

The Big Fee Objection Bible

Money Objection Master Class

Dear Friend,

"Why do I need to pay such high fees? I know what I want and my builder says he can do my design for free."

Story (Part 1)

A potential client is saying all the right things, but then out of the blue, asks a tough question about fees. This is your weak point, you hate talking money. You avoid the topic and always feel uneasy.

You take a deep breath, then you stumble, stammer and splutter a garbled response. You feel you need to give it another attempt, but this time you look flustered as you start to repeat yourself. As you waffle on for too long, even you are cringing and turn red.

You feel deflated after you muffed your lines.

The client departs on this note, you sense he felt uncomfortable too. He ghosts you, and you know why. You wish you had a calm confident response to his tough question.

If you cannot handle fee objections, one of three things will happen:

- 1) You will lose projects you should have won
- 2) You will cave in and reduce your fees
- 3) You will unconsciously lower your fees in advance, so you don't have to respond to fee objections.

All three options are crazy and killing your ability to earn high fees. Instead let's master option 4. With option 4 you can bump off big fee objections as effortlessly as a black belt karate master repels a feeble attacker.

The Doctor's Secret Remedy

Donald Moine, the 'script doctor,' has a PhD in linguistics. Fortune 500 companies would hire the doctor to craft responses to the objections that were stalling sales.

This good doctor would study each company's best salespeople to hear what they said and would craft his own responses using Neuro-Linguistic Programming (NLP). Each objection would receive not one, but up to 30 different responses for the salesperson to choose from. Some responses suited a certain type of client better than others, some responses suited a different situation.

These 'script books' became so profitable that they were often printed on red paper so they could not be photocopied. The script books would sometimes have a serial number and be signed in and out by the salespeople each day so they could not be stolen by the competition.

Many architects whine and moan about fee objections to me, but few take the effort to craft a world class response. **YOU KNOW FEE OBJECTIONS ARE COMING AT SOME POINT.**

Let's craft a beautifully scripted response that knocks over the objection in its tracks. **That's exactly what the pros do.**

The Math

Even if your Black Belt responses only won you one extra project per quarter (or stopped you from losing one project) because fee objections no longer unsettled you ... that is worth serious money to you. If you run a one-person operation and each project is worth \$10K in fees, that's \$40K EXTRA per year. In 10 years that's \$400,000. That doesn't even account for the fact that world class responses help you justify higher fees as well.

Aren't you pleased you are a subscriber of this BIG Idea Letter newsletter? Of course you are. Let's build your own Big Fee Objection Bible.

Typical Big Fee Objections...

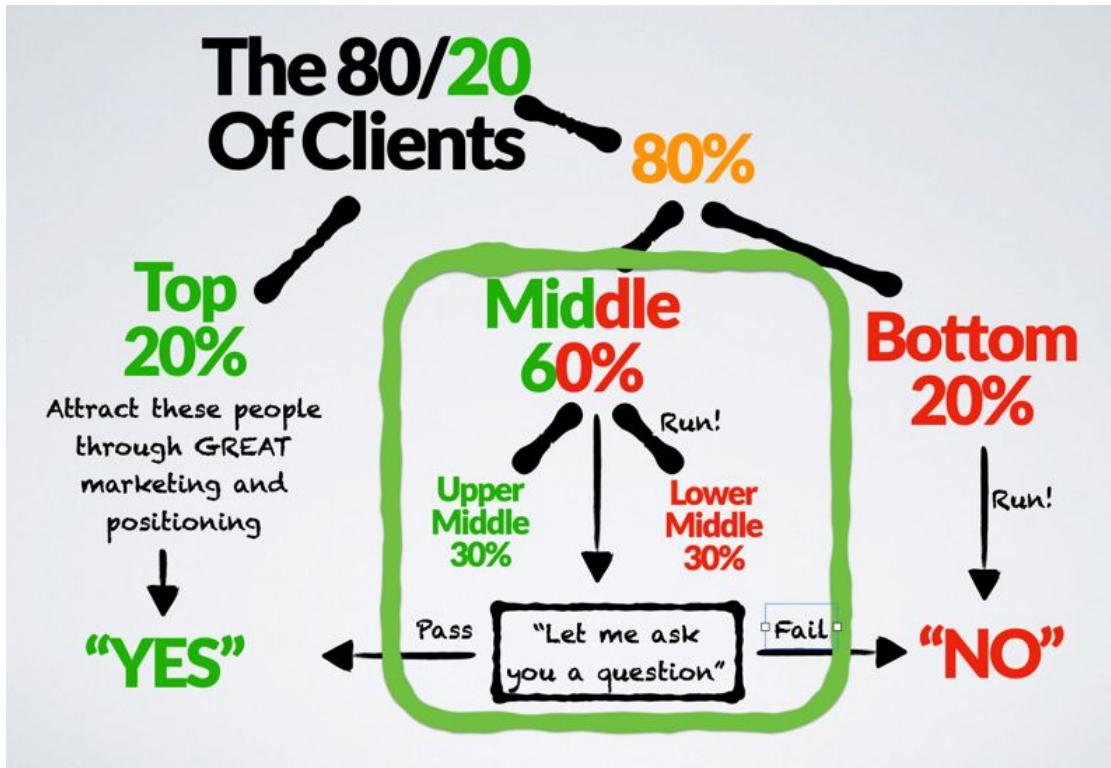
I asked our SIX members in a recent Q&A session what objections they had around fees. This is the list they gave me:

- Your fees are too high.
- The builder or draftsperson can do design for less.
- How do you charge?
- How much for a set of plans?
- How much are the final plans?
- How many hours does it really take?
- The town building official told me it would be \$X.
- A designer friend of mine can do it for \$500.
- My builder told me to go to an architect to get a set of drawings for me to price.
- I can just order a set of plans from a catalogue, why are you so expensive?
- There are other architects with equally nice houses on their websites, but they charge a lower percentage of the construction cost.
- It's not a complicated project. Can you do designs for less?

Okay, before we start bumping off big fee objections, let's have a quick chat about NOT winning clients. Just because you can, doesn't mean you should.

'You define yourself by what you say NO to'

Truth is, there is a large group of potential clients you do NOT want to win – EVEN IF YOU CAN. These energy vampires will cost you time, stress you out and suck the living bejesus out of you. You will not make money on their projects. You will effectively be working for free, because the fees they screw you down to won't be worth earning.



At least 50% of the projects are not worth winning. Here are just some reasons to reject a potential project (there are many more):

- The client doesn't understand the value of great design.
- The client can't afford great design.
- The client has an unrealistic budget or expectation.
- The project is too small.
- The client is inherently cheap.
- The client will be a pain in the you-know-what.

Winning a bad project (or client) is bad for business. You lose because you won.

You do NOT need people or projects that cost you time, money or suck the life force out of you. You do not need to win every opportunity that comes your way. You just need to win a portion of the top 50% of the market. Next time someone approaches you for design advice know that they only have a 50% chance of being accepted by you.

As soon as you identify you are dealing with a bottom 50%er, run for the hills, and don't look back. Winning great design projects start by mastering the art of 'NO'.

The Power of 'NO'

Having a strategic 'NO' muscle is worth money to you. The more people who know you use a 'NO,' the more high value people will be attracted to you. Having standards that won't be compromised will become your reputation. Those who value design will find your uncompromising standard irresistible and aligned with theirs.

Here's what 'NO' really does:

- Eliminates time wasters, the poor and the cheap.
- Demonstrates you have standards.
- Gives you a reputation of being a serious designer, not a starving artist.
- Makes you attractive to the top end clients.

That said there are 50% (maybe slightly less) who are worth winning. These scripts are to turn the top 50% around if they waver.

Let's collect some scripts for various situations you probably face too often. Add your scripts ideas in the boxes below.

Let's identify the bottom 20% clients and eliminate them FAST.

- Ask: "Are you after the best value or the cheapest architect? Because if you want, I can give you the number of a couple of *really* cheap designers. If you are after the best overall value, then I'm happy to talk."

Craft a response to 'Your fees are too high'

- "Compared to what?"
- "Not for the caliber of clients I am used to working with."
- "You won't be saying that once you move in."
- "The last client/developer who sold one of my houses and banked \$XXXX, and bought me a bottle of expensive champagne because he felt guilty he had underpaid me. This client paid a lot more in fees than you have been quoted."

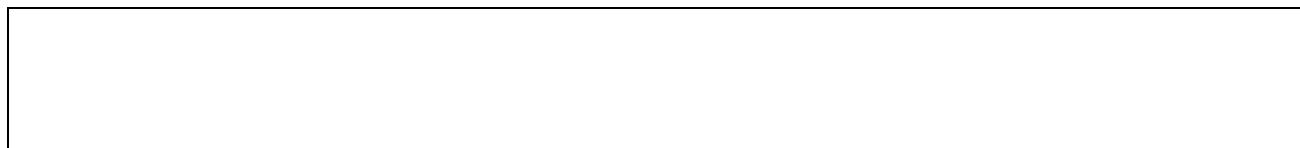
'How much do you charge for a set of plans?'

- "Nothing, because I never just do a set of plans. I run a design process which consists of the following steps ... (1-2-3-4-5). You are asking for Step 3 alone, which is like asking Steve Jobs for just the keyboard. I don't sell keyboards, but I am happy to learn more about what you want."
- "It's nine million dollars until I know what you really want. Can we spend a few minutes narrowing that down to help you get a lower price?"



'How many hours will my project really take?'

- "If you know exactly what you want right now and promise not to change your mind, then I can take a broad range guess. However, I have never met anyone who has defined their needs to the detail required to estimate the design time yet. You are better off letting me know your overall budget, so we can work backwards from that."



'My builder can do design for free?'

- "Your builder sounds talented, he could probably also make you a suit, but would you want to wear it out in public?"
- "Why do you think he doesn't charge for his designs?"
- "Do you think he could ever charge for his designs and stop hitting nails? If he could, then he probably would because it is a lot less physical. But he doesn't because he is a builder who wants building jobs, so he gives away design for free."
- "How would you feel if your architect was prepared to build your project for free to win the design job?"



'My builder told me to get an architect to do a set of drawings he can price'

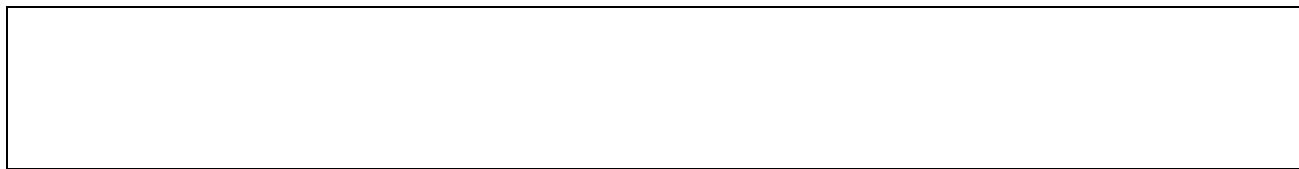
- "That is the tail wagging the dog."
- "He told you to come to an architect because pricing is Step 4 and Design is Step 3. I'd be happy to run you through all steps of a successful project starting at Step 1 if you want."

'X can do the design cheaper'

- "A great designer makes you money, a poor designer costs you money."
- "If you pay me \$30K for a design that makes your space worth \$600K and you pay a cheaper designer \$20K and your completed space is worth \$500K would you still be happy you saved \$10K?"
- "Of course they can, many are cheaper than me, are you after the cheapest design?"
- "You don't strike me as being someone who buys the cheapest."
- "You can buy a bottle of wine for \$5 or \$500, they are all wine, it just depends on how much you enjoy wine. The wine is gone in a night, but given you'll be using this space on a daily basis, most people want to feel great everyday so they invest in better design."
- "Yes, I am sure they can. But you could have purchased cheaper shoes or a cheaper suit or a cheaper car, but you choose to pay more. The reason you wouldn't be happy wearing a \$100 suit, is the same reason you wouldn't be happy living/working in a poorly designed space."
- "You get what you pay for."
- "I can do the design cheaper too, what would you like to cut out?"
- "The design fee is only around 10% of the overall project cost. Yet the right person can easily add 10% in value with great design or save you 10% on costs by smarter design or better relationships with suppliers of materials — a great designer pays you."

When YOU want to take control of a situation

- “Is it okay if I tell you what you NEED to hear rather than what you WANT to hear?”
“Okay, my job is to bring this project in on time and on budget, BUT the biggest risk to any project is usually the client. Delays, indecision, bad decisions ... so if I see you putting this project at risk at any time, do I have your permission to do my job?”
- “So if at any time in the future I ask you to turn around – then you’ll know what is coming – because you asked me to – and I’ll expect a thank you”
- When you buy me, you buy my process. Every project I do follows Steps 1-2-3-4-5 (*make sure to include your LCC*). You are welcome to skip any step, but just not with me, I like really well run projects, happy clients and projects that come in on time and on budget.



‘We will get three designs and choose the best architect from that’

- “No.”
- “Design is what I do for a job. Try telling 3 builders to build you houses and you’ll pay for the one you like best.”



‘I can get a cheaper designer’

This is a sequence of questions ... everything here hinges on question #4, but to get the right answer at #4, you need to warm them up. PLEASE READ THIS CAREFULLY ...

1. You say you can get a cheaper design from X, can I ask you a couple of questions about that?
‘YES’
2. How often will this space be used?
‘Daily’

3. (A. COMMERCIAL) This space is the home to your business and your business is your primary money making machine right?
 (B. RESIDENTIAL) This space houses your family and the space determines to some degree, the quality of their lives at home, right?
'YES'
4. Is there a space you can think of that makes you feel good every time you walk into it? Where is it? How does it make you feel?
[Their answer]
5. Okay, how important is design to you out of 10 for THIS space. 10 being vital, 0 not at all.
10. I guess!

BOOM. Done right, you have led them into the state of mind you want them in. If they value design, then they will now say that aloud. The prior questions lead them to giving you a higher value at question #5. I suggest 7/10+ means they are worth investing in further. If they say less than 7 then challenge them by saying.

'I don't work with anyone less than at least 7'

If they back down and change their score to 7 or above then continue, if they don't, then flex your 'NO' muscle.



When MONEY is being blamed as the reason for not moving ahead, but you are not 100% sure it's not just a brushoff

Isolate that either money IS the problem or find the REAL objection so you can deal to it. You can't hit what you cannot see.

Tie down #1

- “Finances aside , is there anything stopping you from being 100% certain and that now is the right time to move to the design stage?”

Sales trainer David Sandler has an excellent tool he calls “reversing” – ideal for when you want the truth, but you feel they are not being 100% honest. The fastest way to get your answer is to ask them a question in a way you know they will disagree and feel they need to set you straight immediately, by spilling the real answer.

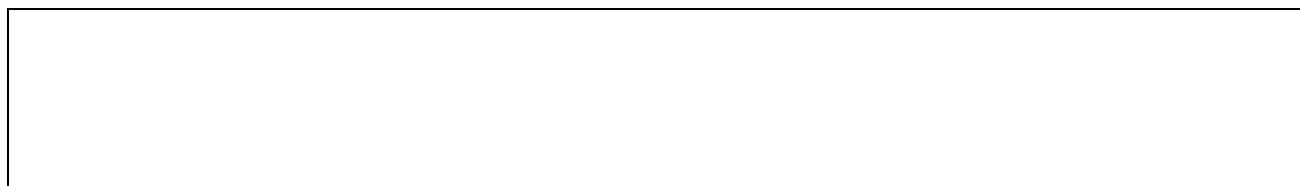
Tie down #2

- “So if I am hearing you correctly, finances aside, you are 100% ready to proceed?”



‘Can you give me some design ideas and we will hire the architect we like best?’

- “Try telling the lawyer just go ahead and formulate a legal strategy for my case and if I like it, I might hire you ...”



‘I’m not paying you to come to my site so you can give me a proposal’

- “I am happy to meet you for free at my office to get to know you and what your project might cover, but frankly I don’t even know if I am the best option for the project yet, so doing a proposal seems premature.”



'Your fees are expensive for just answering a few questions'

- "You are not paying for my two hours. You are paying for the 25 years it took for me to be able to answer your question in two hours."
- "*It's not the hours I bring to the table but the value I bring to those hours*" -Jim Rhone

Having quotes in your materials and website can be a good way to signal you won't work for low price shoppers.

"If you think it's expensive to hire a professional, wait until you hire an amateur."
Red Adair

"Some people know the price of everything and the value of nothing"
Oscar Wilde

"Price is what you pay, value is what you get"
Warren Buffet

'How much do you charge?' (When you don't know enough to give a fee)

How you handle this question determines the car you drive, the house you live in and the holidays you enjoy. You hate this question; without information - you have no chance of knowing the answer.

Here it comes ... "How Much Do You Charge?"

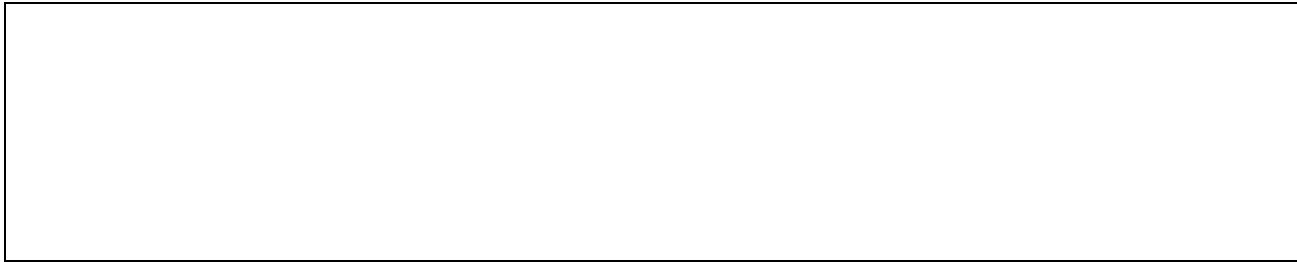
- "Until I have a better idea of what you want – and whether or not we can even help – any number I give you is going to be too high. Would it be okay if we spend a few minutes discussing why you called? Then, if we can help, I'll get you the pricing options

you need. And if we can't, I'll refer you to some other great resources that do things we don't. Fair enough?"

- "A lot. Why do you ask?"
- "A lot. If you are after the cheapest architect in town, then I am not your man/woman, but despite not being the cheapest, my office is very busy. Why do you think that is?" (Whatever they respond with you say "that's right.")
- "A lot. If you are after the cheapest architect in town, then I am not your architect, but I can put you in touch with some architects who are incredibly cheap. Boy, they do really cheap work. Let me know." ☺
- "I don't know yet because I don't know what we need to do."
- "I'll answer your question in a moment, but to give you a more accurate answer, may I ask you three questions first?" (Make sure you have three questions pre-loaded first.)
- "Well, the friends and family rate might apply, but we're not friends yet; do you mind if I ask you a few friendly questions that will help us answer your pricing question together?"
- "It's nine million dollars until I know what you really want. Can we spend a few minutes narrowing that down to help you lower the price?"
- "I have good news and I have bad news. The good news is that you don't have a \$500K project. The bad news is that you don't have a \$10K project, either ... if you can help me answer some key questions, we'll both know a lot more about what your investment might look like."
- "If you like the outcome and it increases in value, it's cheap. If it doesn't, it's expensive."
- "Let's talk about what you're trying to accomplish first and then we'll work out some pricing options based on that."
- "Do you want the Ferrari version, the Lexus version, or the VW Bug?"
- "A project like the one you're asking about ranges from \$X to \$Y. Sometimes a little more. Not usually less. Is that what you were expecting to invest?"
- "There's no good answer to that question in a vacuum. Can we talk a little more about what you're hoping we can do for you? Then I'll give you some pricing options that make sense for your budget."
- "A project of this scope only makes sense if it's already in your budget. Nobody wakes up one day and suddenly finds the money to solve these kinds of problems. If you can share the budget range you have set aside for this, I can tell you if it makes sense for us to talk any further."
- "I have a feeling that if I quote a random number right now, I'll be dead in the water. Do you mind if I ask you some questions to get a better idea of what your goals are? Then the numbers we talk about will be specific to you and your situation."
- "Just as you need to make an educated decision about which architect to hire, I need to give you an educated answer to your pricing question. Mind if we have a 10-minute

conversation about your situation? After that, I'll have a much better idea of what you're after and some different ways we can help."

- "Sounds like price is the most important factor to you. In my experience, everything is expensive until you want it. Can we talk about what you want and then work our way to the pricing options based on that?"
- "It's more than a cab ride to [local landmark, i.e. "the Empire State Building"] but less than [the landmark, i.e. "the building"]. If we can chat for 10 minutes about why you called, I can give you a much more specific answer. Do you have 10 minutes now or shall we look at our calendars?"



Final Thoughts

1. You know these objections and tough questions are coming, there is no excuse for being unprepared. Get serious about responding like a pro to KEY objections and questions like these.
2. Print this document out and read it daily for a week.
3. After a week, choose the responses you like best and read those daily for the rest of the month.
4. Feel free to adapt any script to your voice and personality, but don't tone it down until you become a complete wimp. Your job will be more successful when you depart from the role of humble servant and play the role of the tough love expert who cares deeply, but doesn't have time to be led along the garden path by an amateur.
5. Practice in the mirror until your favourite responses become second nature. You want to be 100% confident not only of the words, but also in how you deliver those words. I remember practicing my fees script for 20 minutes in a mirror one day and I can still recite it word for word 15 years later. It felt silly at the time, but this training transformed my fees overnight. I could roll out the one part that had made me tense like a supremely confident Brad Pitt.

6. Many people say, “I don’t like following scripts because they feel unnatural.” The problem to that objection is that movies are better when actors are following a script. International leaders and newsreaders are better when following a teleprompter. Actors rehearse their lines UNTIL they are perfect and compelling. Ad-lib is great fun for improv, but the most powerful, convincing characters are following a script.

7. I don’t believe in long structured scripts like a telemarketer might deploy. These examples are short phrases that you pull out when you need them.

Three things NOT to do:

1. Don’t deliver vague answers around fees. Have your fee structure mapped out clearly and on a table. They won’t necessarily know their fee yet (more investigation may be required) but they will see you have nothing to hide and create confidence in you.
2. Don’t be unprepared for any of the tough questions.
3. Don’t get defensive or go on a rant about how “all people care about these days is price, price, price.”

Some of the answers above are evergreen (timeless), some you can adapt to your own personality, and some you may want to keep in reserve until just the right moment with just the right prospect.

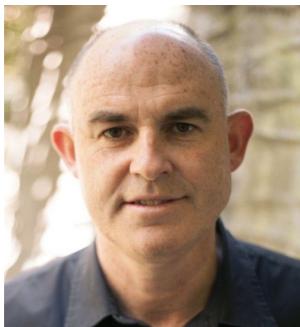
Story (Part 2)

A potential client is saying all the right things, but then out of the blue, asks a tough question about fees. This is your strong point, you love talking about money. The client has brought a figurative knife to a figurative gun fight. You feel calm, well trained and confident.

You take a deep breath, then you roll out a response that is worthy of an academy award.

The client stares into the distance and tries to forget he ever asked his silly question. The conversation continues, never returning to your fees. You get hired for a dream project at a fee you used to think was beyond your ability to charge. The client is happy.

Gathering winning responses to the big objections is a never ending exercise. You will need to rehearse your responses. Now you won't win any academy awards, but this document should be worth hundreds of thousands of dollars in extra fees to you.



Richard Petrie

PS: Fellow architects near you might be your competitors. The ones you'll meet in our private Architect Marketing Institute Facebook group are from across the U.S. and around the world. They can really have your back when it comes to making strategic decisions. Gather and get to Sunshine Island with Richard as your trusted guide. Join us on Facebook to watch the latest video on how to use your backstory to move up the power pyramid.

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