

Be Your Own Hero: How to Price Your Offer



Pricing: where you get paid for the value that you are offering out to the world. This is where you sustain your livelihood.

- In any movement or idea, there has to be a means towards economic sustainability. We have to face it. We need money.
- Money is a reflection of our own confidence and value that we're putting out there.
- We all have an opportunity to earn as social entrepreneurs.
- Some of the companies who are focusing on being "game changers" are outperforming the traditional, average, "old story" companies because people care; and they know when these companies actually care not just for their buyers but for their own employees.
- There is no shame in selling. However, we should not just be thinking about selling but also offering value; offering and accepting value.

Giving and receiving value:

- We have to keep creating win-win scenarios, where we not only think of profit but real value, something we can offer and exchange with, in a fair way to you and the person receiving it.
- People actually want to give you what you're due. It's natural and inherent in them. If you're giving them something that is of great value to them, it's natural that they would vouch for you and appreciate you.
- Every single person has an opportunity to vote (for you) with their attention (clicks, views, likes, etc.). And they also have an opportunity to vote with their dollar.
- We perpetuate things we put our attention to; but we also perpetuate what value we want to see more of in the world with our dollar.
- We paid money to be part of this class. What this class is worth is for us to determine, not Marc.

Fundamentals of Pricing (2 ways):

- First way is that we try and pinpoint the prices according to competing companies with their respective prices in the market. We try and emulate those prices according to their trends.
 - o Sometimes our pricing does not come from our own idea of the prices but theirs, what the market already has out there.
 - o If we're selling a camera, we say it does this and that and its price is more or less based on how others would price this camera.
- The second way, which is the preferable way to go about it is through a perceived value, not just the way others have priced it.
 - o "Here's the value. Here's our product. We believe in this. And this is what we feel is fair and this is what it's worth. Do you agree?"
 - o Taking for example buying a Mac vs a PC. PC has a better price with better hardware, while Mac has a more expensive price but with hardware not as great as the PC. How does this make sense that more and more people are opting for Mac? It's simply because people just don't buy the thing, rather they buy what it does.
 - o To Marc, who has an iPhone, an Apple TV, and a Macbook, it's easier as they all work well together. In his case, when he buys an Apple product, it's not just the physical item

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he's buying whose price will have been influenced by others out there but the perceived value of what it's adding to him.

- Looking back to one of the previous classes, Marc tells us again about the camera, not just being a camera but something that brings in a certain degree of pricelessness. Now, if for example, there's this camera with all the great specs but it came short with its battery indicator. Even with all the power it can boast, its value drastically drops, the moment it turns off while you're at the middle of a moment worth capturing without you having been notified that it's low on battery.
- Going back to the Apple example, it's not just the equipment Marc is after. He loves how the gadgets sync. He loves the company's mission, the marketing, the storytelling, the customer service and everything that comes with buying a Mac. All these make influence him to pay more.
- In a purchase/exchange scenario, we consider not just the item we're going to buy, but also its value as we perceive it.
- Your movement, business or idea, what is it worth? It could be way more than what you're selling.
- Taking this class as an example, there were certain things that were put out there that may have influenced us to buy it; but in the end, it turns out to be more than that. The actual product we paid for is the 8-week class. But more than that, we get Marc's help, draw power from Marc's energy, his experience, the feeling that we have while we're in the class, the focus it gives us, and so on and so forth. In short, what we bought is so much more than these sheer eight classes.
- Another example is a glass of water. How much is it worth? While it can be trivial where we are right now, it surely has much higher value, say if it were sold in the desert. Even a glass of water has perceived value. There is supply and demand at play here.
- There might be others out there who might be selling the same thing you are selling but the thing is, they are not you. They might not be selling what you are selling, after all. They could be the same piece of equipment, the same specs, the same amount of water; but in fact, it's in the context in which you are selling what you are selling.
- We did not buy this class for the classes, but for what it would give us.
- It's all relative. The price of what you should be considering to earn has to come from what you truly and honestly believe to be its value.

Relationship with money:

- The amount of money that you will ever make in anything in life is all based on your relationship with money.
- If you won the lottery right now, do you know what you're going to do with the money?
- Supposing you've gotten many of the things you really want, you will want to contribute and create value nonetheless.
- It's not necessarily more money you're going to want but more relationships, to create more offerings. You're going to want to give more; and giving more does not necessarily mean spending more but contribute more.

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- We as human beings are not run by money, as much as we are run by purpose. We are run by compassion, mission, and ideas, and what it is like to step into something and feel excited.
- As with Marc, he'd take a broke person anytime over a rich person with just a money mindset. A person who has passion will always outperform the one who's just out there for the money.
- A person who writes a book to become an Amazon bestseller will always turn out less than somebody who wrote a book to just write it and end up becoming an Amazon bestseller.
- Your intentions are being transferred by what you are offering and selling.
- Sometimes we have a bad relationship with money; and sometimes we feel that what we're offering isn't worth much.
- Taking for example this class, Marc is aware we could have known all this and figured all these out earlier on; but the point is that we are not just offered these mere eight classes. Rather, we are offered an experience where he could passionately and energetically package all these in a way that we are going to have a fire lit inside of us and be inspired to go out there and make our move. What we bought here is the "result" having been shown value in signing up for the class.
- When asked about his pricing, Marc does not give a direct monetary figure. Rather he asks back, what it's worth to achieve what his class promises its buyers to achieve: to solve problems, to get the business up and running, and so on and so forth. It does not become about his relationship with money but their perceived value. It is about his relationship with money in terms of being able to say a price confidently.
- If you're holding back about telling people your price because you yourself do not believe the value you're offering people, people will not buy what you're offering at all.
- If you improve your relationship with money, which means you believe that you deserve economic sustainability in your business, idea and movement, it will manifest itself.

Your perception of value vs. other people's perception of value:

- Marc had a \$12.50 per hour job when he was self-employed. He was the boss but that was what he paid himself in his own establishment back then. And then came a job where he was at \$37.50 per hour, a price he called and was granted him. He could have called \$50 or \$12.50 or \$37.50 per hour; but all that became secondary to the fact that what he's offering is something high value.
- Any number within that range will have worked, as the buyer had a perceived value of what Marc is offering and doing, not what Marc was worth but what his offer was worth.
- Calling the price and the buyer agreeing to the price is a result of Marc's confidence and knowing that what he has to offer is going to be worth so much.
- Marc now charges \$500 per hour, simply because he believes that's what his stuff is worth. And while he reduces it sometimes just because he wants it, the point is he has this good relationship with money and that he is clear about the value of his offer.
- Whatever you're doing is worth something and people want to give you that something! People are actually happy to be paying somebody who does for them what they want done for them excellently.
- When you are paid well, chances are you won't allow anything to divide your attention. They pay you happily; you deliver the goods happily.

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- Another point to keep in mind is that a lot of times, it's not even the literal price of things. Sometimes, a \$0 gift could be worth more than a \$50 gift! It's the thoughtfulness being expressed in the gift that really counts!
- If somebody gives you a \$100 hairdryer and you're not interested in hairdryer, what good is that hairdryer? But if you were given a \$100 fir tree and you love fir trees, that giver gets you!
- It's the appreciation you elicit from the gift you give, what it's worth to the receiver, the thought they put into it, not the actual price.
- Marc said, "My relationship with money gauges whether or not I'm going to be at the higher end or the lower end of a scale where they would have said, 'yes.'"
- There is a perceived worth of your work, movement, or business that are based on many outside factors. Price it anything. As long as it falls within the range of what potential buyers may perceive to be worth, then that is an acceptable price. As such, there is no one answer to what price you should set your products or services.
- There are certain intangible factors in buying things like services, this class being the example. Marc said, "Yes, there is somebody out there who is gives courses on entrepreneurship but they are not me. And you cannot buy me for a different price than the price that I am selling me. There are certain intangibles that come with the fact that it is me who is delivering this product, so the same might apply to you, but again that price is determined by me and my relationship with money."
- Taking for example the job scenario, where you're being interviewed for a job and you were asked what pay you're expecting to get. If you ask for more, chances are you're going to get it anyway.
- Going back to Marc's \$37.50/hour job, he got another one where he asked for \$47.50/hour and then he got the same "yes" that he got from the \$37.50/hour.
- Chances are, people you would sell yourself to, in this case, the job scenario, have seen other people offer themselves at a higher price. They will have had a basis on which whether or not to get you for the price you name. Perceived value.
- If you play it too safe, you might actually end up losing a job opportunity for selling yourself too cheap. Part of what people are willing to pay a high price for is the peace of mind that who they're hiring is going to deliver a more professional work, something you should be able to put a high price on if you see yourself able to deliver the goods.
- That value is relative to two things:
 - o your relationship with money.
 - o the perceived value of the customer or the person receiving your offer.
- We're talking about pricing. What is that value? What is that price? It is relative, just like the glass of water in the desert.

Negotiation scenarios: Things you can do to test things out in pricing something:

- Asking people what they will pay. Give them your story. Tell them everything, and then ask what they're going to pay for something like it.
 - o Don't just ask friends. They might pay you less for it for merely knowing you.
 - o Ask strangers.

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- Pay-what-you-want scenario, where people can pay a certain amount based on what they want. “Here’s what I’m offering. You pay what you want!”
 - o It’s possible. You’ll be amazed as to how much more than expected people would pay.
 - o Some would pay you even higher for merely trusting them!
- Dare to be different by pricing your stuff based on the perceived value, not on the hardware. Value yourself. What you’re doing as worth more!

Being the good guy/company...:

- Have a good relationship with money by merely saying, “I have a good relationship with money. I deserve money.”
 - o Go back to what Marc told us to ask ourselves, which is what we would do if we win the lottery.
 - o If your answer is that you’d buy this and that and just be “me-minded,” people will see and feel that and will like to give you less money.
 - o People are more inclined to give money to people who they know will do the right thing with the money. We like to buy from the good guys.
 - o If you really are the good guy/good company, telling a really good story, not just some made up story but a genuine and a really good one, chances are, people are going to like you and will be willing to pay you, donate to you, crowd-fund you, and so on and so forth, simply because they are drawn to believe in you.
 - o Passion and being really out there to deliver well and being genuine is what’s going to draw people in and support you.
- While people are paying for your product, they will be more than happy to be paying you for experiences, for perceived value, reliability of something, the guarantee that it comes with, convenience, etc. We buy things that are intangible all the time.
- There is a way to really be providing great value to others while at the same time earning from it.
- Marc said he’s not ashamed of going out there and saying he charges \$500 per hour. He could be giving this class away for free; but he cannot, as there are bills to pay; and getting another job to allow him to pay his bills while doing this one for free will compromise quality.
- The idea of giving is great. In many ways it’s a good investment, but the reality is that cannot do that for so long. Regardless of our good intentions, we’ll dry up.
- Creating win-win scenarios all the time secures value on both ends. If you are out there, creating win-win scenarios, people are going to see that and will be more than happy to support you. If it’s win-lose scenarios you’re creating, people will be out there, taking advantage.
- There should be a balance somewhere. Giving out too much will compromise your economic stability. You cannot allow that.

Your time:

- The most important thing you have is time. If somebody wants to buy it from you, your time is worth just as much as every person’s time, so better make an exchange out of that.

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- This class takes more than an hour to make these one-hour classes: the setup, the coordination, the works; and it's time Marc takes away from his other jobs and opportunities he could be pursuing. Therefore the price of this hour of us here being in the class is not just this hour but the hours that go into it.

Money and value:

- Value over money: there's more to things than their prices and the money. There's value.
- Pricing is not just a thing people pay. It is a value proposition, and there's an exchange. Marc said, "If you don't see that exchange, if you don't improve your relationship with money and understand that you deserve that exchange, I'm telling you, you're going to chase after things endlessly and fruitlessly."
- Marc started out doing events for free, where nobody was giving him anything in return. He then shifted to a pay-what-you-want model. People then started giving him larger sums, exceeding his expectations. This is because people understood that he was providing a certain amount of value, and in that value, he was gifting it to them while trusting them to give him something back. It's his trust of them that kinda made this whole thing work for him.
- Using Christmas as an example, you give a gift to somebody because you want to give that person a gift. Then it's only natural for the person you gave something to to at least want to give you something in return.
- "I want to give to the world; but I also believe that the world is give to me."
- We don't need to be in the scarcity mindset. The scarcity mindset will destroy your relationship with money.
- The only way you could make your mission make an impact is by being financially sustainable, because you will not be able to establish and run something huge without making some kind of contribution.
- Taking for example, Youtubers. If you're watching their videos, you'd notice they have ads. They earn through those ads. And if you support them and donate to them, they're going to be better and better at what you're watching and subscribing them for. That way, they give back to you.
- While doing things for free can be quite noble, it will eventually dry you up. The way to go about this whole thing is to exchange value. Put it out there, and you will just see the sustainability you're creating yourself with it!
- Marc said, "In the exchanging of value, I offered something that you wanted. You offered something that I needed and wanted too." Because of that exchange, the very exchange taking place and the valuable things being exchanged, naturally grow.
- Without the exchange, there would have been no encouragement and motivation for us to continue creating that value; but with the exchange, we realize that we have to keep creating value more. So we put it out there more and we get more exchange with it.
- If you keep creating value but also keep giving it away for free, your mission will not grow and you will dry up fast. The key is to create value and make an exchange out of it. Again it doesn't always have to be money. Being given lunch without having to pay for it but washing the dishes afterwards is still an exchange.

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- It's a dance between you and your relationship with money and the value you're putting out there and the value that is coming back to you.
- The first determining factor is your relationship with money, while the second determining factor is what you're going to do with the money.
 - o People will see and will feel it, whatever you do with it. And from what you do, they will determine whether or not they're coming back for more of what you're offering them.
 - o As for Marc, he's not going to buy from a company who would cut trees in the Amazon.
 - o Marc said, "I vote with my attention. I vote with my dollar. And my relationship with money is what I make of it and the value that I put out there."
- Don't worry about the price as much as you would about increasing value and about how you would deliver that value, and making sure that you are getting people to perceive the value you want them to perceive of your offer.
- Marc said, "My true intention in starting this class, this school, was not to make money. It's to engineer Superheroes. However, the only way I can do this full-time is that I make a certain amount of money to be able to pay my bills..."
- It's not just money. It's value and you deserve value for the value that you're putting out. If people are taking advantage of that, then you're working with the wrong people. The only right people to work with are those who would actually give value back. Cater to them.

"We vote with our dollars. We vote with our attention. And people want to vote for you, 'cause they believe in you, and because you have a good story, and you're actually truthfully going to do something with the money, with the value that you're getting. If people understand that the value that they're going to give you is going to make you a bigger fountain that is going to gush even more water and provide for more people, that's going to have a larger impact, then make that difference that you guys want to make, people will pay you that money."

"This is not all about money. Pricing is not all about that. It is about exchange of value."