Free Trials

[watch full video here]
Key takeaways

- Use a "trial with penalty" (internally called trial with penalty): customers get the product/service for free so long as they meet your terms; they only pay if they don't meet the terms.
- Trial with penalty is functionally the same as a "win your money back" (attraction) offer but flips when and how payment happens — use avoiding fees (penalties) as the incentive rather than returning money.
- Charge a card and bill later; associate fees with non-consumption and not showing up to sales consultations.
- Tie trial terms to actions that produce results and make customers ideal buyers for the next offer (e.g., attend calls, post progress, do homework, show up to sales consults, advertise your business). The transcript lists three explicitly and notes there are four in the original win-your-money-back structure: advertise your business; show up for sales consults; do things that get results; (the speaker could not remember the fourth).
- Use the trial as a downsell after someone refuses to pay, though it can also be used as a front-end advertised offer (author prefers presenting it after a no).
- Convincing customers to put skin in the game increases follow-through and likelihood of purchasing the next offer; compliant people are far more likely to buy later.
- Structure fees so total potential penalties can equal the same amount you would have charged in a win-your-money-back offer; weight individual fees by importance to results (e.g., higher fees for sales consults).
- Practical tactics in selling the trial: present it last, ask for ID to get the card (in-person/Zoom trick), fill out the contract for them to ensure correct completion and create rapport.
- Example results: using the trial as a downsell can materially increase conversions (example: normally close 3/10 on attraction offer, downsell 4 more to trial with penalty, later upsell 3 of them -> increase from 3 to 6 sales).

Checklist

1. Define trial type: Trial with penalty
    - Offer the product/service for free conditional on meeting specific terms; collect a card and plan to bill only if terms are not met.
    - Why: Creates skin in the game and uses avoidance of fees to drive adherence; functionally mirrors win-your-money-back but incentivizes compliance rather than refunding paid money.
2. Specify compliance actions (activation activities)

- List the concrete actions customers must complete to avoid penalties (examples given: attend consultation calls, post progress in group, journal daily in app, attend feedback/transformation sessions, send outbound messages, report stats, attend graduation call, complete homework before sessions).
- Why: These are the behaviors that produce results; tying the trial to these actions increases the chance customers get results and subsequently buy the next offer.

3. Associate fees to non-compliance and non-consumption
    - Decide which failures trigger fees (missing homework, not showing up to sessions, not attending sales consultations, not posting required updates), and set per-item penalty amounts.
    - Why: Fees create a cost to not doing the work; non-consumption penalties protect your business and motivate attendance and completion.
4. Set total fee target equal to your win-your-money-back amount
    - Calculate total potential penalties to match what you would have charged in a comparable paid guarantee (e.g., if WYMBO = $500 across 10 items, set $50 per missed item).
    - Why: Keeps economics consistent with previous offers and preserves LTV while still offering a "free if compliant" experience.
5. Weight penalties by importance
    - Assign higher penalty amounts to the most important actions (e.g., sales consultations $100–$150) and lower amounts to less critical actions ($25, $50 etc.).
    - Why: Prioritizes behavior that most strongly predicts results and next-offer purchases.
6. Choose positioning: downsell vs front-end
    - Prefer presenting the trial after a prospect refuses your initial paid offer (downsell), but you may advertise it as a front-end if desired (as the HR company did).
    - Why: As a downsell, it recovers prospects who would otherwise not buy; as a front-end it can be a customer-acquisition path — pick based on your funnel strategy.
7. Sales script & objection handling
    - Offer the trial last after refusal with a direct script: explain free start conditional on compliance, request ID/card to get the process started; use logic when prospects resist commitment by linking actions to outcomes (“If you want the outcome, you must do this stuff”).
    - Why: Clear script reduces friction; framing the trial as the easiest free path for those willing to do the work removes the “I won’t pay” objection and emphasizes outcome orientation.
8. Card-collection and onboarding ritual
    - Ask for ID (in-person/Zoom have the prospect take wallet out or hold card to camera) to obtain payment details; fill out the contract for them during onboarding to ensure accuracy and build rapport.

  - Why: Secures payment method so penalties can be charged later, prevents “I forgot my card” stall, and creates a smoother onboarding experience that increases follow-through.
9. Monitor compliance and charge fees
   - Track each required activity over the trial period; charge fees for unmet items at agreed intervals or at trial end.
   - Why: Enforces the incentive structure and converts non-compliant prospects into paying customers while rewarding compliant prospects with a true free trial.
10. Use trial to prime for upsell

- Make certain activities explicitly include attendance at upsell opportunities (feedback sessions, graduation calls, transformation sessions) so compliant users are exposed to next-offer pitches.
- Why: Compliant users experience results and are present at upsell moments, increasing the probability of conversion to the main/next offer.

11. Design specific compliance packages by use case

- Tailor required tasks and penalty amounts to the product type (B2C habit program vs B2B client-acquisition challenge vs therapy).
- Why: Different businesses need different behaviors to produce results; customization ensures the trial drives the right activities.

12. Prepare for edge objections (people saying they won’t commit)

- Use outcome-focused logic: ask if they want the outcome; if yes, explain the required actions are necessary and the trial is the way to get service for free if they follow through.
- Why: Re-frames the conversation around results and commitment rather than price alone, increasing adherence.

Examples:

- HR platform rebate example: charged $500 and rebated if customer attended 2–3 onboarding trainings; result: customer learned platform and remained for years.
- B2C "28-day kick that habit blueprint" example requirements:
  - Attend all consult calls
  - Post progress in group once a week
  - Journal daily in the app
  - Attend feedback/transformation sessions (upsell opportunities)
- B2B "5-day get your first five clients challenge" example requirements:
  - Send 100 outbound messages per day
  - Report stats on outbound messages
  - Attend daily training

    - Post in group daily once homework done
    - Attend graduation call (upsell opportunity)
- Therapy example (28-day breakthrough therapy trial plus penalty):
    - Do homework before each session and show up
    - Charge a $50 non-compliance fee for missed homework or sessions
    - Option to set penalties per missed item so total can equal a comparable WYMBO price
- Conversion arithmetic example:
    - If you normally close 3/10 on attraction offer, and you downsell 4 to trial-with-penalty and later upsell 3 of them, you go from 3 customers to 6 customers (doubling).

Notes:

- Present the trial after someone says no to paying as a preferred downsell, but you can advertise it as a front-end if desired; internally call it a "trial with penalty."