

EPISODE 1277

IB: *To me, the simplest thing to do is you build your retirement savings into your pricing. So you're going to have 20% profit, let's say, and 20%, whatever the percentage is, for retirement, and you just make sure that you're covering yourself in your pricing."*

[INTRODUCTION]

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FT: Welcome back to So Money, everybody. I'm Farnoosh Torabi. Our show today is for all my creative professionals in the audience. If you are a self-described creative, we're going to help you learn how to make more money, how to price for your goods and your services. My guest is the ultimate expert on this, Ilise Benun. She is the Founder of Marketing-mentor.com, which is the go-to online resource for creative professionals who want better projects with bigger budgets. She offers business coaching to small groups, as well as one-on-one. She's a national speaker and author of several books, including *The Creative Professional's Guide to Money*.

In our conversation, we talk about how to build the financial structure for your creative business from the ground up, how to set up and achieve long-term financial goals like retirement. Big mistakes that small business owners and creatives make and how to avoid them and how to charge more for your work, a distinction between what you're worth and your value. I thought this was really insightful. Here's Ilise Benun.

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FT: Ilise Benun, welcome to So Money. It's a pleasure to have you on the show.

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IB: It's awesome to be here. Thank you.

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FT: We were just saying before we were live, that it's an embarrassment of my end how long it's taken me to have you on the show, knowing how so needed your advice is. I will tell you that people do write in. I feel like when one person writes something, it's probably echoing 10 or 20 or 1,000 people's opinions. It's a common thing, and this is listeners. They'll say, "I want to learn how to manage money but I am a creative. I am an artist. How do I price my goods and services? Or how do I create structure so that I don't fall into this perpetual like paycheck-to-paycheck trap, feast or famine?"

I think that this is so needed, especially now, this advice, as so many of us are transitioning out of the workplace into new adventures. A lot of us may be finally wanting to claim that creative life, that creative profession. All this to say, we're so honored to have you and to share your advice. Maybe we should start, though, Ilise, by understanding how you understand creatives. Who are these people? When you're talking to a room, and I know you are a multinational speaker and you've written seven books, who's your audience? Who are the creatives that we are talking about?

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IB: Yeah. So I like to let creatives self-define, number one. But in general, they are people marketing creative services and not fine artists because selling and marketing fine art is something totally different. But when it comes to commercial services, often B2B, business to business, but sometimes B2C as well, people like designers, web designers, graphic designers, all sorts of designers, any kind of designer truthfully, and copywriters, and all sorts of writers, although not novelists, that falls into the fine art world in my mind. But also, actually more and more coaches and consultants and people essentially marketing services that they feel are creative and where they bring their creativity to their client and their process. So that's why I say if you feel creative, then I can help you.

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FT: All right. Now, I've done a few episodes on this, touching on this, and it seems like a recurring theme, as far as what some of the financial blocks are for this population, is that we

often correlate this idea of artistry to like the starving artist, right? I mean, forget the fact that the education is just not there for everybody but particularly artists, but there is this. I don't know.

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IB: It's a myth.

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FT: It's a myth, right. It's wrong. I want to like put an end to it, but it seems like it's still an ongoing thought process.

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IB: Absolutely. So I see it as a myth, and the myth is I don't do numbers. I'm not good with numbers. I can't handle. Then there's this like slimy aspect of selling also and where money almost taints any kind of creative process. People really have these internal struggles about what they will allow themselves to do and how it feels to do it. So what I try to teach is how to get good at the money conversation, especially, and bring your creativity to the money conversation. So I try to remove that barrier that people put. It's self-inflicted. It's self-imposed like, "I can do this but I can't do that." No. I think if you learn, you could probably learn to do it and learn to do it well and with creativity.

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FT: Can you give us a quick and dirty on that? I think that's so important and I'm sure everyone listening is like, "That's the part." I mean, because it's also the first step. You can't do anything else until you get over this block.

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IB: Right. By quick and dirty, you mean like how do you get over that block?

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FT: Yeah. What are the affirmations? Or what is the thing that I'm writing down, and what am I reminding myself?

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IB: Actually, you know what? It's not about that at all. It's about practicing and experimenting and making mistakes and losing money for a while until you can't handle losing money anymore. You're going to, "You know what? I'm going to ask for more. I'm going to double it this time. I'm not going to give the lowest number because that's all I feel confident enough to give. I'm going to go high and then I'm going to see what happens. And if I lose it, then that's my expensive lesson. But next time, I will learn how to do it better."

I think that's the part also people are looking for, the affirmations and the thing to say to themselves. That's not my strategy at all. I'm like just try something. We don't know if it's right. There's no right way to do this, but you have to find your own way.

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FT: At the same time, though, is there a way to measure your worth against other peers? I mean, it's much simpler if you work at a company. You can go to salary.com and understand what others in there in your similar profession are earning. But what if you're an artist? What is a shorthand for figuring this out so that you don't have to lose a lot of money first to land at that number?

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IB: Right. I'm not even suggesting you have to lose money first. But that is often what happens because people start too low because they're afraid. But, number one, I don't think it's possible to measure worth. I make a distinction between worth and value, right? Worth is intrinsic, and it's totally subjective. Value is also subjective, but it depends on the prospect. So the value to one person or one company versus the other is totally different. So even if there were a going

rate for a website to be designed, for example, which there's not, right? Some people charge \$500. Sometimes, some people charge 500,000. Those are two different websites, obviously. But I think that you have to gauge the value in each money conversation before you put any numbers on the table to see what each prospect values. Then you present numbers so that you can figure out, well, what can they afford and what is it worth to you.

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FT: Yes. Oh, this is brilliant, the distinction between worth and value. It not only takes the pressure off of yourself to go through that, what am I worth. Self-worth is net worth. Then that whole mess. But value, putting yourself in the position of the buyer or the client and understanding what they're extracting from this service and how this is going to be meaningful to them. It's going to ultimately be a more compelling convincing case when you present it in that way, when you frame it that way to the client, as opposed to, "Well, this is what I'm worth. This is how my services are going to help you with X, Y, and Z."

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IB: Do whatever you're trying to do, and that's what we need to figure out together. Then I will give you a price that meets that value basically.

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FT: So what I'm understanding then is that a lot of this exercise and pricing strategy is, yes about what you're bringing to the table. But you really have to understand the client and what they're hoping to achieve. It's a reach. You have to embody that mindset of that client, and every client is going to be different. So this is perhaps the work that gets overlooked often.

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IB: Yeah. When you say embody the mindset of the client, I mean, you have to ask them the questions about what they value.

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FT: Right. Don't imagine what they want. Ask them.

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IB: Don't imagine, right? That's the money conversation. You ask them, "Well, what are you making your decision on? Are you more concerned about turning this around quickly, which a lot of people are these days, and less concerned about quality? Or do you want to take the time it's going to take for me to do the best possible job I can? And that may cost a little more, but it will be better than this not quite as high quality that I can do for tomorrow."

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FT: Let's talk also about structure, Ilise, because this is also a very counter to what a lot of people in the traditional workplace experience, which is that they get paid every two weeks or every month. There's a cadence and there's an expectation, and so you can work around that. That's very important. With the creative space, with the artist space, it's not so defined. In fact, it could be months before you get paid, or it just depends. So how do you build a business around something that is so unpredictable, which is cash flow?

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IB: You have to control your cash flow, number one, and that means you have to have terms and policies as any business would that says, "Well, to begin this project, I need 50% upfront," or, "I need 30%," whatever the number is that you negotiate with the client or the prospect that they can live with to. Then you also have to know I need X type of project at X dollars every month to earn my not and over and above that to make a profit. Then you have to build your marketing and your pipeline in such a way that you know that if you put out five proposals, you're going to get two or three of them. I hope you don't get all of them because that means your prices are too low, right? But you're going to get two or three of them. That means you have to have X number of prospects in your pipeline who are going to convert to the proposal process, who are going to convert to the client process. That's the foundation of the business.

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FT: You've been doing this for many, many years, Ilise. I have to wonder, did you learn this the hard way? Did you fall into these traps yourself? What's the backstory?

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IB: Yeah. So I've been self-employed for almost 34 years now. The story is I was fired from my second job out of college and decided I was never working for anyone again. I just realized I was unemployable and that I would have to figure it out. I studied Spanish and French in college. Actually, I do feel like I'm using my language skills as I help artists and creative people translate their own work and value into a language that their clients and prospects can understand because often clients speak a different language than the creatives do. That's part of the problem.

Anyways, I have learned the hard way, yes. But both making the mistakes for myself but also because I coach so many people, I get to learn from all of their experiences too. Then I disseminate that information in my writing and podcast and all the publications.

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FT: So three decades of coaching and working in this space, what have creatives improved upon as technology advances? Some of these problems can just go away. You can outsource bookkeeping, you can outsource accounting, and you can even hire a financial officer or planner. But at the same time, maybe there are some problems that have endured, regardless of the generation and era that we're in. Good news, bad news, tell us what you're seeing that's improving and why. Then what still needs areas for improvement?

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IB: When I started, there was no Internet. It was 1988. There was no World Wide Web, and the prevailing attitude was my work should speak for itself, and people will find me. That way, I don't

have to promote myself, and people will find me, and they'll want me, and I won't have to do anything. That is not the case anymore. With the World Wide Web, the competition is, as they say, a click away. So there's much more competition, and therefore your work does not speak for itself, and people are not just automatically finding you.

So I think creatives have grasped that and gotten better at promoting themselves and at least understanding that I'm going to have to do something. I have a pet peeve about the phrase word of mouth. When I ask people how they market themselves, they say word of mouth like, "Sorry, that's not a marketing tool, right?" That's something that happens to you. It's very passive and it's kind of like taking whatever comes along. It's a euphemism for whatever comes along. So I think people realize that they really do have to take some action.

The problem then is that there are too many possible actions to take, and it's overwhelming. Should I do a podcast? Should I have an email newsletter? Should I do strategic networking? What should I do? So my challenge over the years is just to simplify it into a structure that people can adapt to their own comfort zone, basically, and their own style and creativity, and take what they need to do to build the business that they want that will take care of them.

Our mutual friend, Terri Trespicio, and I often talk about this idea. If you take care of your business, your business will literally take care of you. That is such a beautiful idea that we can have control over it, especially as women.

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FT: Yes. Terri's episode, *Unfollow Your Passion*, aired just recently. Her book is coming out in December. She's the one who connected us, so shout out to Terri. You mentioned that there are so many pathways for marketing. I can't agree more with that and I find it even overwhelming, somebody who does feel like she has a handle on things most days. How do you identify your boundaries? I mean, this is actually where I thrive, I think, is like saying no to things. No, I won't do TikTok. No, I won't do a course. Not to say that I haven't experimented with those things but I have found that, very quickly, this is not for me. I have had the confidence to move on from that and maybe focus on, obviously, the podcast and other things. But what is the way, the method to sort of narrow it down for yourself?

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IB: Absolutely. I mean, I can outline the three most effective marketing tools for creative professionals, and it's no secret, and anyone can do them. It's just that part of the problem is knowing it isn't enough. You have to also figure out how to apply it to yourself. But I agree with you, first of all, that saying no to everything else and starting really simple and really small, just even with one of them first, and then adding the next and the next.

So the three tools are strategic networking, targeted outreach, and high-quality content marketing, and I'll define each one. Strategic networking is not just any old networking going to any old Chamber of Commerce meeting and doing a business card exchange. It's knowing exactly who you're looking for and where to find them. So that means you kind of have to have a niche or two or three, and know who your best prospects are. Those are the people you are most competent and confident to serve. That's your market.

So strategic networking is going where they go in a big room together, because I know we're going to soon be in big rooms together again, and having an opportunity to ask all sorts of questions, and hand out your business card, and collect business cards, and learn everything you need to know about those people. So that's strategic networking.

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FT: I love that. Kind of just give an example of how this has worked for me. I'm like a living, breathing example of this. So I used to run a workshop for authors to be. It wasn't necessarily for women. But I found over the years that it was like mostly women entrepreneurs who are making high six figures, seven figures, who would be willing to make this investment in my workshop to learn about the behind-the-scenes of major book publishing, meeting agents and so on. Boy, did I strategic market that. I learned that my friend, Ali Brown, has this –

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IB: I remember Ali.

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FT: Yeah. She has a high net worth event every year in Phoenix, attracting women who make seven figures. She invited me. She's like, "Just pay for your ticket down to Phoenix. And you'll be my special guest." It was an investment for me, hotel and the plane. But I was like, even if I get one person to sign up for my workshop or two, this will be time well spent. I got about 50% of my workshop attendees from this work, from her workshop. So I just had to believe and I was like, "I'm not coming home until I have some names," and took follow-ups. But it was a really great time to – I got to spend time with these women and really explained the value of the workshop. So I followed your advice.

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IB: Absolutely. Because it's all about relationships, marketing is all about relationships, and building relationships over time is how the work comes and evolves. People are just in way too much of a hurry these days, and they want it immediately. So if they go to an event and they don't walk away with a client or two, they're like, "That didn't work." I'm sorry. That's not how it works.

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FT: Okay, step number two.

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IB: So the second tool is targeted outreach. It used to be called cold calling, sometimes called warm calling. It is literally identifying your best prospects, doing your homework. Here's why I want to work with you. You reach out to them in a super-customized, hyper-personalized way to let them know why you've chosen them and how you can help them. Once is not enough, so you have to reach out a couple times and be liking and sharing their content on LinkedIn and other social platforms. Little by little, you get a little bit of their mental real estate, basically.

That's what we're looking for, until their moment of need comes along, and then they already trust you because you've been in touch with them over time.

In that moment of need, they're like, "Oh, I know who we need to talk to." Or, "I have an email newsletter from that person, I'm not exactly sure why, in my inbox. I think I'm going to find it." So that's how targeted outreach works, and some of the people you meet in the strategic networking are also, a little overlap there, the people that you reach out to.

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FT: That is great. Yeah, you have to – But also where you spend time is important, right? You can't be in all the places. So maybe it's LinkedIn versus Facebook.

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IB: It should be LinkedIn.

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FT: Even for creatives. I would think maybe Instagram or –

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IB: No. Because their prospects are business people, marketers.

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FT: Right. B2B. That's true. That's true. Good point. All right. And last, bring us home.

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IB: Okay, so the high-quality. I sometimes like to call it bat signal pain point content marketing, right? So I mentioned an email newsletter. That's a piece of content marketing. That's the way

you stay in touch over time with the people you met during your strategic networking and your targeted outreach, even if they never responded to you. You said, "All right, I'm sure you're busy. But I'm going to add you to my email newsletter list, and you're going to get these tips from me on a regular basis."

Then what's in the tips is high-quality pain point content, which it's not about what you know. It's about what you know they're struggling with. That's why they care because it's about them, and it's for them. Again, that makes them say this is exactly who we need.

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FT: Yeah. Sometimes, spending time on those social platforms gives you the language that your constituents are using. So you literally play back their own words and –

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TB: Regurgitate.

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FT: Yeah, you regurgitate. I learned that as well.

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IB: Absolutely. Then the thing that's funny about content marketing, people wrack their brains like, "Oh, my god. What am I going to write about?" Stop that. Open your ears, listen, and then just regurgitate what they're talking about and give them an idea or two.

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FT: Yes. Read comments. Very, very helpful. It's sometimes the low-hanging fruit. I tell this to authors all the time. What should I write about? Well, obviously, you got to narrow it down. But sometimes, the narrowing down process is going into the review section on Amazon and

reading the reviews of competing books or books that you want to emulate and seeing what did people not like about this book, or what was missing for them. That can be a place for you to fill that gap.

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IB: That's the white space out there in the market. Yes.

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FT: Before you go, though, I would like to talk about long-term strategic planning for creatives. So we know you've been very helpful in kind of walking us through the now, and how to sort of set up, and get on a flow, and own your value. But what about things like retirement, and 5 years from now, 10 years from now, being adaptable to change, right? We saw many creatives in the pandemic. Some thrived and some went out of business. So preparing for the future financially and structurally, what's your advice?

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IB: Well, to me, the simplest thing to do is you build your retirement savings into your pricing. So you're going to have 20% profit, let's say, and 20%, whatever the percentage is, for retirement. You just make sure that you're covering yourself in your pricing. Then you just put it away, put it away every single month, and it will grow. That's what happened to me.

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FT: Just be deliberate. Don't tell the client what that's for. That's a line item that's between you and yourself.

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IB: It's none of their business. Yeah, exactly.

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FT: Brilliant. Thank you so much. Ilise Benun, so helpful. You have so many books, so much content. You have a podcast. Tell us where we can find you.

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IB: Everything is at marketing-mentor.com.

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FT: Don't forget that dash. [Marketing-mentor.com](https://marketing-mentor.com). We'll also have that link on our website. Ilise, thank you so much. Great advice as we try to end the 2021 year on a positive note and start the next year with momentum. Thank you.

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IB: My pleasure, Farnoosh.

[END OF INTERVIEW]

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FT: Thanks so much to Ilise for joining us. Her book, she's got many of them, but I think the one that will be most applicable to our audience, *The Creative Professional's Guide to Money*. You can learn more about her work at marketing-mentor.com. If you go to the So Money podcast website, we have a special link. It's a little bit of a long link, so I'm not going to say it here. But go to the site. We've got a special link for Ilise's simplest marketing plan, where she goes deep into the three most effective marketing tools for creative professionals. She teased a lot of that on the episode, but the full explanation on our website. Get the link for the simplest marketing plan.

Not too late, by the way, to send in your questions for our Friday episode of Ask Farnoosh. You can direct message me on Instagram. You can email me, farnoosh@somoneypodcast.com or go to the website, somoneypodcast.com, and click on Ask Farnoosh. See you back here on Friday, and I hope your day is So Money.

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