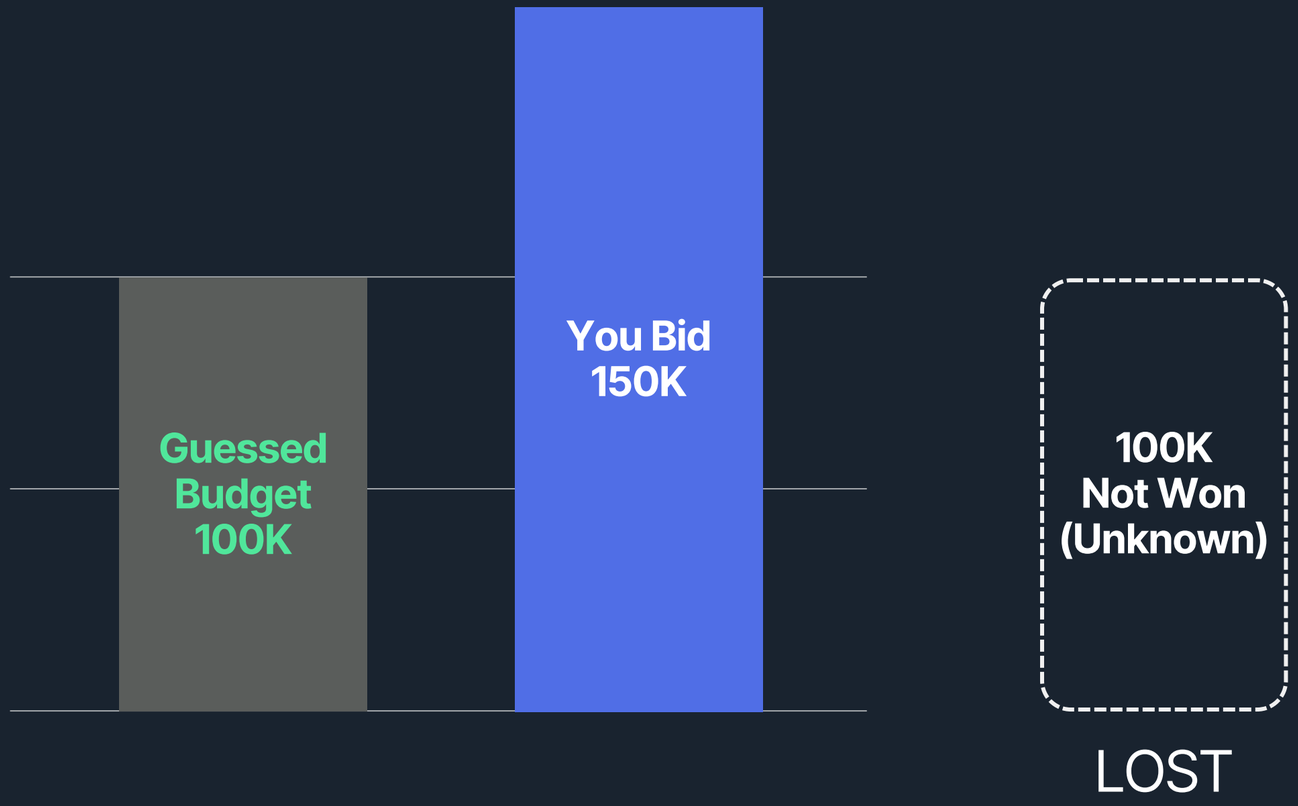
Top clients are not _____ what you (or they) think they're buying.

We don’t have a budget. Can you send us a proposal?

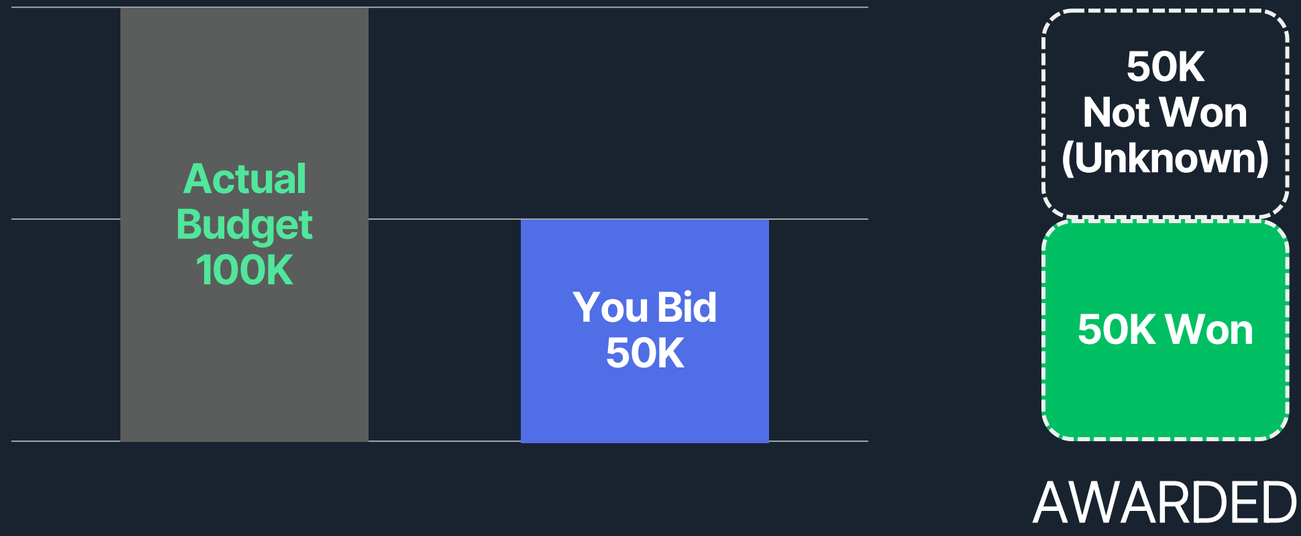
THE CLIENT



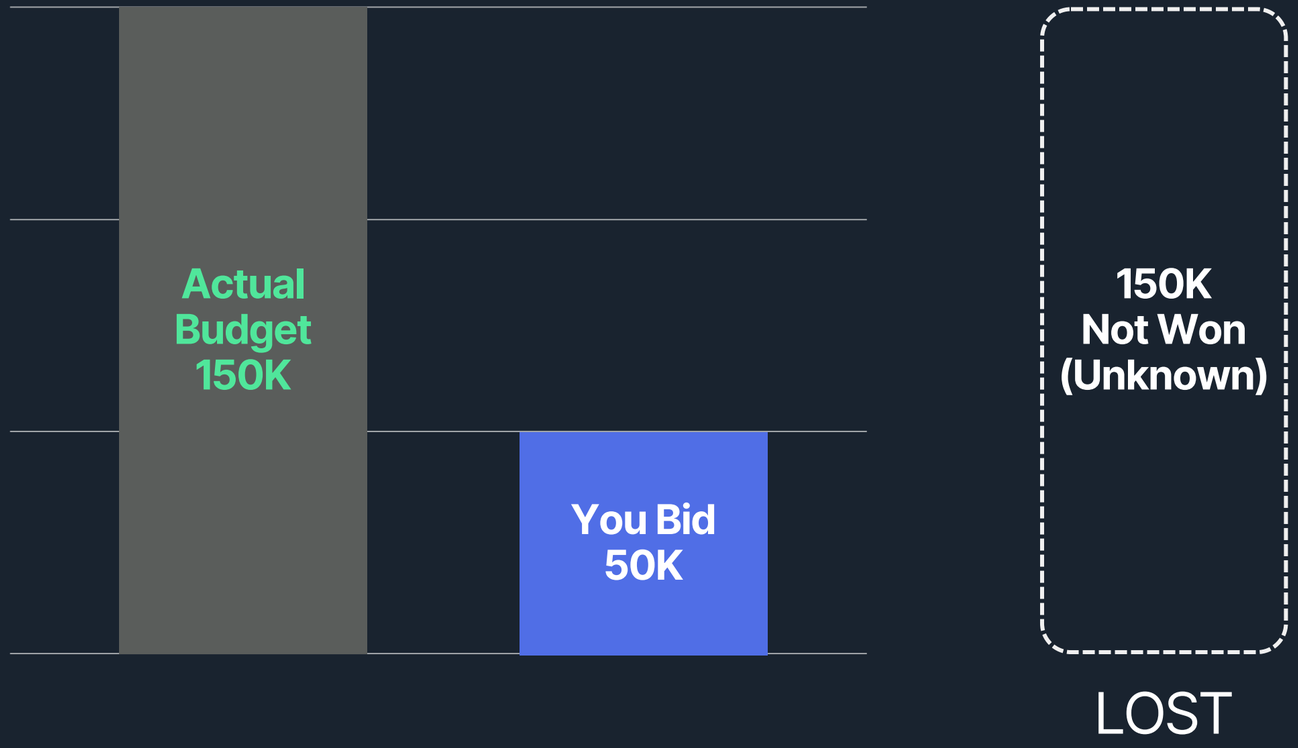
The fear is real: When you bid too high...



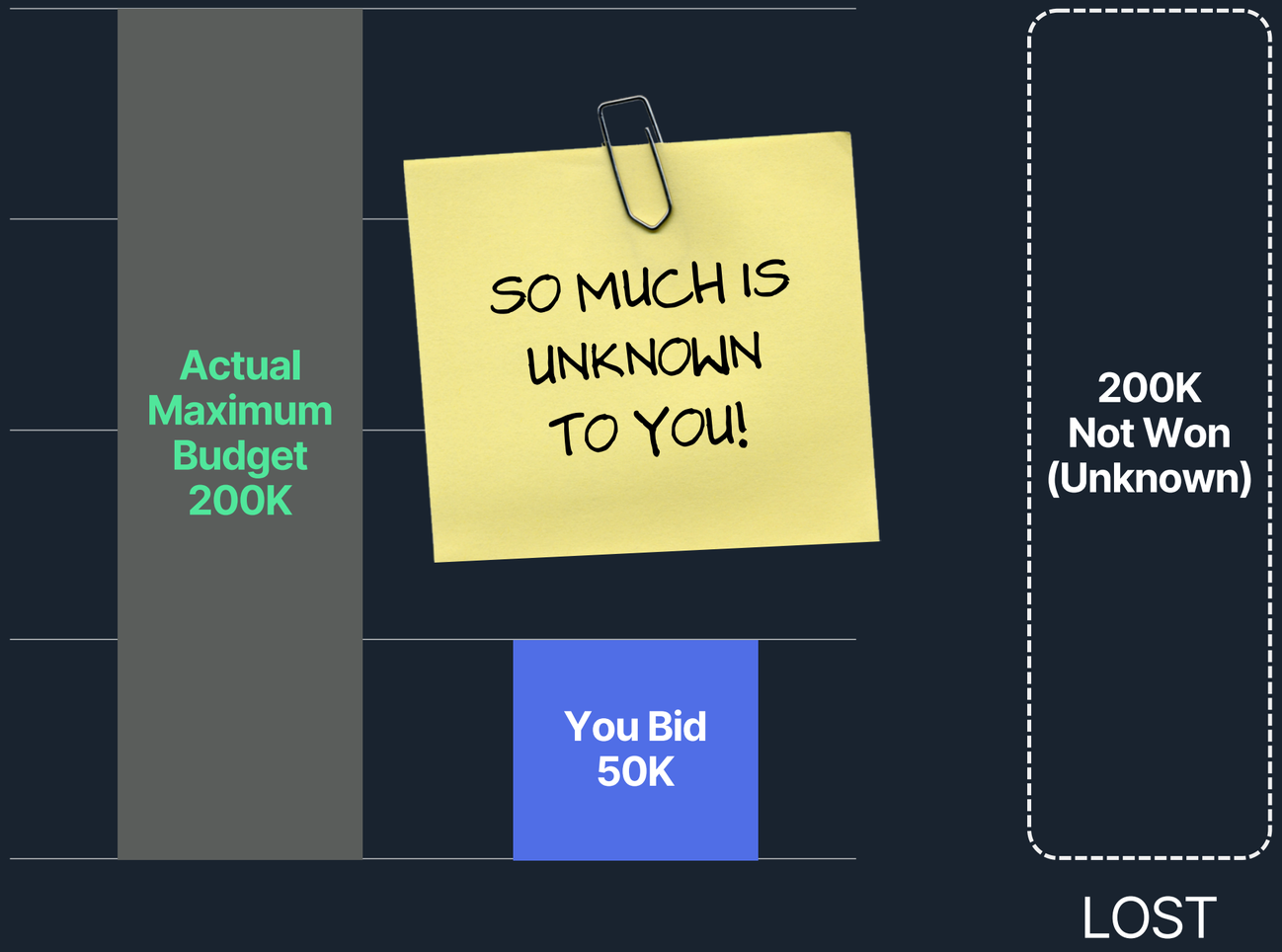
So you bid low and win… but do you?



Or you bid low and the client is scared...



What you really missed out on.





02 Why Guessing Always Fails

Common Mistake

When your client calls with a project, you get excited because you can't help but imagine all the incredible possibilities.

→ Client: "We don't have a budget. Just send us a proposal."

→ So you invest time and energy into an impressive proposal with a price of $X.

→ Client ghosts you or responds, "We don't have that much!!! Can you do it for $Y?"

→ So you (unlikely) pass or (likely and reluctantly) accept the budget.

ACCEPTING A LOW BUDGET → STARTING OFF ON THE WRONG FOOT

“We just want to help! Where do we keep going wrong?”

- → Profit is unlikely... scope creep is inevitable...
- → The client will be frustrated in the process...
- → The project is doomed to fall short of its potential.
- → Future projects with this client are compromised...

PRICING SECRET 2 OF 3

Clients always have a budget.



Yes of course! We always have a budget. But we can't resist calling our favorite vendors to see if one comes back with a really low price.



ALBERTO ENRIQUEZ
AT DISCOVERY CHANNEL



Don’t resent them, help them.

EMPATHIZE WITH WHY CLIENTS DON’T REVEAL BUDGETS

→ **Clients don’t understand.**

How much an ideal solution should cost, or their potential return on investment.

→ **They don’t want to lose the upper hand.**

So they pose (i.e., imposter syndrome), ask you for a proposal, and hope for the best.

WHAT IF THE CLIENT DOES SHARE A BUDGET?

Assume they likely misdiagnosed the problem.

→

IGNORE THEIR CONCLUSIONS, PROCEED WITH DIAGNOSING.



YOUR JOB

How can you guide your client to an ideal budget that will **maximize their desired results?**



TRY A NEW APPROACH:
GENTLY TAKE CONTROL

(laughing)
“We’re not in the business of writing proposals.”

FOR FURTHER STUDY: THE THREE D’S



03 The SALES Conversation

Order takers

react.

Experts

diagnose.

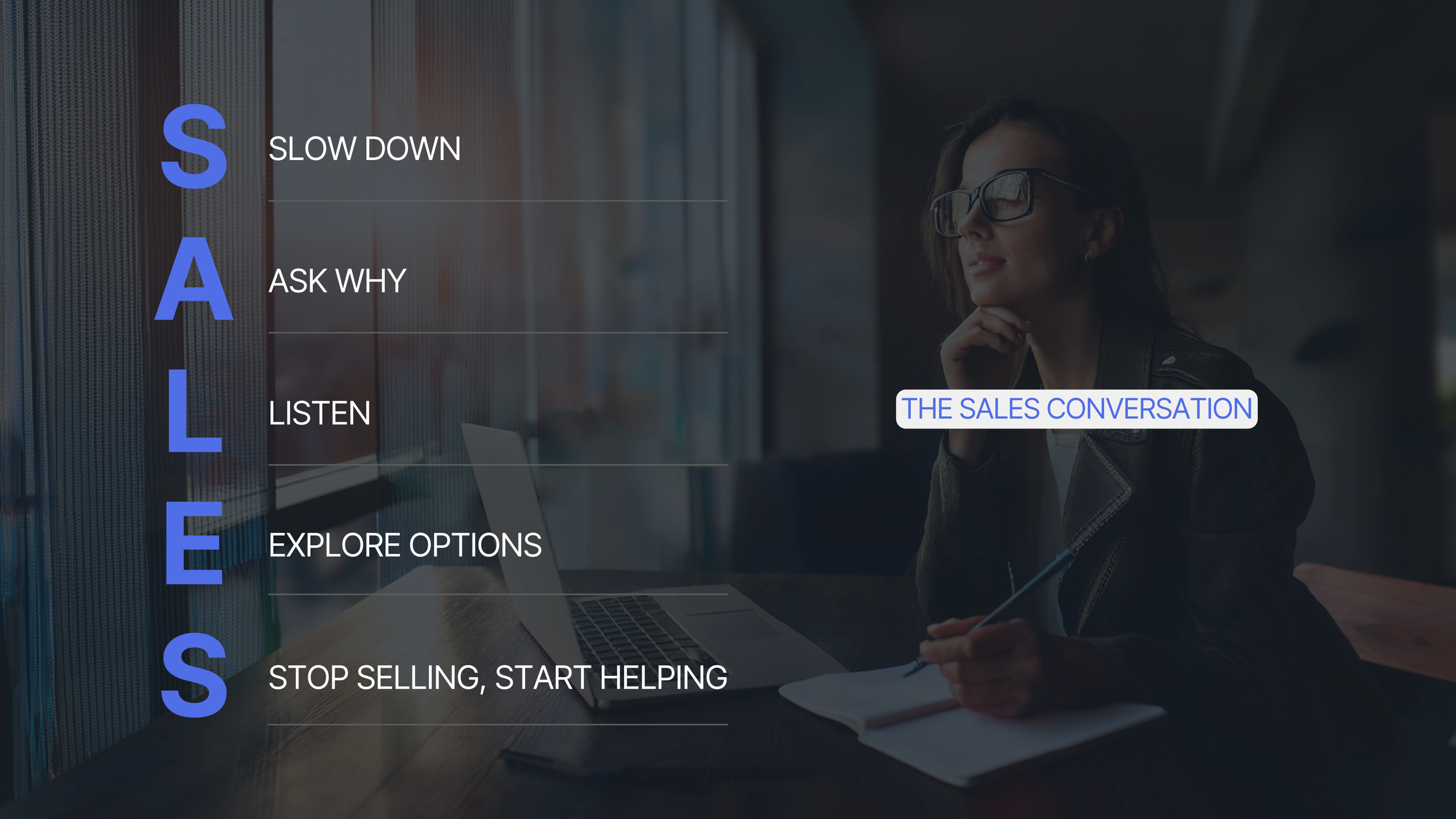


Order takers

guess.

Experts

prescribe.



S

SLOW DOWN

A

ASK WHY

L

LISTEN

E

EXPLORE OPTIONS

S

STOP SELLING, START HELPING

THE SALES CONVERSATION

THE SALES CONVERSATION

SLOW DOWN

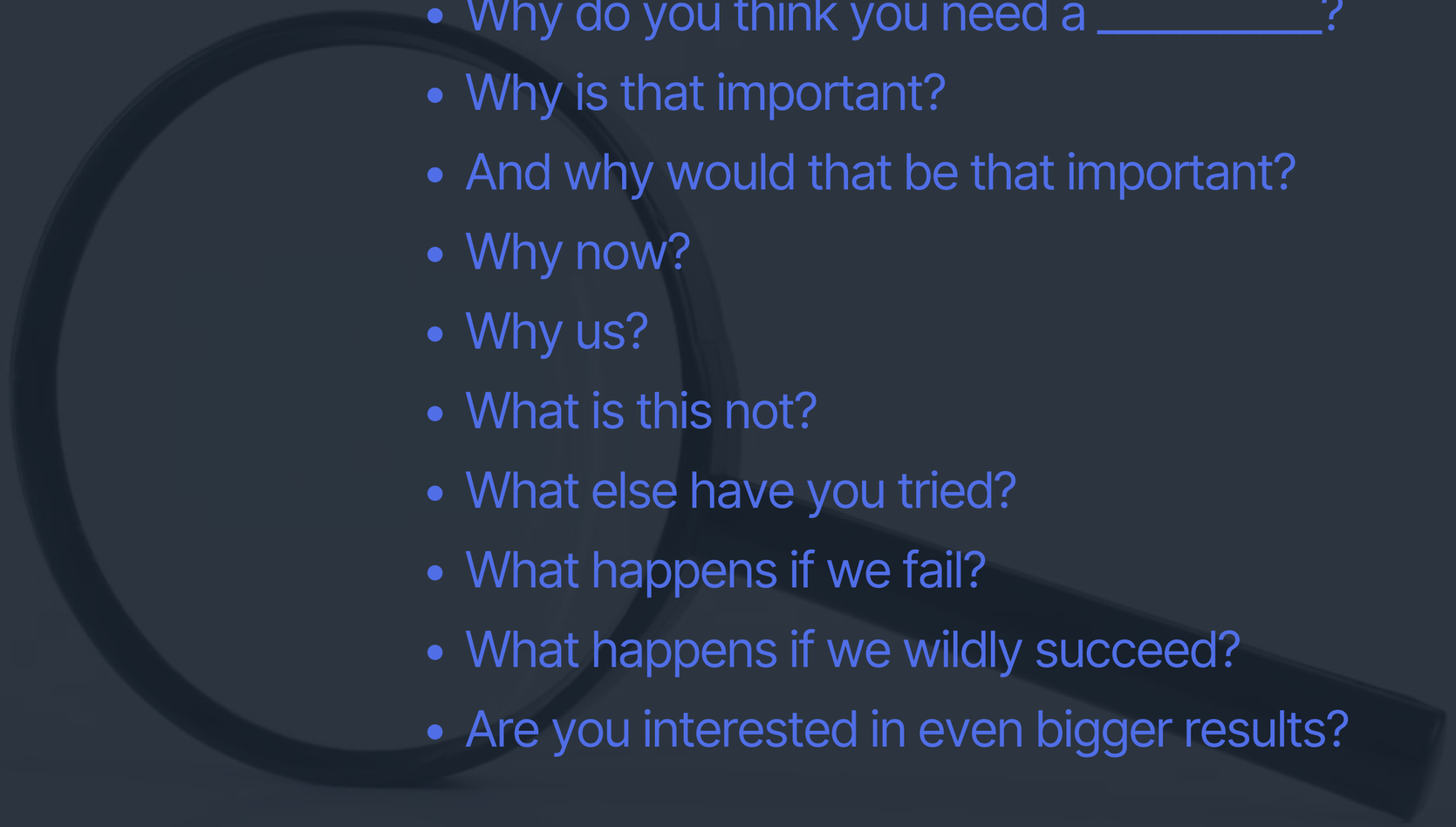
Don’t rush into creating a document (proposal, bid, deck, treatment, etc.)

THE SALES CONVERSATION

ASK WHY

Ask the questions you need to diagnose the deeper problem.

ASSUME THEY HAVE MISDIAGNOSED THE PROBLEM...



- Why do you think you need a _____?
- Why is that important?
- And why would that be that important?
- Why now?
- Why us?
- What is this not?
- What else have you tried?
- What happens if we fail?
- What happens if we wildly succeed?
- Are you interested in even bigger results?

PRICING SECRET 3 OF 3

Top clients are not buying what you (or they) think they're buying.

THE SALES CONVERSATION

LISTEN

While diagnosing, listen carefully to hear deeper needs and wants.

LISTEN

- → **Current vs. Desired Future State**
- → **External Needs / Tangibles**
- → **Internal Wants / Intangibles**

1. USE MIRRORING

2. SUMMARIZE

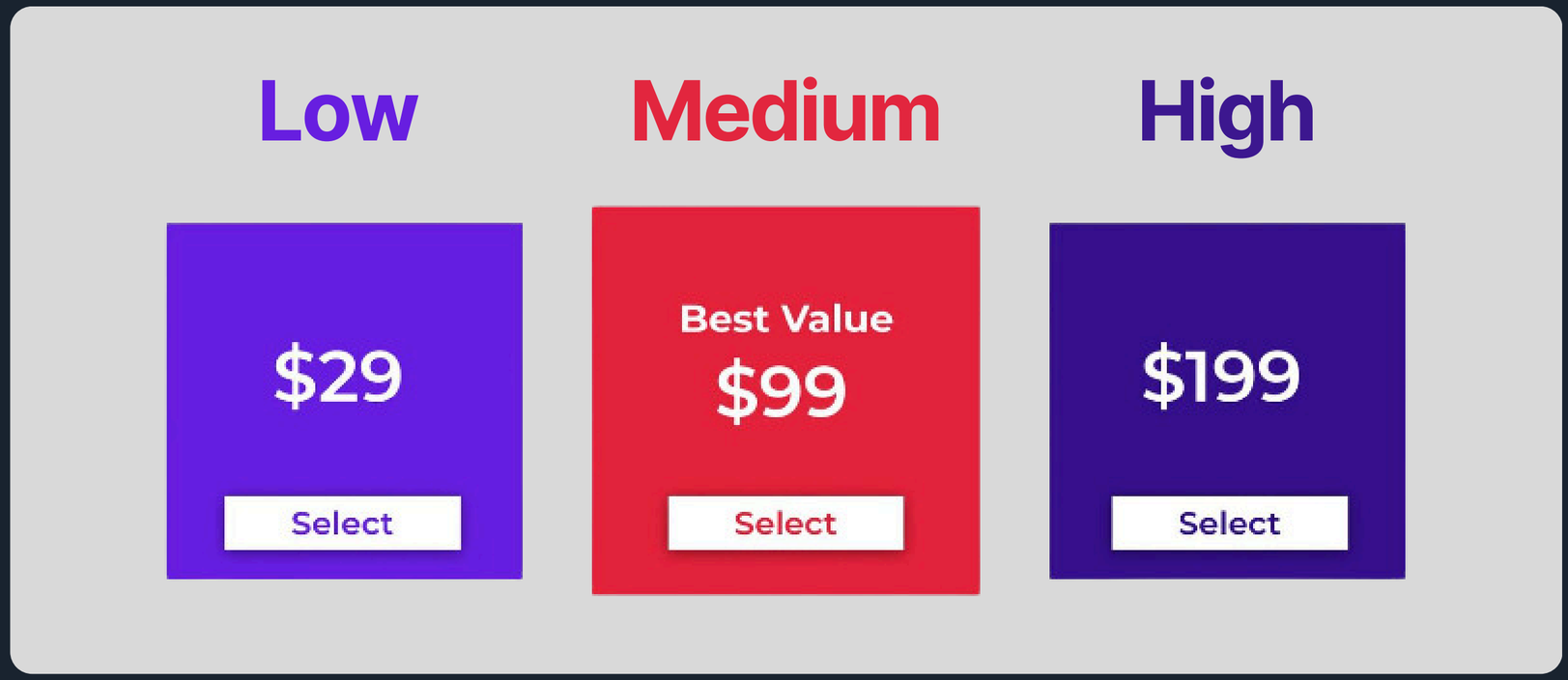
3. GO AWAY

THE SALES CONVERSATION

EXPLORE OPTIONS

To help guide the client, develop several options.

EXPLORING OPTIONS



ANCHORING DEFINITION

In negotiation, the tendency for a person to give the first number put forth too much weight and then inadequately adjust from that starting point, called the anchor.

"WHAT IS ANCHORING IN NEGOTIATION?" - HARVARD LAW SCHOOL

Dreaming Up Your Options

LABEL	High	Medium	Low
NAME	“THE ULTIMATE”	“THE RECOMMEND”	“THE ASK”
GOAL	Imagine an ideal budget (MORE than the client is considering spending) which would (1) unleash you to produce a brilliant solution and (2) generate massive results.	Guess the client's budget and add 20%. Now imagine the best possible solution you can produce for that price.	Imagine the lowest cost solution that (1) solves the problem, (2) you would be proud to execute, and (3) meets the “We would have done it for that!” standard.
PRICE	**“This is what the big dogs spend.”**	**“Goldilocks. Not too high, not too low. This level of investment feels just right.”**	**The Decoy. “If the client spends less, they would be wasting their money.”**

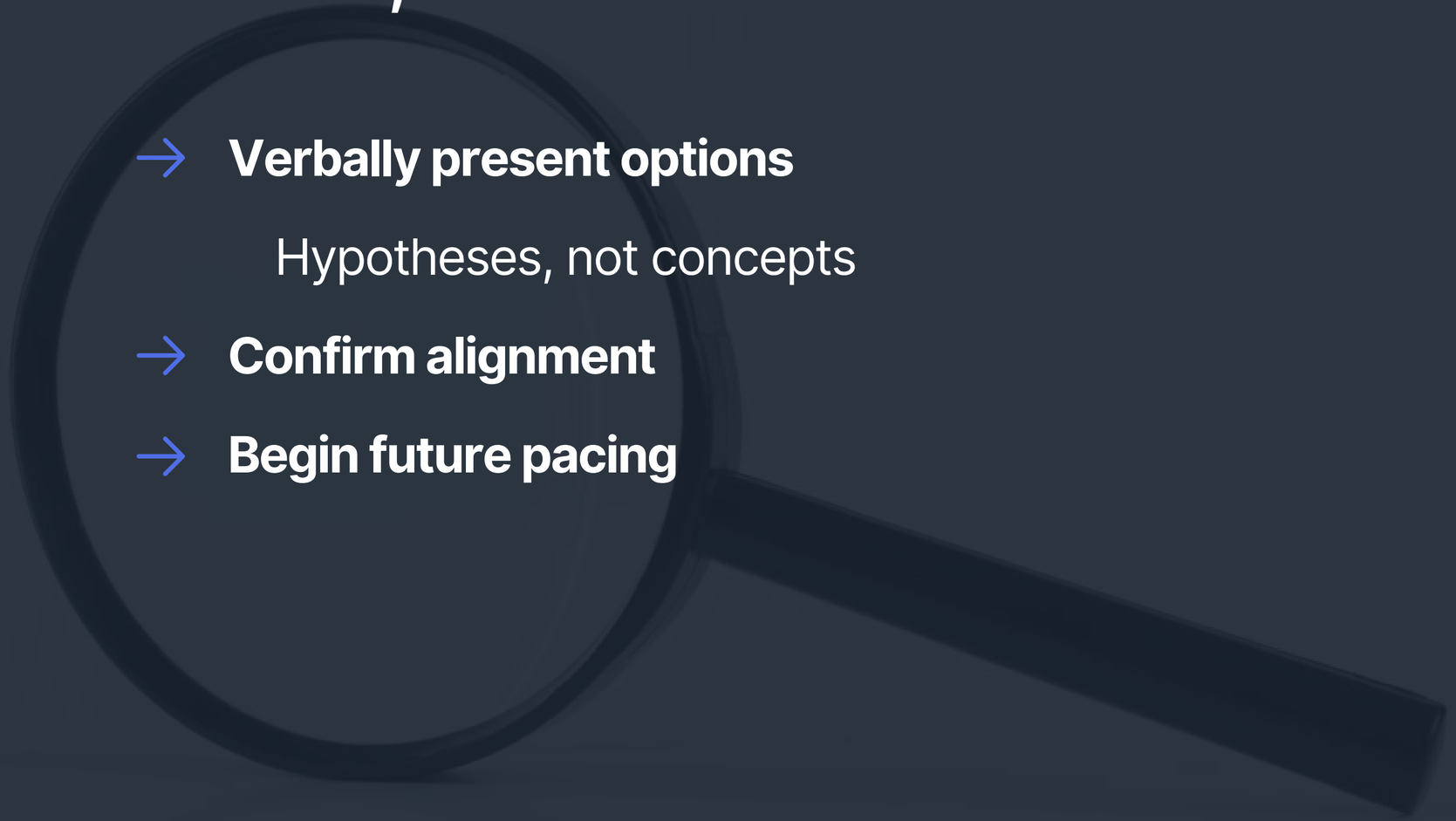


THE SALES CONVERSATION

STOP SELLING, START HELPING

Present your options, confirm alignment, and get started!

STOP SELLING, START HELPING



- **Verbally present options**

  Hypotheses, not concepts

- **Confirm alignment**
- **Begin future pacing**

Example: Motion Design

	The Ultimate ANCHOR	The Recommend GOLDILOCKS	The Ask DECOY
LABEL	**Gold**	**Silver**	**Bronze**
NAME	**"Sky Is the Limit"**	**"The Innovators"**	**"Thought Into Action"**
HYPOTHESIS	External needs: system perfect for multiple campaigns. Internal wants: celebrity. Approach: Design bespoke mascot. 2D cel animation. Script by top copywriter. Voiceover by celebrity. Custom score.	External needs: human “non-AI” solution. Internal wants: play instrument in the music. Approach: Design human characters. 2D cel animation. Voiceover driven. Music via customized library track.	External needs: infinitely flexibly music. Internal wants: job promotion. Approach: Design simple characters. 2D flat animation. Editorial-driven narrative. Library music track buyout.
PRICE	**150K**	**120K**	**90K**

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Example: Live Action

	The Ultimate ANCHOR	The Recommend GOLDILOCKS	The Ask DECOY
LABEL	**Gold**	**Silver**	**Bronze**
NAME	**“Armageddon”**	**“The Interrogation”**	**“Memory Lane”**
HYPOTHESIS	External needs: Blow away the CEO Internal wants: Hang out with A-List actor Approach: Live action, multi-camera, celebrity talent, 100 extras, on location, VFX, custom score	External needs: same talent/many executions Internal wants: Impress boss/bring her to set Approach: One camera, principal talent, 3 extras, soundstage, voiceover-driven (MOS), customized library track	External needs: highly versionable Internal wants: behind-the-scenes shoot Approach: Tabletop shoot on insert stage, motion design, editorial-driven, library music track
PRICE	**275K**	**150K**	**110K**

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04 Now They Have a Budget

BE READY

We love the “Gold” direction! But could we get it for the “Silver” price?

THE CLIENT



NOW THEY HAVE A BUDGET

This is what you needed all along!

Forget how you got here.

Figure out the best solution for their budget.

This is the job.

Why this works.

Appeals to human desire: we always want the most possible.

Limits options (avoids Paradox of Choice)

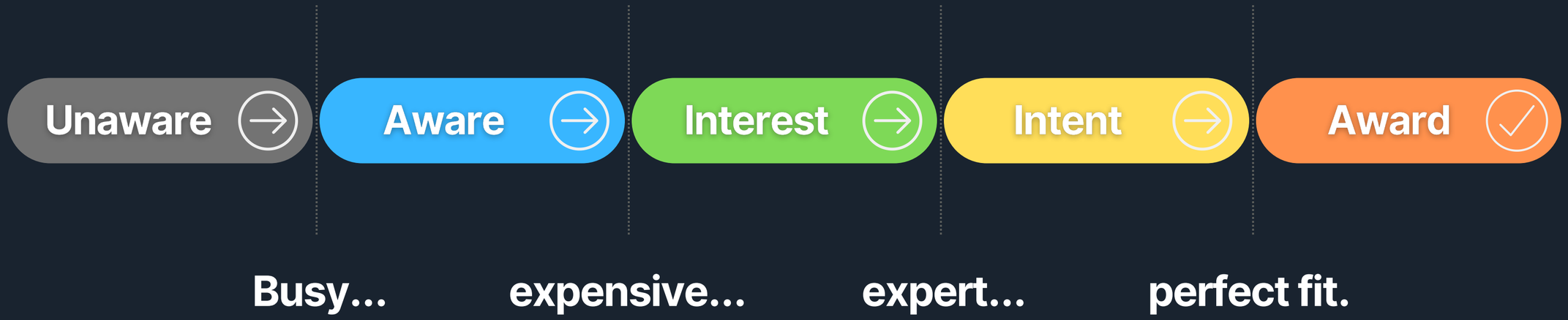
Seeing tradeoffs helps the client make comparisons

Enables you to discover the deeper needs

No more guessing: all you need is a (budget) number!

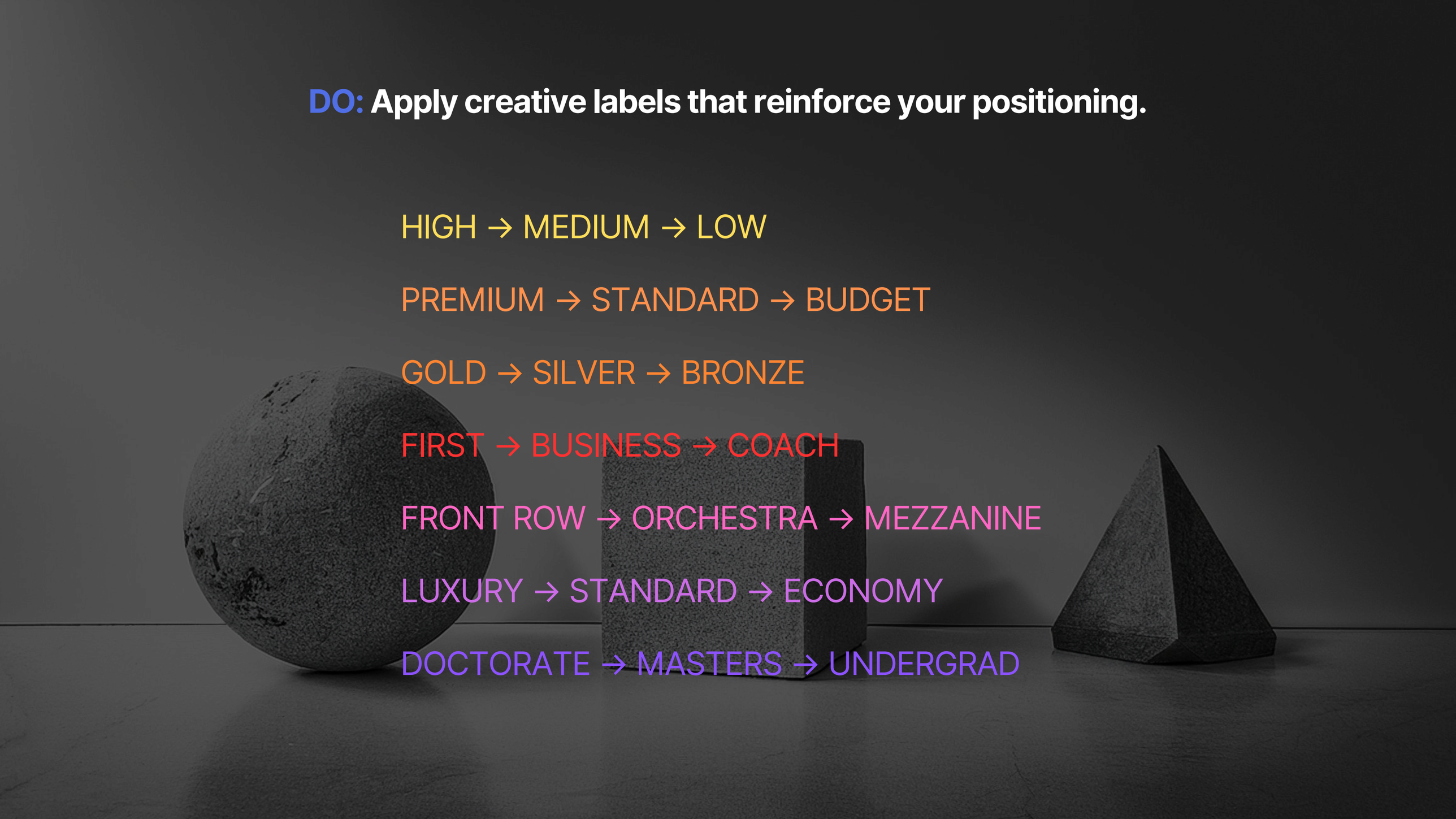
The Creative Firm Sales Cycle

KNOW → LIKE → TRUST



DOS AND DON'TS

DO: Apply creative labels that reinforce your positioning.



HIGH → MEDIUM → LOW

PREMIUM → STANDARD → BUDGET

GOLD → SILVER → BRONZE

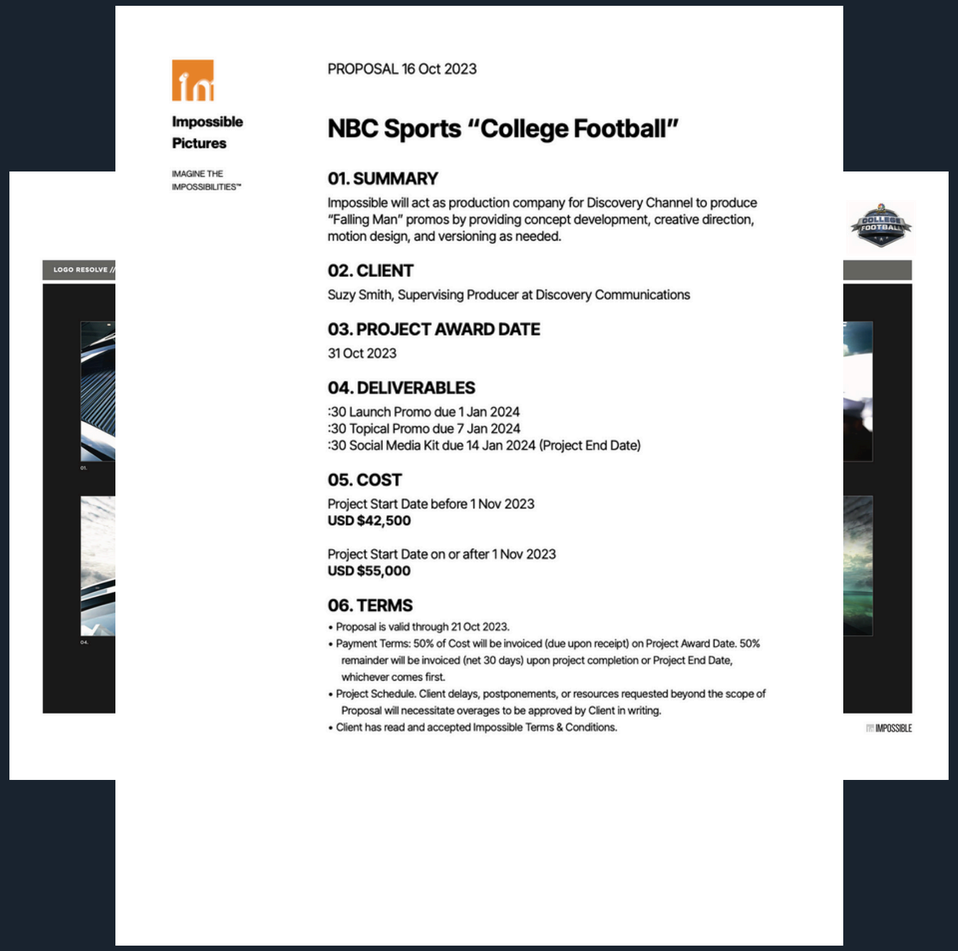
FIRST → BUSINESS → COACH

FRONT ROW → ORCHESTRA → MEZZANINE

LUXURY → STANDARD → ECONOMY

DOCTORATE → MASTERS → UNDERGRAD

DO: Separate sales from creative.



Impossible Pictures

IMAGINE THE IMPOSSIBILITIES™

PROPOSAL 16 Oct 2023

NBC Sports “College Football”

01. SUMMARY

Impossible will act as production company for Discovery Channel to produce “Falling Man” promos by providing concept development, creative direction, motion design, and versioning as needed.

02. CLIENT

Suzy Smith, Supervising Producer at Discovery Communications

03. PROJECT AWARD DATE

31 Oct 2023

04. DELIVERABLES

:30 Launch Promo due 1 Jan 2024
:30 Topical Promo due 7 Jan 2024
:30 Social Media Kit due 14 Jan 2024 (Project End Date)

05. COST

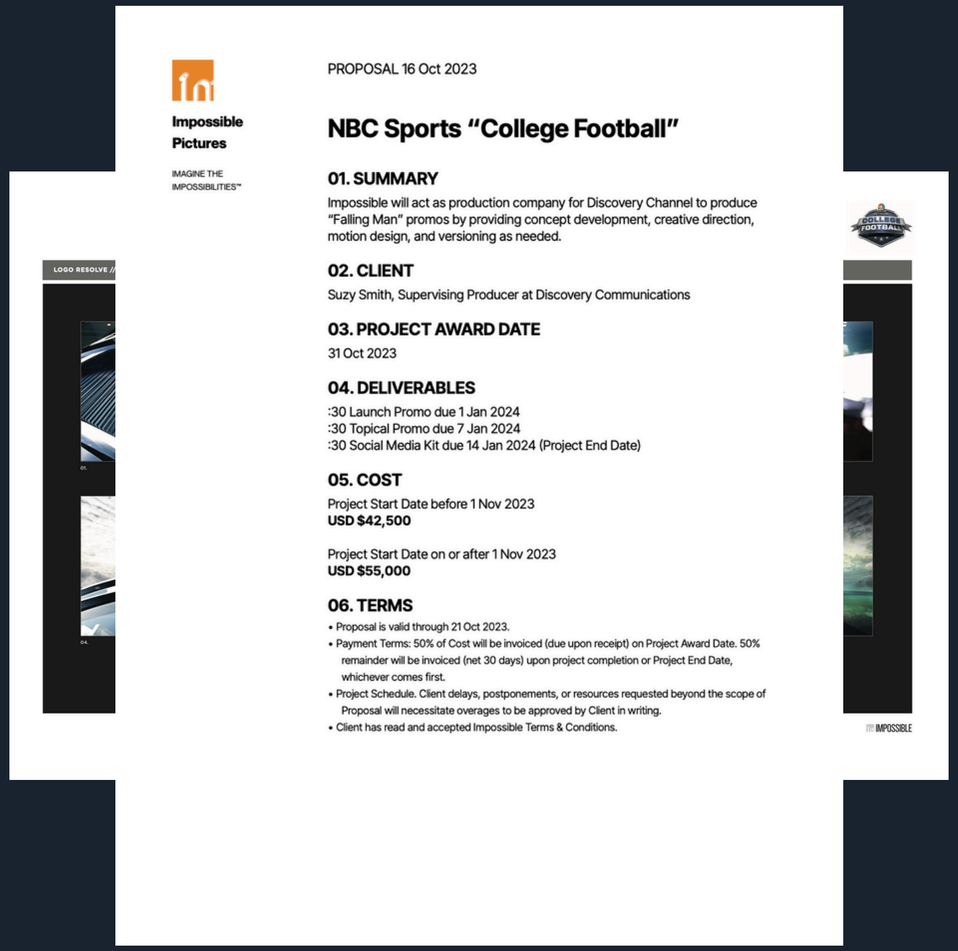
Project Start Date before 1 Nov 2023
USD $42,500

Project Start Date on or after 1 Nov 2023
USD $55,000

06. TERMS

- Proposal is valid through 21 Oct 2023.
- Payment Terms: 50% of Cost will be invoiced (due upon receipt) on Project Award Date. 50% remainder will be invoiced (net 30 days) upon project completion or Project End Date, whichever comes first.
- Project Schedule. Client delays, postponements, or resources requested beyond the scope of Proposal will necessitate overages to be approved by Client in writing.
- Client has read and accepted Impossible Terms & Conditions.

DO: Separate sales from creative.



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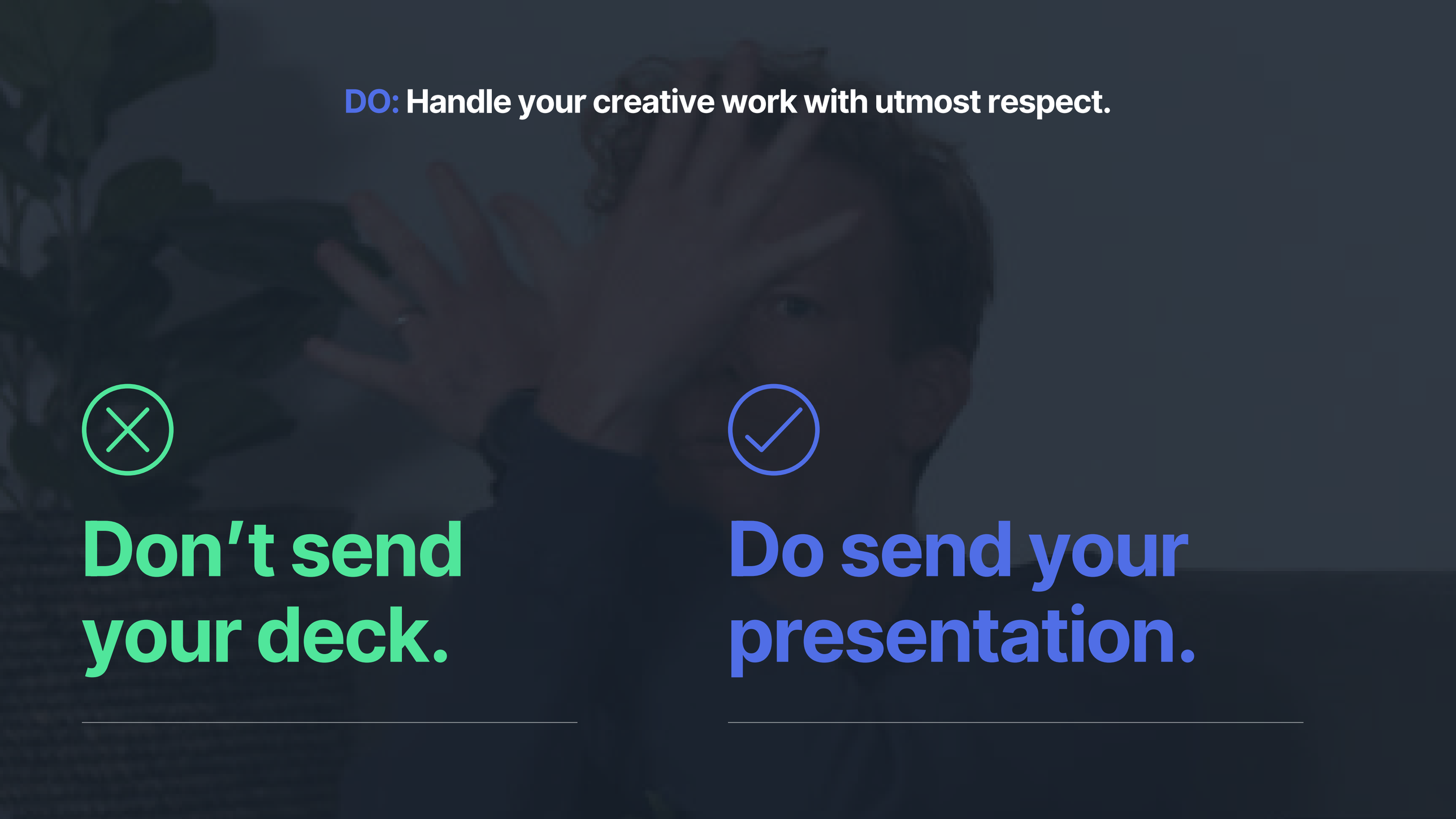
DO: Separate sales from creative.



EXECUTIVE PRODUCER
“Bad Cop”



CREATIVE DIRECTOR
“Good Cop”



DO: Handle your creative work with utmost respect.

Don’t send your deck.

Do send your presentation.

DON’T: Blindly play along in a competitive pitch situation.



DON’T: Become over-invested in the sale.



Don’t get hung up on a number. Let it go.



Do ask, “If our lives depended on doing it for this budget…”



Don’t let your emotions get the better of you.



Do leverage the subjectivity of the deliverables.

THE SALES CONVERSATION CHECKLIST

Worksheet.



THE SALES CONVERSATION Checklist

SLOW DOWN

- ☑ Confirm: The Three R's
- ☑ Position: Expert, busy, expensive
- ☑ Qualify: The Three D's and The Shift
- ☑ Inquire about and dismiss competitors

NOTES

ASK WHY

- ☑ Assume they have misdiagnosed the problem

NOTES

LISTEN

- ☑ Current vs. Desired Future State
- ☑ External Needs (tangibles)
- ☑ Internal Wants (intangibles)

NOTES

EXPLORE OPTIONS

- ☑ Develop hypotheses
- ☑ Ultimate (The Anchor)
- ☑ Goldilocks (The Recommend)
- ☑ The Ask (Decoy)

NOTES

STOP SELLING, START HELPING

- ☑ Verbally present hypotheses
- ☑ Confirm alignment
- ☑ Begin future pacing

NOTES

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ANCHOR &
PRESENT OPTIONS

Worksheet.



Anchor & Present Options

	The Ultimate ANCHOR	**The Recommend** GOLDILOCKS	**The Ask** DECOY
LABEL	Gold	Silver	Bronze
NAME	A	B	C
HYPOTHESIS, APPROACH, SOLUTION	Lorem ipsum	Lorem ipsum	Lorem ipsum
PRICE	High	Medium	Low

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05 Expand and Elevate



Did Kodak possibly mis_____ the deeper problem?

Did Don Draper's hypothesis stand out compared to their competitors?

UPSELLING THE CEO STORY

WEN HAO AT METHOD N MADNESS

"With our largest prior project being $25K, we were thrilled when a $60K budget knocked on our door.

But using the approach you taught us, we convinced the client to expand that $60K budget to $90K."



DUSTIN AT THE UNION PRODUCTIONS

“Amazingly, in just one year our total revenue increased by 900%, most of which came from new international clients.”

FELIPPE SILVEIRA
CO-FOUNDER AT MOWE STUDIO

“Following Jumpstart, we have successfully pitched, negotiated, and won contracts that are 5X higher than before. We now have a pricing process with a tier system that challenges us to anchor AND create more bold, provocative solutions.

We now articulate value and deliver our options in a bespoke and confident manner. This specific method has been a GAME CHANGER.”

KYLE KRUEGER
FOUNDER AT YOND STUDIO

WHY ANCHORING WORKS

The anchor price releases your client from focusing on limitations and to **start imagining possibilities.**

Where there's mystery there's margin.


TAKE YOUR
CLIENTS TO
PLACES THEY
DID NOT KNOW
THEY COULD GO.



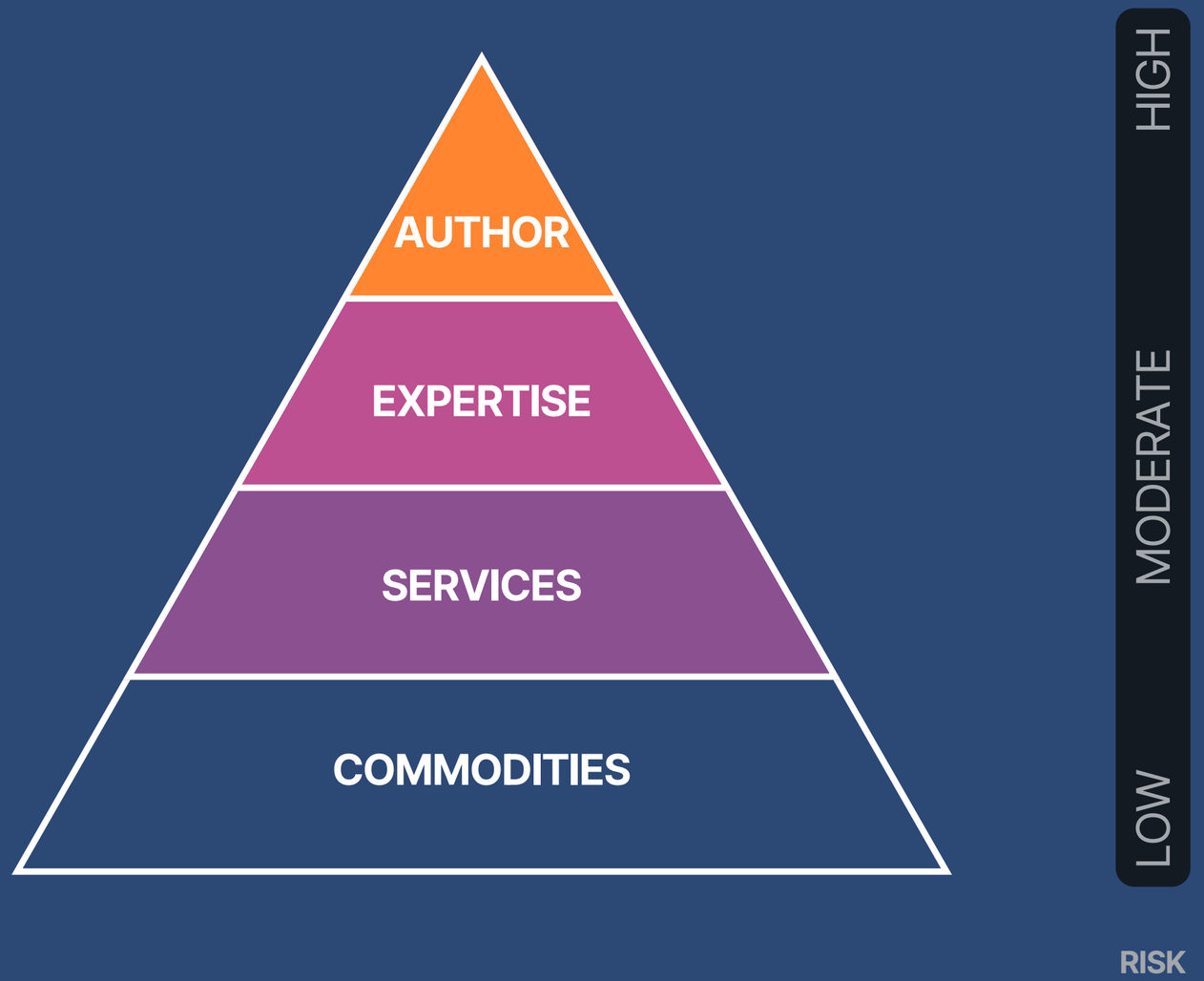
06 Overcoming Ephemeralization

THE RACE TO THE BOTTOM

Competing on price
is a downward spiral.

Instead getting pulled down,
here is how to climb up...

Overcoming Ephemeralization





Recap.

We Don’t Have a Budget [01]

Why Guessing Always Fails [02]

The SALES Conversation [03]

Now They Have a Budget [04]

Expand and Elevate [05]

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