

## The Empowered Entrepreneur Show

### Episode 036

<https://empoweredentrepreneurshow.com>

- Intro: Welcome to the Empowered Entrepreneur Show. Discover your life's purpose, reprogram your mind for success, and attract an abundance of paying clients to your business. Now here's your host, Tom Tenaglia.
- Tom Tenaglia: Aloha empowered entrepreneur. I am Tom Taglia and you're listening to the Empowered Entrepreneurs Show. And today I want to explore the concept of if it's free, it's me. And the reason why I want to dive deeper into that saying is because, well, if you've ever had potential customers go, "Yeah, that sounds really cool. Is it free?" And you have to go, "No, there's a charge." "Oh, okay. No, I'm good then." If you ever had that experience as a business owner, this could be very helpful. I haven't really gotten that experience, but I have seen on social media people, companies, small business owners that I do business with who have. In particular one who runs a very successful gym that is very niched and what he provides is just fricking phenomenal. If I still lived in that area of the country, I would be going to his gym.
- Tom Tenaglia: So, I continue to see his posts and it's not uncommon for him to make a post about another situation where he encountered where he found somebody with a need explained it, explained what he had to offer. And it gets to a certain point where the person goes, "Well, is there a charge?" And he has to go, "Well of course. This is what I do for a living." And the person goes, "Oh, no. It's all good, I'm fine." And after seeing a couple of those posts, of course astrologically speaking, if I were talking with him about his business, if I was helping him grow his business, I'd probably ask him some questions about the meaning he gives to a person saying, "Hey, is it free or is there a charge?" Because there could be something we could work on there at the unconscious level.
- Tom Tenaglia: However, I get to look at it and go, well, what does this mean to me? And I go, well because when I asked for great podcast ideas and something like that shows up, I take that as a clue that that's something that I can talk about. And if you've had customers or you're not aware of how to let somebody know that what you're actually doing is checking to see if there's a need before you make an offer. Well, there's a number of things you can do. People ask me all the time, well actually people don't ask me anymore. If people contacted me for an astrological reading or a marketing consultation or something like that. They know there's a price to it.
- Tom Tenaglia: The marketing consultation is interesting. I had talked early on in my business to people and give them ideas, I would help them with so much information, teach them so many things and I would do it for free. And at the end of the day they didn't act on the information and they didn't use it. Not because they didn't want to, but because they didn't think it had any value. And yet the same people who pay for the information and go put it into practice, get so much value from it. So I started going, well, I'm not going to waste an hour, hour and a half adding value to somebody's life, and then they're not going to go use the information. Now, that's different than I have an episode coming up on delivering

value before you get the sale. This is different than that. There is a time and a place to deliver value and I'll explore that further in that episode. For now, this was a situation where I knew that what I was doing I should be charging for.

Tom Tenaglia: I knew that giving all of this value away for free wasn't helping me, wasn't helping them. And it's important to me that the person takes the information and uses it. So the idea of just saying, "Hey look, here's what the charges." The marketing consultation turned into, "Here's what I charge for marketing consultation. We're going to go through a number of things. I'm going to figure out how to help you with your particular problem. Give you some ideas of ways I can help you in addition. If you do take advantage of any offers or any additional consulting or working together that we do, the fee that you pay for the marketing consultation comes off of the actual price of an engagement." And then they go, "Okay." And it's all set up, up front. Totally understood. And I actually would say in that situation, so if you do take advantage of an engagement, we do end up working together. The marketing consultation essentially becomes free. And it's totally true.

Tom Tenaglia: The price of the engagement is not even marked up. It's not even marked up to accommodate the reduction from the consultation. I know some businesses do stuff like that and that's different than including an upsell in your price. So if every client who purchased a particular engagement and got a marketing consultation, then yes, I would include the marketing consultation price in the consulting engagement. Or if a number of customers kept signing up for consulting engagements and then kept going, "Well I really need a marketing consultation." I don't really pay attention to it and go, "Well, you know what? You get that as a bonus for the consulting engagement." For those who ask for it. And then I would include it in the price, right? So it's a matter of the least resistance that you can give to the customer, the better.

Tom Tenaglia: And so the, if it's free, it's me saying is really, the customer is not focusing on what they're getting. They don't understand the value. They can recognize, if this guy runs a gym, if he's focusing just on the health and fitness side of it and he understands and values it, obviously. He married a nutritionist and he owns a gym, right? So clearly he understands the value. Then he has to communicate that value to the people that he's talking to in order to avoid the, if it's free, it's me kind of response. Because your money, what you pay for something is energy going in. And so one easy way of looking at this is, if you as a customer expect a certain result from your purchase, you should be willing to purchase.

Tom Tenaglia: All right. What value do you get from it? Because it's energy and energy out. If this is going to completely change your life, then how much money, how much energy are you willing to put into it? Right? So the energy for a gym membership or a gym program or something like that could easily, it's a combination of the time with the trainer, the time with the nutritionist, the time for the classes, right? So yes you are putting in sweat equity, literally there in

terms of your workouts and whatnot. And you're also putting in the money. You're putting in the financial piece of it because hey look, the owner of the gym has to pay the rent on the facility and has to buy the equipment and keep everything up to date and everything. And so he's putting in sweat equity by running the classes and by maintaining the facility and by doing it right. So his energetic return is the financial piece of it.

Tom Tenaglia: So how much are you willing to pay financially for the results that you got? So there are a number of astrologers that charge a lot less than me. There are some that are, I think you get what you pay for in certain regard. I also know people that when they come to me, they're like, "That's it. No, I want to always just do the astrology work with you and I don't want to go to someone else." Okay, cool.

Tom Tenaglia: Because they understand the value of what they're getting. They understand how they can apply what I share with them. But I have to justify the price to some people. I have to go, "Well, what is it that you're looking for? Do you just want an hour and a half of time to waste? Because if you just want to waste an hour and a half, go to somebody else. But if you want an hour and a half that's going to totally contribute to your life and is going to propel you in a positive direction to achieve what it is that you want and to be your best self, then that's why it's this. Because aren't you at least worth \$297 for a reading? That's my current price as of the time and the recording." Price is subject to change, of course.

Tom Tenaglia: So if you're not worth \$297 or your goal isn't worth \$297 then I don't want to do a reading for you. I mean that's basically, I don't tell them that, but that's my mindset going into it. And I can only imagine that this guy who runs a facility, he wants these people to get fit. He wants these people to be healthy. Because he gets frustrated when they go, well of course there's a price and I see the frustration in his posts and it's like, why don't people get it?

Tom Tenaglia: Well, you got to be able to communicate it. You got to be able to explain, what is this value that they are getting? Doesn't everybody know that if you're fit and eat healthy that things are good? No they don't. Because if they did, they'd be doing it. So your explanation as a gym owner, for him, helps them understand what it is that they're getting and how it carries into all areas of life.

Tom Tenaglia: If you tell a guy, "Hey, you know what? These workouts, they can help you in the bedroom making love to your spouse because we work on these types of motions and these motions are included in what you do when you're in the bedroom. And if you want to increase your stamina and if you want to drive her wild. And if you want to do those things, then you should be part of this program."

Tom Tenaglia: And paint a picture like that, some guys are going to be like, "Hell yeah." Why not? It's like, "Oh, it's going to get more romantic situations to occur in my life? Okay then." All of a sudden now you tie that gym membership into another area of life. Another goal, something else that he's focused on and then it becomes a no brainer. I mean, he might not be going to the gym at the beginning thinking he's just working out eating healthy because it's going to help his body. He might be thinking, "Oh hell, I'm going to work out because I'm going to go home and be with my wife later and hell yeah." So it's a matter of understanding where they're at, meeting them where they're at.

Tom Tenaglia: So, for example, me as an entrepreneur, thinking about the things that I do and the workouts that I do and whatnot, how does that help me build my business? How does that help me live an optimal life? How does that help me live at a level of excellence to the best of my ability? And tying it into, wait a minute, my workout can actually help me make more money? Oh crap. I should probably be working out more. And it does because certain types of workouts for me that fuel me, that get me energized, that I can then put the effort into the business. I can bring my best self to the business, I can bring my best self to the podcast. And so all of these things, plus the workout is energy. Just like money is energy. And so the more the energy is flowing in the workout, the same way the energy can be flowing financially.

Tom Tenaglia: So there's a lot of ways of connecting things together. And so this to me is just a way of explaining the value, a way of reminding you that, yeah, people like free stuff and we are in a day and age where the more that's free, the better it is. And people come to expect things like free shipping and stuff like that. So if you know that people expect free shipping, well then yeah, you have to include the shipping in the price of the order. You just have to, because otherwise, you wouldn't be profitable. So basically by thinking those things through and by paying attention to, well, what are they expecting to get for free?

Tom Tenaglia: And even looking at it as, what's a bonus that they get as a result of getting the result from what I'm offering them? So for the guy, he pays for the workouts comes and gets the workouts, but the bonus is what happens when he gets back home and his wife sees him and they have romantic nights. So connecting. It's like, "Hey, you know what? No, this program isn't free, but look at what you do get that's free." What's it worth to you for you to have an incredible relationship. What's it worth to you for you to have a successful, profitable business, right? What's it? And you tie those things back and you just remind them.

Tom Tenaglia: As a customer, the perception of things that are free is, is pretty powerful. And the more, as a business owner we remember that and we bring that into what we're doing. So as I talked about, there is a time and a place where you're going to include the price of something in something else and then consider the price of that other thing free. It's interesting, right? You include the price of, if you're

a takeout restaurant or something, you might include the price of the plastic forks, the knives, the spoons, the napkins, the cups. Because as a restaurant you have to buy them. I mean you have to pay for them. But it would be ridiculous if a restaurant said, "Well you get one fork with the price with the purchase of this and if you went two forks you have to pay an extra 10 cents." I mean that would be ridiculous.

Tom Tenaglia: And yet actually I was at a restaurant once where they wanted to charge for a cup of tap water, 10 or 15 cents because you were paying for the cup. And that to me is just ridiculous. It was actually paying for a cup of water so that the person could use the restroom, but the water didn't count because it was only 15 cents. And in order to use the restroom it had to be more than a certain dollar. And I'm like, "Okay look, if you're going to do all that, you shouldn't be in business." Like, seriously. You would never, as a customer, go in and expect these things. You would think that's ridiculous if you were on the other side of it. And so I think one of the biggest lessons you can have is, put yourself in your customer's shoes and think about your customer's experience doing business with you.

Tom Tenaglia: In all honesty, if you actually want to see what it's like to do business with you, if you have a team of people, then go buy your own product. Use a pen name or a nickname or something. Even use your same name if nobody's going to think anything of it. And email in your own support department. Right? It's like undercover boss, but locally, like yourself. What's it like to be a customer? Because I have stopped doing business with companies because of their support team. Not the owner, not the people that I saw the offer from, not the people that were the face of the company, but the people that would interact from a business perspective. I may even start messaging support teams before I buy somebody else's product, if I can do that.

Tom Tenaglia: I started looking at documentation. I started looking at software documentation before I would buy software as opposed to the sales message. So, the point is really to just consider the value that you're providing. How are you going to communicate that to these people, to your potential customers? And at the same time, paying attention, thinking through, what's it like to be a customer of my own business? And thinking through, how can I best serve them and be profitable at the same time? So with that, Aloha; a hui hou. Talk with you again soon.

Outtro: Thank you for listening to the Empowered Entrepreneur Show.