

How to handle rejection like a boss. Compound your no's.

We are all going to get rejections but we would like to introduce you to a method called compound rejection. This method is simple, but it does take consistency and hard work.

The idea is that every rejection is both:

#1 An opportunity to build more trust

#2 An opportunity to learn

You build trust by giving away free value. Especially if its the first time you have been rejected on something. We want you to think about your value stack a bit more and what you can give away that will help your target audience. This should give you some ideas!

You learn by taking every rejection and building this back into your proposal deck with a solution for the next one. After 10-20 rejections, you should have a pretty good idea of what the key rejections are and the pattern.

Here is a check list of things to do once you get a rejection.

Value offer ideas:

- Free Implementable Checklists
- Free Tools
- Free Assessments
- Free Events
- Free Books

Your product/service typically has a lot of your experience in it, so spending a few hours putting your brain to work with tools people can use instantly is great. Hard to build, easy to offer, the cost is low but the value is high.

Rejection Compounding

- Rejection analysed, i.e 'i don't have the money' - This is very vague but very common and probably because the gap wasn't figured out well enough. A proposal should always go with an emotional connection to a financial figure.
- Rejection built into proposal deck.

If its a financial rejection, look at how you can develop better payment terms, stronger guarantees and more. I highly recommend \$100M offers by Alex Hormozi for this topic.

- **Take their rejection, build a better offer and go back to them. All offer changes should be seen as marketing spend. Therefore if you are charging \$5000 per month but offer a chance to start with delayed payment, deferred payment, discounts or more then you need to make sure that this is calculated properly into your LTV/CAC**

I.e If a customer costs \$1000 in ad spend to generate \$50,000 in lifetime gross profit, this LTV to CAC is $\$50,000/1000$ or 50:1. This is v good, we should be aiming for 3x and if you can buy customers by swallowing up delivery spend then do it. Most high ticket services actually have a high LTV to CAC ratio, but we are so afraid to give away perceived value to us due to ego it can be a loss. If you know someone will be with you for 12 months, and it costs \$2000 to generate one months results that you are giving away for free to the customer, then this cost goes into your acquisition.

To put it clearly, the CAC would now be our $\$1000 + \2000 delivery costs or \$3000 total. The LTV to CAC, assuming they are still with us for 12 months inclusive of the 1st month free would be $\$45,000 / \3000 or 15:1. This is still awesome, so don't be afraid to use it.

Using the cost of offering bigger and better closing deals is so important to high ticket sales. People want to feel like they are getting a deal and you need to let them know you are swallowing the cost of this. This can be built in as bonuses and add ons (ideally leveraged or not delivered by you) or in the form of rejection offers if someone rejects your core pricing.

There are many more examples of this available but we can't go through them all here. So get your rejections and send them to joshbardsley@avalanche-enterprise.com for a fresh idea on how to handle it.