Freelance Proposal Help

5 Ways to Get & Increase The Client's Proposal Budget

Worksheet

Remember

It's important to know that when a client says… " I don't know what my budget is…."

The translation of what the client is saying is that they probably have a budget in mind, BUT…

They really don't KNOW what budget is truly needed to have a successful project. That's our job to discover with the client the proper budget needed for the project.

Here are the 5 methods we use to determine & increase the client's budget

1. Ask Method

"So what's your budget right now for this very important project….?"

If their budget is too low for their goals, you can...

A) Tell them you're not a good fit or refer them….

B) You can move them to your Project Requirements Form & work with them to discover the proper budget needed.

2: Sliding Scale Method

"Okay, would you say your overall budget for this project is above $50k or below?

By using this approach, it gives a starting point for you / them to go up or down from there….

When using this method, use a high number so you can set a higher budget precedence...

3: The Numbers Method

Ask clients what their income numbers are so you can determine a proper budget…Ak Them:

A) *"What was your total gross revenue last year?"*

B) *"How much additional income do you want this project to make you on top of your yearly gross revenue?"*

Once you have these two numbers, you can formulate what they should more realistically budget to reach their goals…

Client's gross yearly revenues = $1.2 million
Client wants a 25% revenue increase from the project in year one

$1.2 million x 25% = $300k in increased revenue desired

We then suggest 8% of their gross yearly revenue as a budget starting point. As 8% is what the USA- SBA recommends to budget yearly for marketing.

$1.2 million in gross yearly revenue
(x)
8% = a $96k budget starting point

The 8% can increase or decrease based on what the final project requirements are & what the client can spend.

So if they're coming into the engagement saying they want to spend $10k to make $300k..

You can show the client that a $10k budget is probably unrealistic to return the $300k they said they want the project to bring them

Budgeting $96k is a much more realistic budget to reach that $300k revenue goal….

Again, presented this way, in most cases clients see that $96k is a more realistic to consider to achieve a $300k project goal

This method isn't an exact science but it....

Now, what if a client doesn't give you their numbers. If this happens we say…

"If we don't know these numbers..how can we track if the project's successful or not?"

Showing clients the numbers enables you to work together to find a realistic budget

This way, your not selling them, you're working <u>WITH THEM</u> to find the budget

4: The Form Method

If you don't want to ask the clients budget in your initial talk

Send them to your Project Requirements (client intake) Form to provide their budget

Here's an example of the budget questions we ask on our Project Requirements Form:

1)   *What range would you expect to pay to accomplish your listed website design goals? (I.E.) "I have budgeted $5,000- $25,000 for website design." Since yours and our time is valuable, Please provide some figure so we know if we both qualify to work together:*

2)   *What range would you expect to pay to accomplish your online marketing goals (I.E.) "I have budgeted $5,000- $25,000 /year for marketing". Again, please provide your figure here.*

5: The Paid Discovery Method

If the client's project needs are large in scope, goals cannot be clearly articulated and there are several unknown variables…

Then consider offering a Paid Discovery solution where you'll do research and planning work with the client to find the proper budget needed for their goals.

In many cases, clients are happy to pay for this solution first….then hire you to build and manage it for them!

<u>Bottomline</u>

I strongly suggest you do not enter a project unless you know the budget..

Without having a budget, it's very difficult to properly serve the client's goals and believe, me, <u>you're losing a TON of profit</u> in the project by underpricing your work

TAKE ACTION!

Implement this in your business today & close bigger projects

BONUS

If you'd like to <u>get more sales & marketing tips</u> just like this one for FREE…. get on our VIP Members email list right here:

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