

The Markdown Setup Guide

Cut your Claude PDF token bill in half with Microsoft's free markdown converter

01

Why Your PDF Bill Doubles

When you upload a PDF, Claude converts every page into an image and extracts the text on top of that, and you pay tokens for both. Anthropic's docs put the text alone at 1,500 to 3,000 tokens per page, with the image cost stacked on top. A 20-page contract burns around 60,000 tokens before you ask a single question, and every follow-up message re-reads that whole context.

QUICK TIPS

- The image half of the bill only earns its keep on charts, forms, and scanned pages
- Bloated uploads also fill your context window faster, which degrades answer quality

02

Install Markdown in One Command

Markdown is Microsoft's free, MIT-licensed converter with over 173,000 stars on GitHub. One pip command installs it with support for every file type.

PASTE THIS

```
pip install 'markdown[all]'
```

QUICK TIPS

- The [all] extra adds PDF, Word, Excel, and PowerPoint support in one go
- No Python knowledge needed, it runs as a plain terminal command

03

Convert Any File to Clean Markdown

Point Markitdown at a document and it returns structured markdown: headings stay headings, tables stay tables, and the page images disappear.

PASTE THIS

```
markitdown contract.pdf > contract.md
```

QUICK TIPS

- Works on Word docs and Excel sheets the same way: markitdown report.docx > report.md
- Give Claude the .md file instead of the original and the double billing is gone

04

Wire It Into Claude Code

Add one rule to your project's CLAUDE.md and Claude Code converts documents automatically before reading them, so you never think about it again.

PASTE THIS INTO CLAUDE.MD

```
Before reading any PDF, Word, or Excel file, convert it first with markitdown <file> >  
<file>.md and read the markdown output instead of the original document.
```

QUICK TIPS

- Microsoft also ships an MCP server, markitdown-mcp, if you prefer direct integration

05

Know When to Send the Raw File

Markdown extracts text, so keep uploading the original PDF when the visuals carry the meaning. That covers scanned documents with no text layer, forms where field positions matter, and reports where you want Claude reading the charts. For contracts, articles, notes, and data, markdown wins every time.

QUICK TIPS

- Quick test: if you'd happily read it in a plain text editor, convert it first

Ready to go deeper?

This playbook is the short version. Inside the hub you get the full build walkthroughs, the prompt library, and the systems I use to ship this in a weekend.

Join the Build →

<https://hub.digicuratoragency.com/join>